

NOTICE OF MEETING


Notice is hereby given that a meeting of the Audit Committee will be held via

Electronic means in a virtual waiting room

The meeting will be live streamed via a link on our website:

<https://www.holdfast.sa.gov.au/council/council-meetings>

Monday 25 May 2020 at 6.30pm



Roberto Bria

CHIEF EXECUTIVE OFFICER

Audit Committee Agenda

1. OPENING

The Presiding Member, Councillor Smedley will declare the meeting open at 6.30 pm.

2. APOLOGIES

2.1 Apologies received

2.2 Absent

3. DECLARATION OF INTEREST

If a Member has an interest (within the terms of the Local Government Act 1999) in a matter before the Committee they are asked to disclose the interest to the Committee and provide full and accurate details of the relevant interest. Members are reminded to declare their interest before each item.

4. CONFIRMATION OF MINUTES

Motion

That the minutes of the Audit Committee held on 6 May 2020 be taken as read and confirmed.

Moved _____, Seconded _____

Carried/lost

5. PRESENTATION

6. ACTION ITEMS

6.1 Action Item List - 25 May 2020

7. REPORTS BY OFFICERS

7.1 Standing Items (Report No: 137/20)

7.2 Draft Annual Business Plan and Budget Update (Report No: 138/20)

7.3 Draft Financial Hardship Policy and Procedure (Report No: 139/20)

7.4 Prudential Review Policy and Procedure (Report No: 140/20)

8. URGENT BUSINESS – Subject to the Leave of the Meeting

9. CONFIDENTIAL ITEMS

10. DATE AND TIME OF NEXT MEETING

The next meeting of the Audit Committee will be held on Wednesday 22 July 2020 at the Brighton Civic Centre, 24 Jetty Rd Brighton in the Kingston Room at 6.00pm.

11. CLOSURE



ROBERTO BRIA
CHIEF EXECUTIVE OFFICER



**AUDIT COMMITTEE
ACTION ITEMS
As at 25 May 2020**

Meeting	Agenda Item	Action Required	Responsibility	Estimated Completion Date	Current Status
17 October 2018	6.4 Brighton Oval Redevelopment Review	Review Council report template to include a section on risk implications.	GM Strategy & Business Services	April 2020	A new system to manage meetings and agendas is being implemented. The templates will be reviewed as part of the implementation. In the interim any reports to Council that involve major risks will be documented in the report.
17 October 2018	6.4 Brighton Oval Redevelopment Review	Some guidance to be included in the Prudential Management Policy on when in the project lifecycle that a prudential management report is undertaken. This also to be included in the Project Management training	GM Strategy & Business Services	April 2020	To be tabled at Audit Committee 25 May 2020.
17 October 2018	6.4 Brighton Oval Redevelopment Review	Council's Prudential Management Policy will be reviewed and if necessary amended to clarify the forms of recommendations the Prudential Report and any covering paper must make to Council - for example unqualified, or qualified.	GM Strategy & Business Services	April 2020	To be tabled at Audit Committee on 25 May 2020.
8 April 2019	6.2 Draft 2019-20 Annual Business Plan	That a Long Term Financial Plan for Alwyndor be brought back to the Committee	GM Alywndor	April 2020	To be tabled at Audit Committee on 22 July 2020.



**AUDIT COMMITTEE
ACTION ITEMS
As at 25 May 2020**

Meeting	Agenda Item	Action Required	Responsibility	Estimated Completion Date	Current Status
19 June 2019	6.1 Standing Items	Review of Financial Policies and Procedures (Action from the Control Track Assessment)	Manager, Finance	September 2020	Will be part of the Control Track Assessment. Galpins to review existing financial policies and procedures
19 June 2019	6.1 Standing Items	Disaster Recovery Plan, including IT Function, to be reviewed and brought back to the Committee (Action from the Control Track Assessment)	GM Strategy & Business Services	May 2020	Workshops were held in March 2020 as part of the Business Continuity Plan. Update tabled at Audit Committee 25 May 2020.
19 June 2019	6.1 Standing Items	Schedule quarterly stocktake of inventory items (Action from the Control Track Assessment)	Manager, Finance	June 2020	Working with Manager, Field Services to implement process for stocktake. Galpins to review frequency as part of the Internal Audit Plan.
8 April 2019	7.1 External Auditor Appointment	External Audit Services be put to tender and an external auditor appointed prior to the commencement of work required for the 2020/21 financial year	Manager, Finance	September 2020	Report to Audit in April on appointment of external auditor

Item No: **7.1**

Subject: **STANDING ITEMS – 25 MAY 2020**

Date: 25 May 2020

Written By: Manager Financial Services

General Manager: Strategy and Business Services, Ms P Jackson

SUMMARY

The Audit Committee is provided with a report on standing items at each ordinary meeting.

RECOMMENDATION

That the Audit Committee advises Council it has received and considered a Standing Items Report addressing:

- **Monthly financial statements**
 - **Risk Management and Internal control**
 - **Audit – External/Internal**
 - **Public Interest Disclosures – previously Whistle-Blowing**
 - **Economy and efficiency audits**
 - **Audit Committee Meeting Schedule**
 - **Business Continuity Planning - Update**
-

COMMUNITY PLAN

Culture: Enabling high performance
Culture: Being financially accountable
Culture: Supporting excellent, efficient operations

COUNCIL POLICY

Not applicable

STATUTORY PROVISIONS

Local Government Act 1999, Sections 41 and 126
Public Interest Disclosure Act 2018

BACKGROUND

The Audit Committee has previously resolved that a report be included in the agenda of each meeting of the Committee addressing the following standing items:

- Monthly financial statements
- Risk management and Internal Controls
- Audit – External/Internal
- Public Interest Disclosures – previously Whistle-Blowing
- Economy and efficiency audits

Also included in this Standing Items report is an item to formally advise the Committee of the outcomes of its recommendations and advice to Council. This is aimed at 'closing the communication loop' between the Committee and Council.

REPORT

Monthly Financial Reports

Members of the Committee receive copies of the monthly financial reports as soon as practical after they are provided to Council.

Financial reports for Municipal and Alwyndor operations for the months ended 30 April 2020 will be considered by Council at its meeting on 26 May 2020. Members of the Committee will receive a copy of this report as soon as practical after this date.

Risk Management

Council Administration is currently undertaking a review of the Strategic Risk Register in light of the COVID-19 pandemic. The outcome of the review will be brought back to a future meeting.

Internal Controls

Administration is not aware of any material changes to Council's internal controls not otherwise disclosed since the previous Standing Items report on 5 February 2020.

Council uses ControlTrack software product for its internal control assessment and review. It is based on the Better Practice Model for internal controls endorsed by the South Australian Local Government Financial Management Group.

Internal controls have been reduced based on the program recommended by Galpins. The controls are being assessed and reviewed by managers during May and June 2020. A report on the outcomes will be presented to audit committee as soon as practical. It is expected that Council's external auditor will review the assessments and outcomes as part of the 2019-20 transaction audit.

External Audit

The term of Council's external auditor will be completed when the 2019/20 financial year audit is finalised and is expected to be during October 2020. The committee has previously resolved that external audit services be put to tender prior to the commencement of the work required for the 2020/21 financial year (Report 137/19). This work is expected to commence in early 2021.

Committee members have received information about and provided feedback on the select tender process and specification for the service during April. The closing date for submissions was 18 May 2020.

The tender review panel includes the Presiding Member, General Manager, Strategy and Business, Manager Financial Services, General Manager Alwyndor, and Manager Finance – Alwyndor and they are currently assessing the submissions. A report will be prepared for the next audit committee meeting in July providing a summary of responses and potential short list for interviewing by the committee.

Council's auditor BDO commenced the interim transaction audit in May 2020 and the 2020 Annual Audit Plan for Alwyndor and Municipal activities is presented as attached. The lead audit partner Andrew Tickle will attend the committee meeting to answer any questions in regard to the Annual Audit Plan.

Refer Attachment 1a/b

BDO have also supplied their engagement letters covering financial and internal controls. The letters are attached for the Committees noting and information.

Refer Attachment 2a/b

Internal Audit

As part of the Internal audit program Galpins undertook an internal financial control monitoring program during April 2020. The methodology and outcomes of this review was considered by the committee at the meeting on 6 May 2020. Additional explanatory information was requested on a number of controls which have been excluded. Galpin's have responded with the information as attached.

Refer Attachment 3

Public Interest Disclosures

On 1 July 2019 the *Public Interest Disclosure Act 2018* came into effect replacing the *Whistleblowers Protection Act 1993*. The new laws strengthen transparency and accountability across government by establishing a scheme that encourages and facilitates the appropriate disclosure of public interest information to certain persons or authorities. Council has endorsed the Public Interest Disclosure Policy aligned to the model policy provided by the Local Government Association.

There have been no public interest disclosures made to Council since the previous standing items report on 6 May 2020.

Sec 130A Economy and Efficiency Audits

Council has not initiated any review pursuant to section 130A of the *Local Government Act* since the previous Standing Items Report on 6 May 2020.

Council Recommendations

The 3 year term of Mr Sean Tu on the audit committee expired in February 2020. Council's Elected Members on the Audit Committee, Councillors Smedley and Snewin, supported re-appointment due to the value of his contributions to the committee deliberations and his extensive experience in audit and risk. At its meeting on 12 May 2020 Council received a report (113/20) recommending re-appointment for a further 3-year term. Council resolved to accept the recommendation and Mr Sean Tu has accepted the re-appointment.

At its meeting on 26 May 2020 Council will receive the minutes and recommendations of the meeting held on 6 May 2020.

2020 Meeting Schedule

The Audit Committee's terms of reference require it to meet at least 4 times each year and at least once each quarter. During 2020 meetings have been set to align with the two important financial programs in which the Audit Committee plays important roles:

- Development of the annual business plan and budget
- Completion of the annual financial statements, external audit and annual report.

In order to accommodate the above reporting requirements the following ordinary meeting schedule is proposed for 2020:

- Wednesday 22 July 2020
- Wednesday 26 August 2020
- Wednesday 7 October 2020.

Business Continuity Planning

On the advice of the Audit Committee, The Business Olympian were engaged to assist in the review of Council's Business Continuity Plan. Business Continuity Planning workshops were undertaken across Council on 10-12 March 2020. Draft Business Continuity Plans (BCPs) were produced for every functional area. An example is provided as Attachment 3.

Refer Attachment 4

Originally, pressure testing for the BCPs was scheduled to be undertaken along with the development of a Crisis Management Plan in late April, however, as COVID-19 escalated, these activities were moved forward.

A workshop to pressure test the BCPs was held on 19 March 2020, at which two scenarios were examined. The workshop process is provided as Attachment 4. The information collected at the

workshop contributed to early COVID-19 crisis planning and decision-making, as well as confirming the bulk of the content of the draft BCPs.

Refer Attachment 5

A Crisis Management Plan (CMP) workshop was held on 20 March 2020, at which a model Crisis Management Plan was considered.

Refer Attachment 6

The next steps will be to apply and document lessons learned from the business continuity and crisis management experiences Council has acquired through COVID-19 and consolidate (or at least more comprehensively align) all emergency and continuity management instruments, including the Emergency Operations Manual, Workplace Emergency Evacuation Plans, BCPs, CMP, etc. It is expected that this will be done progressively over the remainder of this calendar year, as the situation settles.

Attachment 1a



A photograph of three business professionals in a modern office setting. A woman in a dark suit is pointing at a tablet held by a man in a dark suit and red tie. Another man in a dark suit and glasses is looking at the tablet. The background is blurred, showing other office workers. The image has a red overlay on the left side.

ALWYNDOR AGED CARE

Annual audit plan

30 June 2020

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Dear Alwyndor Management Committee,

Thank you for the opportunity to present our annual audit plan ('plan') for Alwyndor Aged Care for the year ending 30 June 2020.

Our plan has been developed with input from Alwyndor Aged Care management, and continues to be based on our understanding of Alwyndor Aged Care's business and operating environment.

We acknowledge that throughout the year there may be business developments, circumstances may change and additional matters may arise. Our plan will be responsive to your needs and will maximise audit effectiveness so we can deliver the high quality audit you expect.

This plan is intended solely for management and the Management Committee and is not intended to be and should not be used by anyone other than these specified parties.

We welcome the opportunity to discussing our plan with you at the Alwyndor Management Committee meeting on 10 June 2020.

Please feel free to contact me on +61 8 7324 6082 if you have any questions or would like to discuss the content of this plan further.

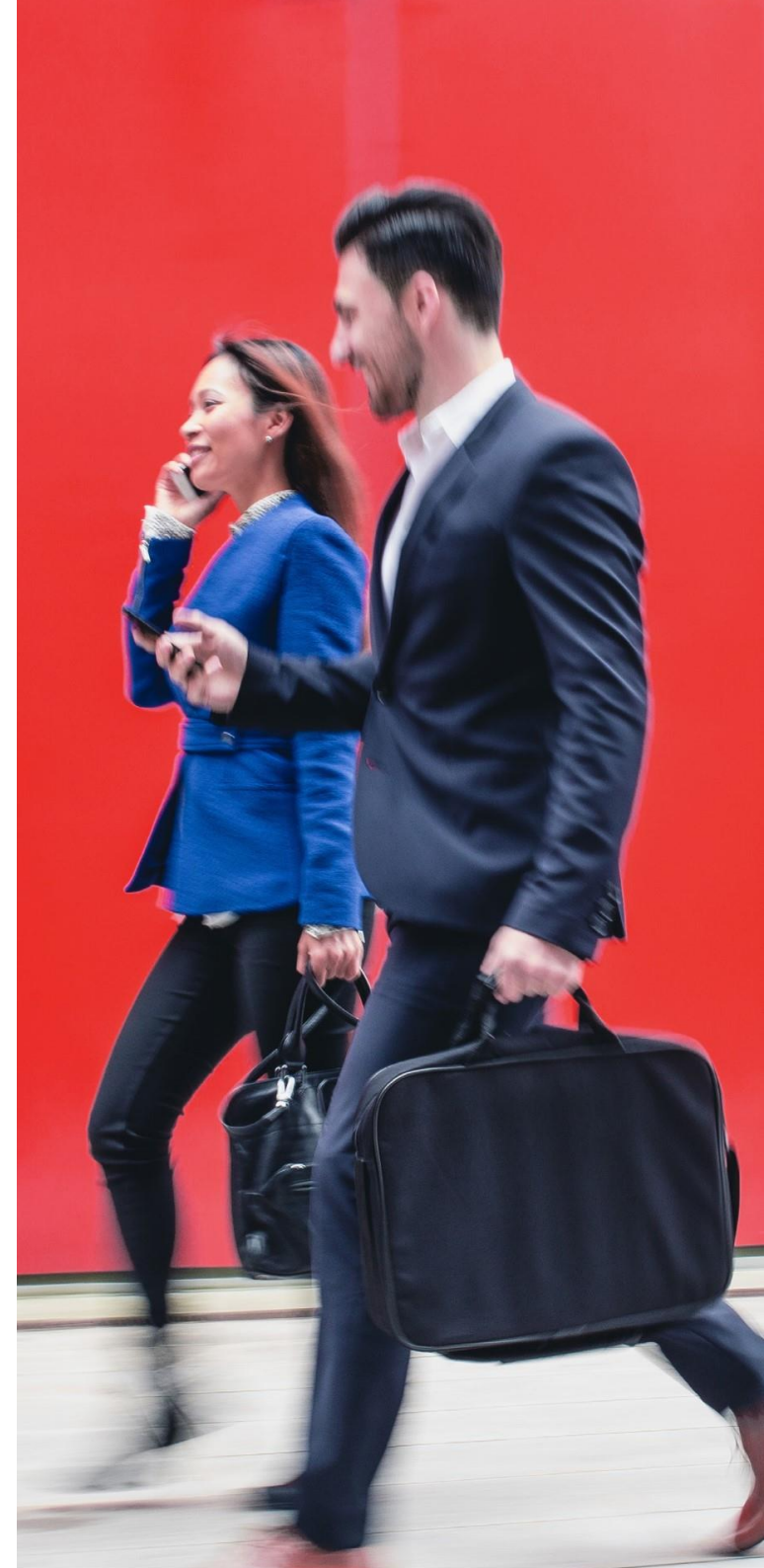
Yours faithfully



Andrew Tickle

Lead audit partner

Adelaide, 18 May 2020





YOUR BDO TEAM

Your engagement team for 2020 provides a combination of continuity and fresh ideas. This helps to ensure that we build on previous experience and make the audit process as smooth as possible.

YOUR BDO TEAM

Our audit of Alwyndor Aged Care will be led by Andrew Tickle as Engagement Partner. Andrew will oversee the co-ordination of the audit and will have primary responsibility for working with Leisa Humphrey and her team.

Supporting Andrew will be Chelsea Aplin as audit manager.

Chelsea is responsible for the day-to-day direction of the audit work and is the key point of contact for Leisa Humphrey.

The day-to-day audit team will be led by Chelsea Aplin.



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Manager

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AUDIT OBJECTIVES AND APPROACH

AUDIT OBJECTIVES

The objective of the audit is to enable us to express an opinion as to whether the financial report is prepared, in all material aspects, in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012*.

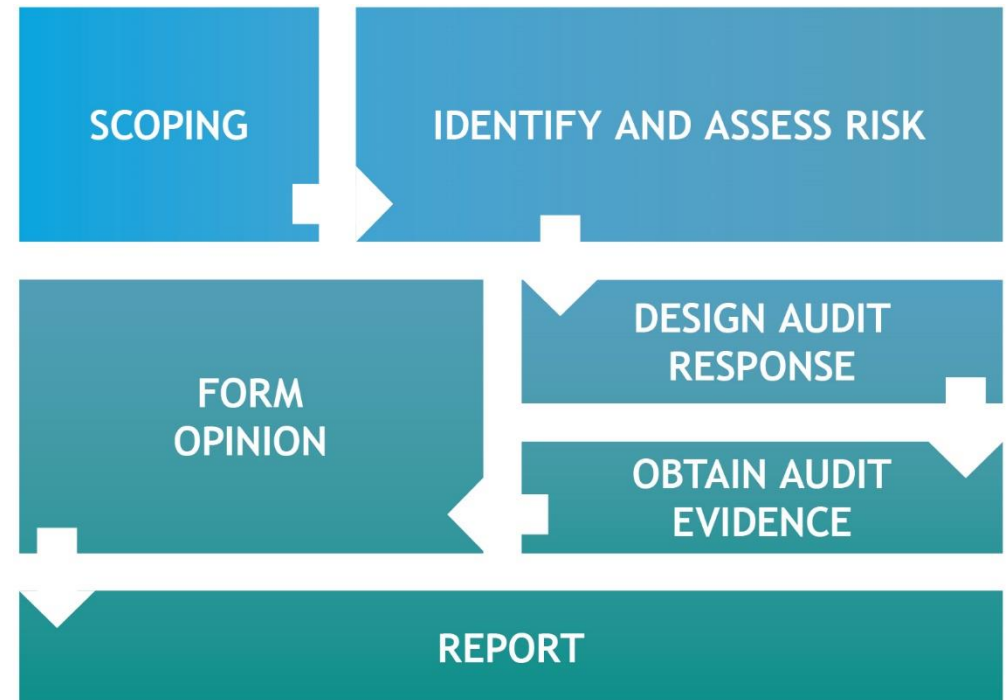
OUR APPROACH

Our audit is performed in accordance with the BDO Audit Approach which consists of six phases and is documented using our global audit tool, APT.

The approach is centred around:

- ▶ Obtaining an understanding of the business being audited from an internal and external point of view
- ▶ Assessing the risk of material misstatements and the controls in place to address and prevent these risks
- ▶ Choosing appropriate procedures to obtain evidence, including the use of data analytics where appropriate
- ▶ Ensuring rigorous quality control over audit performance
- ▶ Providing constructive ideas for improving internal controls and business systems.

A summary of the other key aspects of the BDO Audit Approach is set out on subsequent pages.



OUR APPROACH *CONTINUED*

INTERNAL CONTROL

We obtain an understanding of the system of internal control relevant to the audit to assist us with our risk assessment procedures. Our understanding covers:

- ▶ The overall control environment
- ▶ The entity's risk assessment process
- ▶ The information system, including the related business processes, relevant to financial reporting, and communication
- ▶ Control activities relevant to the audit
- ▶ Activities the entity uses to monitor internal control relevant to financial reporting.

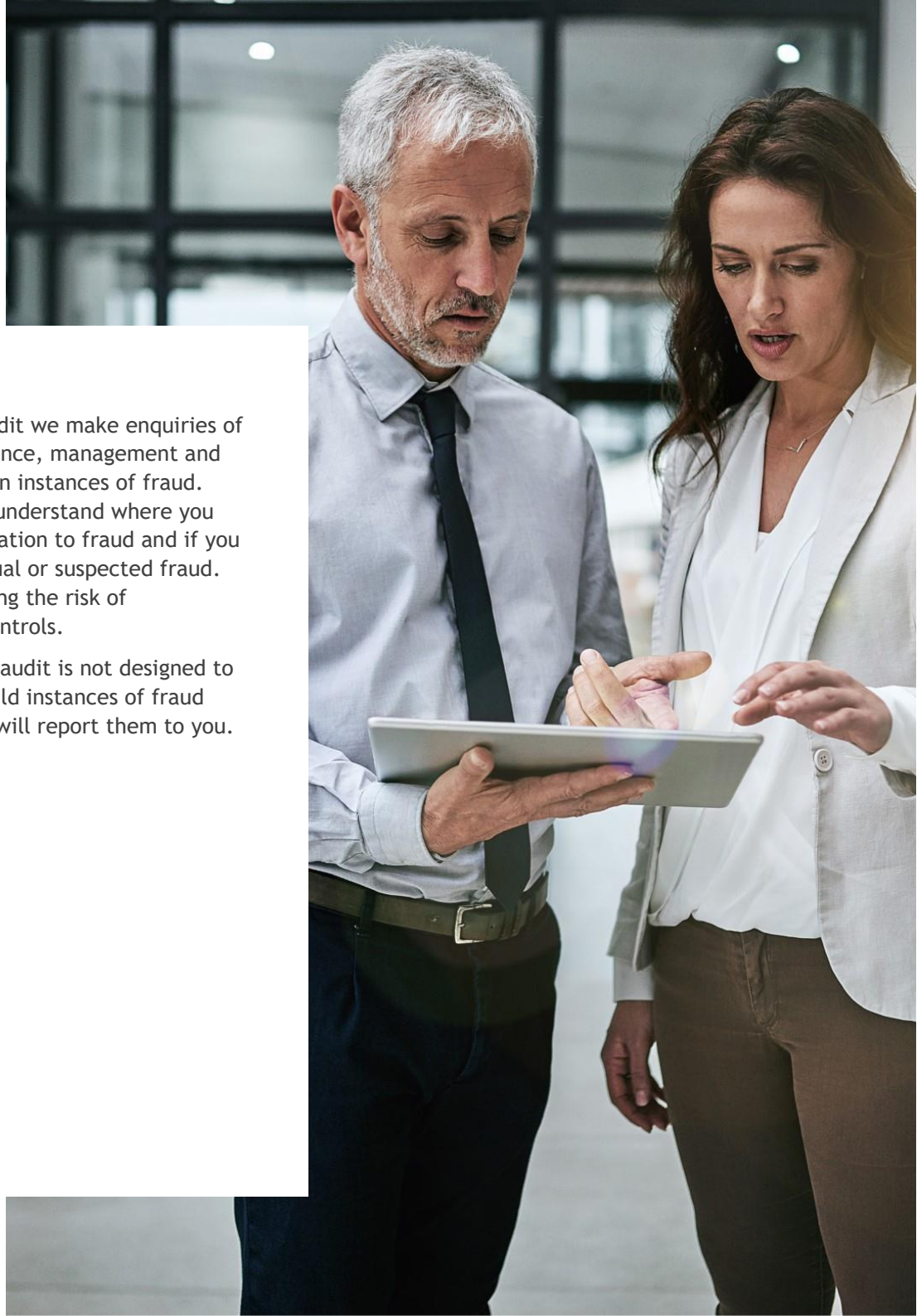
We communicate to the Management Committee in writing any significant deficiencies that come to our attention during the audit on a timely basis.

In addition, we communicate with management the significant deficiencies being reported to those charged with governance and any other deficiencies identified that in our judgement are of sufficient importance to merit management's attention.

FRAUD

During the course of our audit we make enquiries of those charged with governance, management and others to identify any known instances of fraud. We also make enquiries to understand where you consider the risks are in relation to fraud and if you have any knowledge of actual or suspected fraud. This also includes considering the risk of management override of controls.

It should be noted that our audit is not designed to detect fraud however, should instances of fraud come to our attention, we will report them to you.



OUR APPROACH CONTINUED

AUDIT QUALITY AND PROFESSIONAL SCEPTICISM

To support and promote audit quality at BDO, we have implemented an Audit Quality Framework (AQF) that sets out the key drivers of audit quality, including the specific attributes that are important for audit quality to be maintained and enhanced. Refer to our [Transparency report](#) for further information.

The AQF recognises that professional scepticism is essential to obtain audit evidence which is sufficient and appropriate to reduce the likelihood of a material misstatement to an acceptable level.

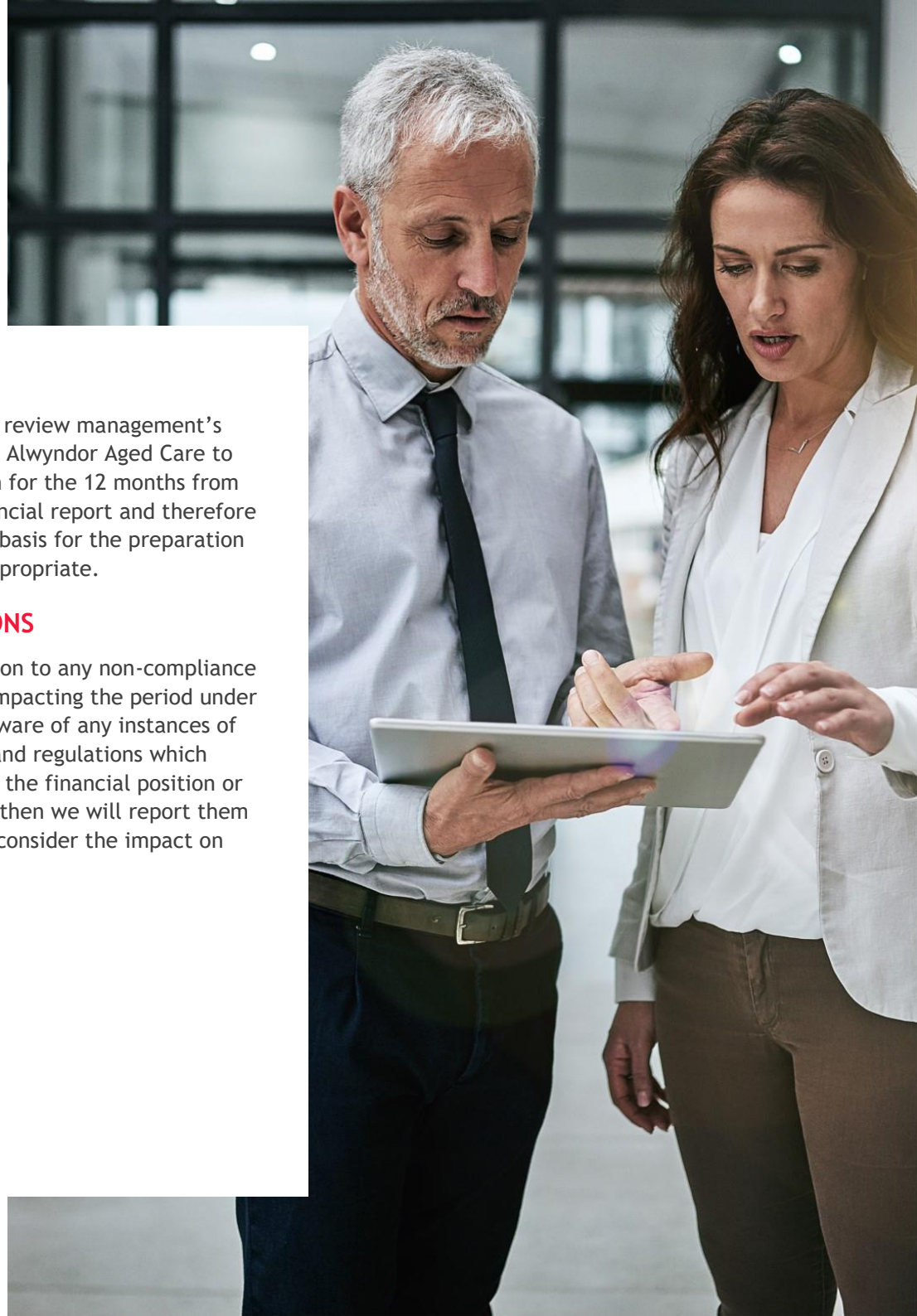
The application of professional scepticism by all members of the engagement team is central to BDO's Audit Approach.

GOING CONCERN

As part of our audit we will review management's assessment of the ability of Alwyndor Aged Care to continue as a going concern for the 12 months from the date of signing the financial report and therefore whether the going concern basis for the preparation of the financial report is appropriate.

LAWS AND REGULATIONS

We make enquiries in relation to any non-compliance with laws and regulations impacting the period under audit. Should we become aware of any instances of non-compliance with laws and regulations which would materially impact on the financial position or performance of the entity, then we will report them to you on a timely basis to consider the impact on the financial report.



MATERIALITY

Materiality means, in the context of an audit, if financial information is omitted, misstated or not disclosed it has the potential to (adversely) affect the decisions of users of the financial report. Materiality is used by auditors in making judgements on the amount of work to be performed, which balances require work and for evaluating the effect of misstatements. Materiality is initially calculated at the planning stage and re-assessed prior to providing our opinion.

During the course of our audit we may identify misstatements and these will be reported to you at the conclusion of our work based on our assessment of materiality at that stage (this may have been updated from the materiality calculated at the planning stage). It should be noted that the auditing standards do not require us to communicate misstatements that are considered 'clearly trivial' and as such, if we identify such misstatements we will not communicate these to you.

We determine materiality by considering a range of both qualitative and quantitative factors when applying our professional judgement.



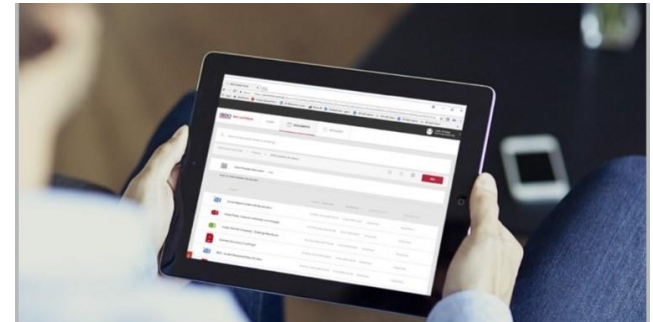
ENHANCING THE CLIENT EXPERIENCE

BDO'S CLIENT PORTAL

To enhance our communication and to reduce any potential expectation gaps, we will use the BDO Client Portal ('portal').

In addition to facilitating the secure exchange of information, the use of the portal assists with project management and provides a live view of progress to both BDO and Alwyndor Aged Care.

We will consult with you about how you would like us to communicate during the engagement, and the frequency of our status updates. In addition, whether it is to provide ad-hoc support, brainstorm ideas, or discuss any aspect of our services, the portal can assist. The key features of the portal are illustrated below:



ONLINE CLIENT COLLABORATION

- ▶ Upload information and documentation in one secure place
- ▶ Message function that allows for a seamless trail of engagement communication that all project users can see, meaning no more finding and searching through email threads
- ▶ Track actions and milestones for BDO and client responsibilities.



A FLEXIBLE, SECURE PLATFORM WITH LOCAL CUSTOMISATION

- ▶ Security - permission and access can be set at a project level for different users such as your staff or our BDO teams
- ▶ You can receive a daily or weekly digest, summarising all activity that has occurred on the portal
- ▶ View document audit trails, reducing the risk of email misdirection.



DIGITISED PAPERWORK AND WORKFLOW

- ▶ Approve and sign documents all within the portal, allowing for better transparency and speedier project progress
- ▶ Set dates with calendar reminders for when BDO requires certain documentation or information to be uploaded or completed
- ▶ Assign tasks to specific users
- ▶ Portal supports multiple document types and views.

RISK ASSESSMENT AND AREAS OF AUDIT FOCUS

In line with our audit approach, and based on our understanding of Alwyndor Aged Care, we have identified and assessed the risks of material misstatement at both the engagement and assertion level.

Our audit procedures are focused on areas that are considered to represent risks of material misstatement to the financial report. We identified the risk areas as part of our risk assessment procedures during the planning phase and will continue to be alert for risks during the course of the audit. We set out below the key areas of focus, our perspective of the potential impact on the financial statements and our proposed approach. The associated risks are categorised between those that are considered to be significant and other than significant.

AREAS OF FOCUS	OUR PERSPECTIVE	PLANNED RESPONSE
Risk of fraud arising from management override of controls (Significant risk)	Australian Auditing Standards require that we presume there is a risk that management has the ability to manipulate accounting records and override controls that otherwise appear to be operating effectively.	We will test the appropriateness of journal entries and other adjustments made in the preparation of the financial report. We will also review accounting estimates for bias, and evaluate the business rationale (or lack of) of any significant transactions that are outside the normal course of business or that otherwise appear to be unusual.
Implementation of new accounting standards, AASB 1058: <i>Income of Not-for-Profit Entities</i> and AASB 15: <i>Revenue from Contracts with Customers</i> . (Significant risk)	AASB 15 and 1058 apply for the first time in the year ended 30 June 2020. As we have previously reported, these standards introduce a significantly different way of accounting for revenue and income. Given Alwyndor's diversity of revenue and income there is an increased risk of error in the first-year application of these new standards.	We will obtain management's analysis of the impact of the new standards, and where appropriate will verify this by reference to the terms of the relevant funding agreements. We will test whether any necessary changes have been made to the calculation of income in advance as a result of the application of these new standards. We will consider the transitional method that management has elected to apply, and whether appropriate accounting adjustments and disclosures have been made

RISK ASSESSMENT AND AREAS OF AUDIT FOCUS *CONTINUED*

AREAS OF FOCUS	OUR PERSPECTIVE	PLANNED RESPONSE
<p>Implementation of AASB 16: <i>Leases</i></p> <p>(Significant risk)</p>	<p>AASB 16 applies for the first time in the year ended 30 June 2020. As we have previously reported, this standard introduces a significantly different way of accounting for leases by lessees, and also some changes for lessors. A level of management judgement is required in determining key assumptions underlying the AASB 16 lease calculations.</p> <p>AASB 16 potentially impacts the accounting for residential accommodation deposits. At the moment there appear to be two different interpretations of the impact of the new standard in relation to residential accommodation bonds, producing very different accounting outcomes.</p> <p>We are working with management to assist in identifying the appropriate interpretation for Alwyndor.</p>	<p>We will obtain management’s analysis of all arrangements that are, or may contain a lease, and their detailed calculations of the lease entries for the year.</p> <p>We will test these by checking the details of the model management have used in their calculations, checking its mathematical integrity, corroborating a sample of inputs to signed lease agreements, and consider the judgements that have been made regarding the inputs to the model.</p> <p>We will consider the transitional method that management has elected to apply, and whether appropriate accounting adjustments and disclosures have been made.</p>



RISK ASSESSMENT AND AREAS OF AUDIT FOCUS *CONTINUED*

AREAS OF FOCUS	OUR PERSPECTIVE	PLANNED RESPONSE
Impact of COVID-19 (Other risk)	<p>The COVID-19 pandemic is having a profound impact on the Australian economy. For some entities it may give rise to a risk of material uncertainty in relation to the ability to continue as a going concern.</p> <p>More generally it will need to be considered in the valuation of assets carried at fair value, and as a potential indicator of impairment to the carrying value of other assets.</p>	<p>As we are required to every year, we will evaluate management's assessment of going concern, including reviewing future cash flows and budgets with appropriate revisions since the development of the pandemic.</p> <p>Asset balances will be audited with specific consideration given to the wider economic impact of COVID-19.</p>



TIMELINE

AUDIT TIMELINE

We recognise that regular, timely communication with management and the Management Committee is critical to maintaining an effective and transparent relationship. Our audit process operates throughout the year so that we can respond to issues as they arise and maintain close communication, with management and the Management Committee, as the audit cycle progresses.

We have set out below the timing of significant milestones to include on-site visits, key meeting dates and reporting deadlines with respect to the completion of the audit.

MILESTONE	RESPONSIBILITY	DATE
Interim audit visit	BDO & Alwyndor	4 May to 8 May 2020
Management Committee meeting and submission of Annual audit plan	BDO & Alwyndor	10 June 2020
Final audit visit commences	BDO & Alwyndor	24 August to 28 August 2020
Closing meeting with auditors	BDO & Alwyndor	28 August 2020
BDO to provide clearance on draft financial statements and the Audit Completion Report	BDO	10 September 2020
Management Committee meeting to approve and sign the financial statements	Alwyndor	17 September 2020
Issue Independent Auditor's Report and Statement by Auditor in relation to Independence	BDO	17 September 2020



FEES

FEES

The estimated fee for all services provided for the year ending 30 June 2020 is \$12,000. All amounts are exclusive of GST.

This fee compasses the audit of:

- ▶ Annual Financial Statements
- ▶ LGAWCS Actual Wages Declaration
- ▶ Prudential compliance report

Charges to other grant acquittals will depend on the complexity and nature of the acquittal. Fee proposals will be provided on acquittal basis and work will not be commenced until a fee has been agreed.

ASSUMPTIONS

This is a fee estimate only and not a fixed price fee arrangement. We invoice the actual costs to complete the audit. Any reasonable out of pocket expense are charged to you as disbursements when incurred. Our estimate is based on our understanding of your current operations and the required scope of the audit. If these alter, the fee estimate will need to be revised.

Our estimated fees do not include any advice or assistance that may be given in respect of accounting issues. Whilst brief ad hoc information provided in the course of our audit is generally included in our proposed fee, formal advice, assistance with complex issues or meetings to discuss these issues falls outside the scope of our proposed fee. Fees for assistance provided will be negotiated prior to services being performed.

ASSISTANCE REQUIRED

In order to keep our time and costs to a minimum, we appreciate your assistance with the following:

- ▶ Management providing all deliverables in line with the agreed timetable
- ▶ Assistance from your staff with supporting documentation and explanations during the audit process
- ▶ Disclosure by your staff of all information relevant to the engagement in a timely manner
- ▶ Prior to the commencement of our audit, we will provide you with an audit preparation package.



APPENDIX 1 OTHER COMMUNICATIONS

ETHICS AND INDEPENDENCE

In conducting our audit, we are required to comply with the independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* and s290 of APES 110 *Code of Ethics for Professional Accountants*.

We obtain independence declarations from all staff engaged in the audit. We also have policies and procedures in place to identify any threats to our independence, and to appropriately deal with and if relevant mitigate those risks.

Should any independence matters arise, we will bring them to your immediate attention.

For the comfort of those charged with governance, we note that the following processes assist in maintaining our independence:

- ▶ Restrictions on BDO employees having financial interests in audit clients
- ▶ No other work is permitted to be undertaken by any BDO division or office without the express approval of the engagement director/partner
- ▶ Services including valuation and similar services are specifically prohibited to be provided by any other BDO office to you
- ▶ All services performed by any BDO division or office have been reported below.

BDO has not provided any other services during the year to Alwyndor Aged Care.

COMMUNICATIONS WITH THOSE CHARGED WITH GOVERNANCE

Alwyndor Aged Care has a Management committee and it is common practice for the auditor to liaise directly with the Management Committee. All our reporting will be to the chairperson of the Management committee.

To enhance our communication and to reduce any potential expectation gaps with clients, BDO has adopted a structured reporting system. We will communicate with the Management committee and management through various means. This includes but is not limited to:

- ▶ This audit plan
- ▶ The BDO Client Portal
- ▶ An audit completion report at the conclusion of the audit
- ▶ The audit report.



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We have prepared this report solely for the use of Alwyndor Aged Care. As you know, this report forms part of a continuing dialogue between the company and us and, therefore, it is not intended to include every matter, whether large or small, that has come to our attention. For this reason we believe that it would be inappropriate for this report to be made available to third parties and, if such a third party were to obtain a copy of this report without prior consent, we would not accept any responsibility for any reliance they may place on it.

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Attachment 1b



A photograph of three business professionals in a modern office setting. A woman in a dark suit is pointing at a tablet held by a man in a dark suit and red tie. Another man in a dark suit and glasses is looking at the tablet. The background is blurred, showing a hallway with red accents. A white text box is overlaid on the left side of the image.

CITY OF HOLDFAST BAY

Annual audit plan

30 June 2020

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Dear Audit Committee Members

Thank you for the opportunity to present our annual audit plan ('plan') for City of Holdfast Bay for the year ending 30 June 2020.

Our plan has been developed with input from City of Holdfast Bay management, and continues to be based on our understanding of City of Holdfast Bay's business and operating environment.

We acknowledge that throughout the year there may be business developments, circumstances may change and additional matters may arise. Our plan will be responsive to your needs and will maximise audit effectiveness so we can deliver the high quality audit you expect.

This plan is intended solely for management and the Audit Committee and is not intended to be and should not be used by anyone other than these specified parties.

We welcome the opportunity to discussing our plan with you at the Audit Committee on 25 May 2020.

Please feel free to contact me on +61 8 7324 6082 if you have any questions or would like to discuss the content of this plan further.

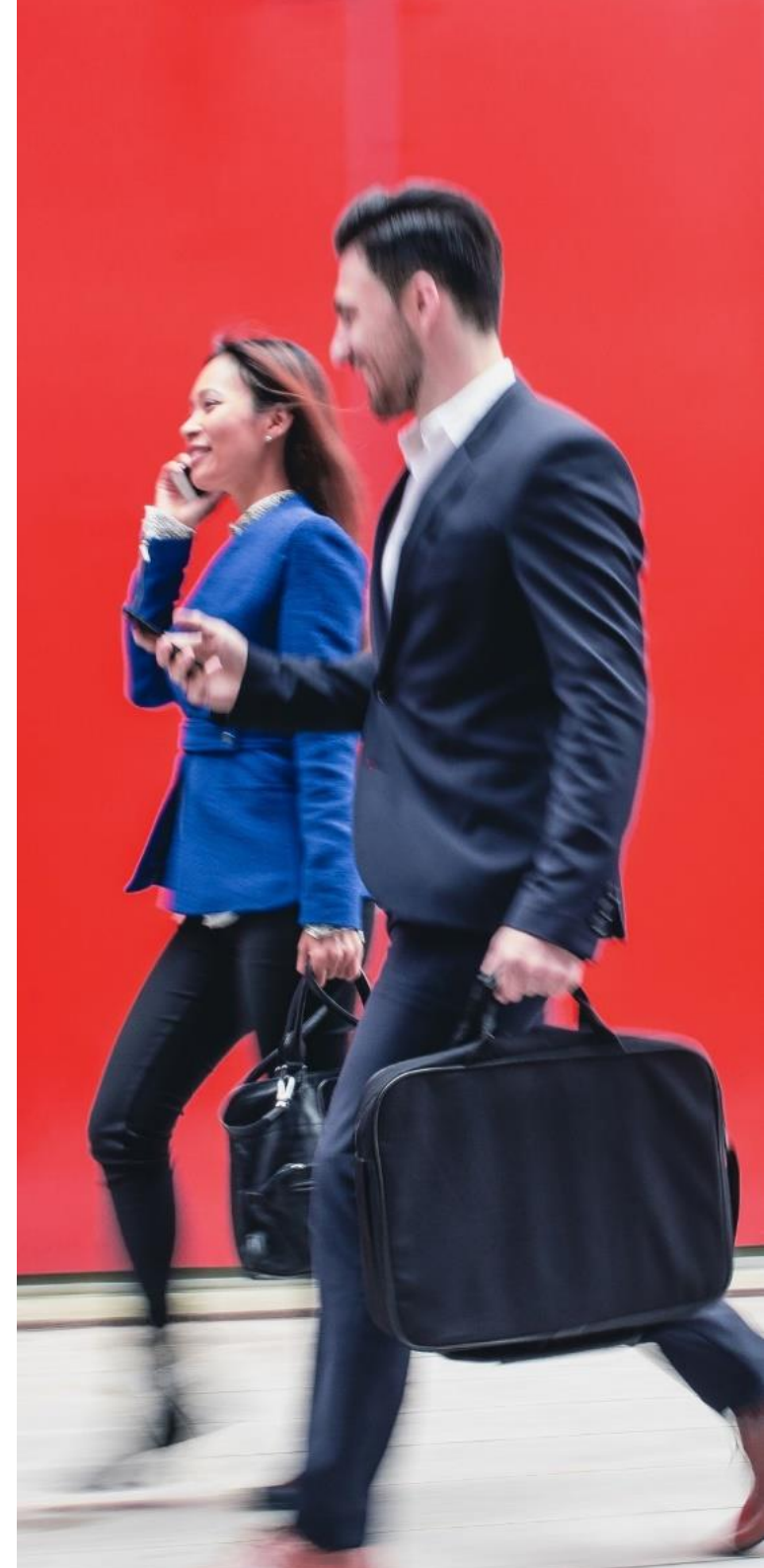
Yours faithfully



Andrew Tickle

Lead audit partner

Adelaide, 18 May 2020





YOUR BDO TEAM

Your engagement team for 2020 provides a combination of continuity and fresh ideas. This helps to ensure that we build on previous experience and make the audit process as smooth as possible.

YOUR BDO TEAM

Our audit of City of Holdfast Bay will be led by Andrew Tickle as Engagement Partner. Andrew will oversee the co-ordination of the audit and will have primary responsibility for working with John Newton and his team.

Supporting Andrew will be Chelsea Aplin as audit manager.

Chelsea is responsible for the day-to-day direction of the audit work and is the key point of contact for John Newton.

The day-to-day audit team will be led by Chelsea Aplin.

SPECIALISTS

When auditing key judgements, we are often required to engage specialists who have qualifications and expertise not possessed by the core audit team.

Supporting the engagement team will be Jason Foster, our IT Specialist, who will be dedicated to reviewing City of Holdfast Bay's IT environment and any relevant IT general controls for audit



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Engagement Partner

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JASON FOSTER

IT Specialist

Tel: +61 8 7421 1428

Jason.Foster@bdo.com.au

AUDIT OBJECTIVES AND APPROACH

AUDIT OBJECTIVES

The objective of the audit is to enable us to express an opinion as to whether:

- ▶ The financial report is prepared, in all material respects, in accordance with Australian Accounting Standards, the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011*, and
- ▶ Controls exercised by Council in relation to the receipt, expenditure and investment of money, the acquisition and disposal of property and the incurring of liabilities are sufficient to provide reasonable assurance that the financial transactions of the Council have been conducted properly and in accordance with law based on criteria established in the Better Practice Model - Financial Internal Control for South Australia Councils issued by the Local Government Association of South Australia

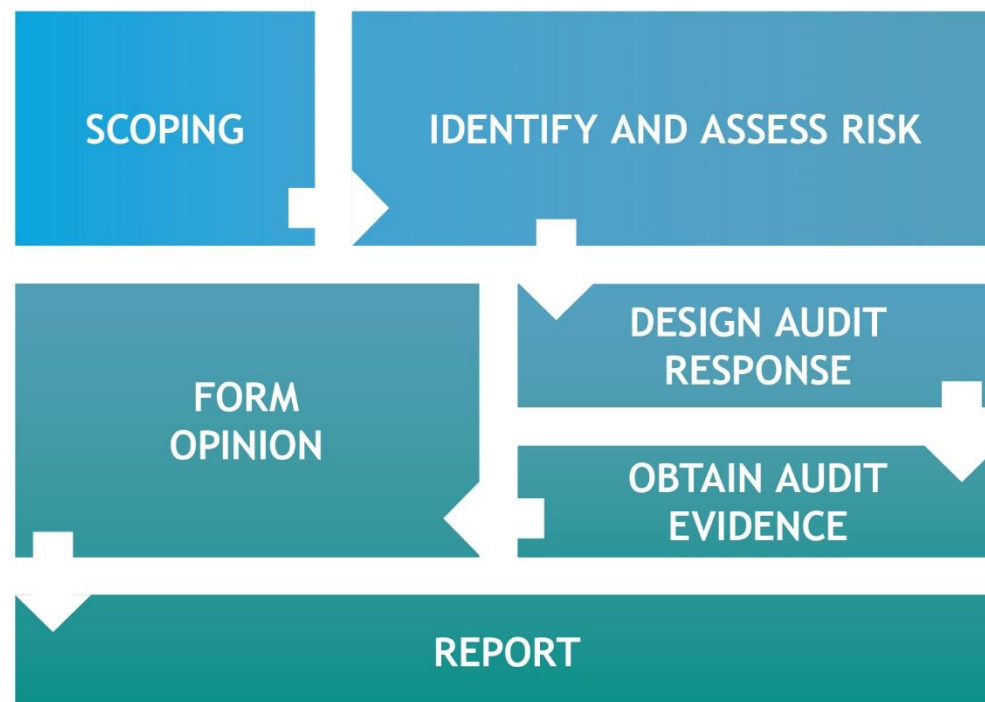
OUR APPROACH

Our audit is performed in accordance with the BDO Audit Approach which consists of six phases and is documented using our global audit tool, APT.

The approach is centred around:

- ▶ Obtaining an understanding of the business being audited from an internal and external point of view
- ▶ Assessing the risk of material misstatements and the controls in place to address and prevent these risks
- ▶ Choosing appropriate procedures to obtain evidence, including the use of data analytics where appropriate
- ▶ Ensuring rigorous quality control over audit performance
- ▶ Providing constructive ideas for improving internal controls and business systems.

A summary of the other key aspects of the BDO Audit Approach is set out on subsequent pages.



OUR APPROACH CONTINUED

INTERNAL CONTROL

We obtain an understanding of the system of internal control relevant to the audit to assist us with our risk assessment procedures. Our understanding covers:

- ▶ The overall control environment
- ▶ The entity's risk assessment process
- ▶ The information system, including the related business processes, relevant to financial reporting, and communication
- ▶ Control activities relevant to the audit
- ▶ Activities the entity uses to monitor internal control relevant to financial reporting.

This understanding is also supported by our assessment of internal controls, based on the criteria in the Better Practice Model - Financial Internal Control for South Australian Councils, to allow us to express an opinion on the matters set out in with Section 129(b) of the Local Government Act 1999.

Any deficiencies that come to our attention during our assessment are initially discussed with management to discuss the reason and potential effects of the deficiency as well as any mitigating controls.

These are reported to the Audit Committee, with recommendations and management comments, in our annual completion report that is provided at the completion of our audit.

FRAUD

During the course of our audit we make enquiries of those charged with governance, management and others to identify any known instances of fraud. We also make enquiries to understand where you consider the risks are in relation to fraud and if you have any knowledge of actual or suspected fraud. This also includes considering the risk of management override of controls.

It should be noted that our audit is not designed to detect fraud however, should instances of fraud come to our attention, we will report them to you.



OUR APPROACH CONTINUED

AUDIT QUALITY AND PROFESSIONAL SCEPTICISM

To support and promote audit quality at BDO, we have implemented an Audit Quality Framework (AQF) that sets out the key drivers of audit quality, including the specific attributes that are important for audit quality to be maintained and enhanced. Refer to our [Transparency report](#) for further information.

The AQF recognises that professional scepticism is essential to obtain audit evidence which is sufficient and appropriate to reduce the likelihood of a material misstatement to an acceptable level.

The application of professional scepticism by all members of the engagement team is central to BDO's Audit Approach.

GOING CONCERN

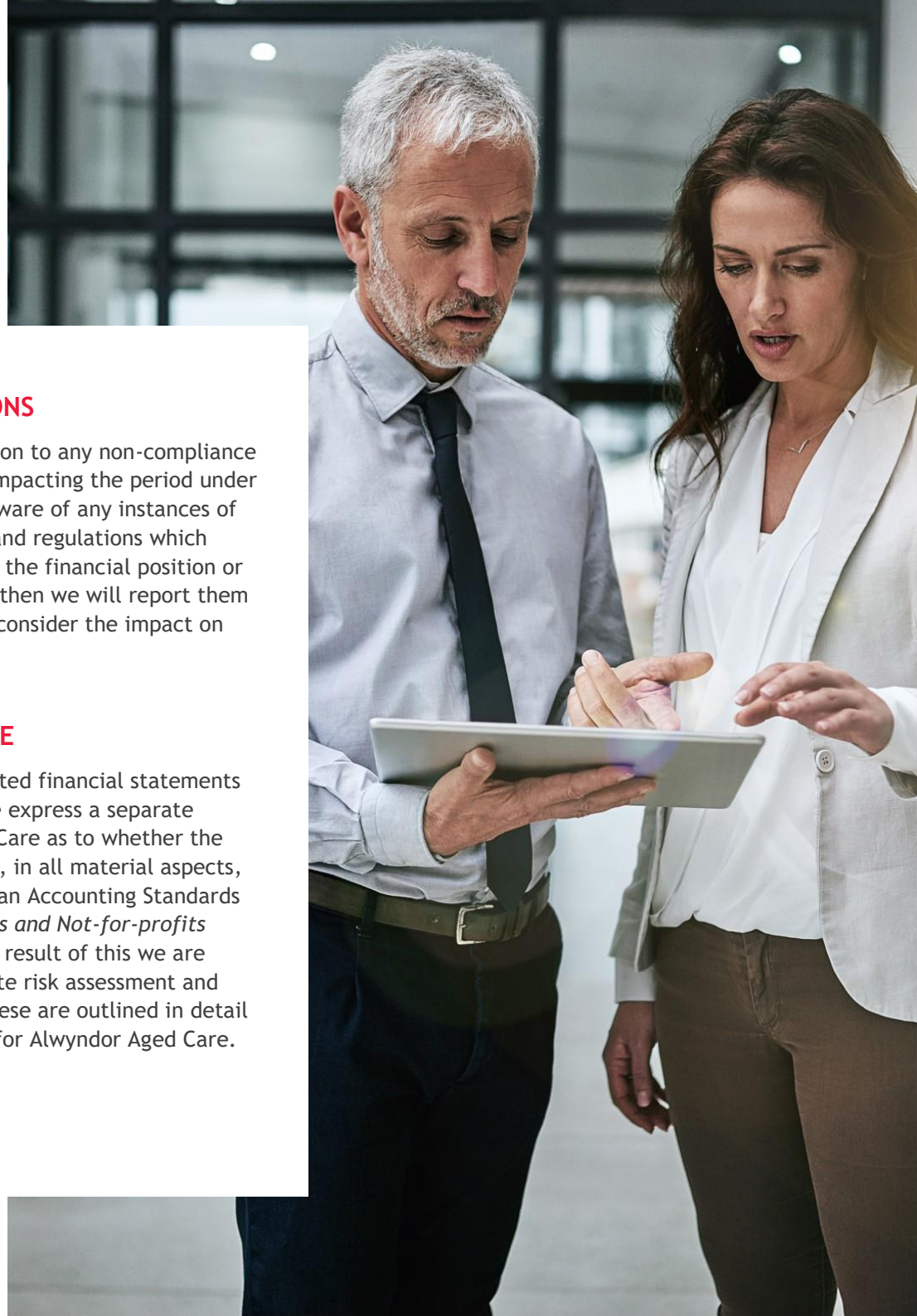
As part of our audit we will review management's assessment of the ability of City of Holdfast Bay to continue as a going concern for the 12 months from the date of signing the financial report and therefore whether the going concern basis for the preparation of the financial report is appropriate.

LAWS AND REGULATIONS

We make enquiries in relation to any non-compliance with laws and regulations impacting the period under audit. Should we become aware of any instances of non-compliance with laws and regulations which would materially impact on the financial position or performance of the entity, then we will report them to you on a timely basis to consider the impact on the financial report.

ALWYNDOR AGED CARE

In addition to the consolidated financial statements for City of Holdfast Bay, we express a separate opinion for Alwyndor Aged Care as to whether the financial report is prepared, in all material aspects, in accordance with Australian Accounting Standards and the *Australian Charities and Not-for-profits Commission Act 2012*. As a result of this we are obligated to make a separate risk assessment and materiality calculation. These are outlined in detail within the 2020 audit plan for Alwyndor Aged Care.



MATERIALITY

Materiality means, in the context of an audit, if financial information is omitted, misstated or not disclosed it has the potential to (adversely) affect the decisions of users of the financial report. Materiality is used by auditors in making judgements on the amount of work to be performed, which balances require work and for evaluating the effect of misstatements. Materiality is initially calculated at the planning stage and re-assessed prior to providing our opinion.

During the course of our audit we may identify misstatements and these will be reported to you at the conclusion of our work based on our assessment of materiality at that stage (this may have been updated from the materiality calculated at the planning stage). It should be noted that the auditing standards do not require us to communicate misstatements that are considered 'clearly trivial' and as such, if we identify such misstatements we will not communicate these to you.

We determine materiality by considering a range of both qualitative and quantitative factors when applying our professional judgement.



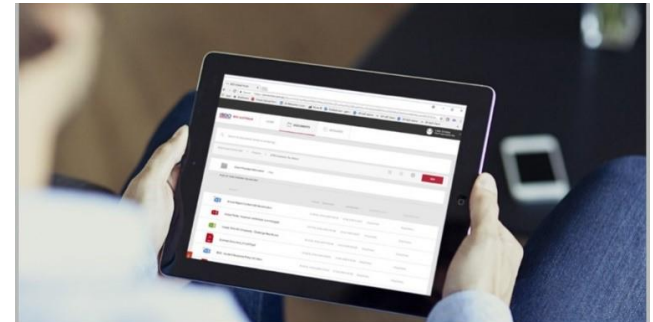
ENHANCING THE CLIENT EXPERIENCE

BDO'S CLIENT PORTAL

To enhance our communication and to reduce any potential expectation gaps, we will use the BDO Client Portal ('portal').

In addition to facilitating the secure exchange of information, the use of the portal assists with project management and provides a live view of progress to both BDO and City of Holdfast Bay.

We will consult with you about how you would like us to communicate during the engagement, and the frequency of our status updates. In addition, whether it is to provide ad-hoc support, brainstorm ideas, or discuss any aspect of our services, the portal can assist. The key features of the portal are illustrated below:



ONLINE CLIENT COLLABORATION

- ▶ Upload information and documentation in one secure place
- ▶ Message function that allows for a seamless trail of engagement communication that all project users can see, meaning no more finding and searching through email threads
- ▶ Track actions and milestones for BDO and client responsibilities.



A FLEXIBLE, SECURE PLATFORM WITH LOCAL CUSTOMISATION

- ▶ Security - permission and access can be set at a project level for different users such as your staff or our BDO teams
- ▶ You can receive a daily or weekly digest, summarising all activity that has occurred on the portal
- ▶ View document audit trails, reducing the risk of email misdirection.



DIGITISED PAPERWORK AND WORKFLOW

- ▶ Approve and sign documents all within the portal, allowing for better transparency and speedier project progress
- ▶ Set dates with calendar reminders for when BDO requires certain documentation or information to be uploaded or completed
- ▶ Assign tasks to specific users
- ▶ Portal supports multiple document types and views.

RISK ASSESSMENT AND AREAS OF AUDIT FOCUS

In line with our audit approach, and based on our understanding of City of Holdfast Bay, we have identified and assessed the risks of material misstatement at both the engagement and assertion level.

Our audit procedures are focused on areas that are considered to represent risks of material misstatement to the financial report. We identified the risk areas as part of our risk assessment procedures during the planning phase and will continue to be alert for risks during the course of the audit. We set out below the key areas of focus, our perspective of the potential impact on the financial statements and our proposed approach. The associated risks are categorised between those that are considered to be significant and other than significant.

AREAS OF FOCUS	OUR PERSPECTIVE	PLANNED RESPONSE
Revaluation, depreciation, useful lives and residual values of infrastructure assets	Council's infrastructure, property, plant and equipment are carried at valuation. There is a risk that these balances are misstated as a result of the application of inappropriate valuation methodologies, or incorrect underlying assumptions.	We will evaluate the competence, capability and objectivity of the independent valuers, obtain an understanding of their work and evaluate its appropriateness.
Accounting treatment of capital work in progress (WIP)	There is a risk that the accounting treatment of items captured within capital WIP may not be in accordance with Australian Accounting Standards.	We will obtain the WIP schedule and review in detail a sample of projects outstanding at the end of the year to ensure they are likely to generate assets. We will also review a sample of assets transferred out of capital WIP to ensure that the categorisation and value allocated to assets are appropriate.
Management override of controls	Australian Auditing Standards require that we presume there is a risk that management has the ability to manipulate accounting records and override controls that otherwise appear to be operating effectively	We will test the appropriateness of journal entries and other adjustments made in the preparation of the financial report. We will also review accounting estimates for bias, and evaluate the business rationale (or lack of) of any significant transactions that are outside the normal course of business or that otherwise appear to be unusual.

RISK ASSESSMENT AND AREAS OF AUDIT FOCUS *CONTINUED*

AREAS OF FOCUS	OUR PERSPECTIVE	PLANNED RESPONSE
<p>Initial adoption of new Accounting Standard AASB16 Leases</p>	<p>AASB 16 applies for the first time in the year ended 30 June 2020. This standard introduces a significantly different way of accounting for leases by lessees. A level of management judgement is required in determining key assumptions underlying the AASB 16 lease calculations.</p>	<p>We will obtain managements' analysis of all arrangements that are, or may contain a lease, and their detailed calculations of the lease entries for the year for each of these.</p> <p>We will test these by checking the details of the model that management have used in their calculations, checking its mathematical integrity, corroborating a sample of inputs to signed lease agreements, and consider the judgements that have been made regarding the inputs to the model.</p> <p>We will consider the transitional method that management has elected to apply, and whether appropriate accounting adjustments and disclosures have been made.</p>
<p>Initial adoption of new Accounting Standards AASB 1058 Income of Not-for-Profit Entities and AASB15 Revenue from Contract with Customers</p>	<p>AASB 15 and AASB1058 apply for the first time in the year ended 30 June 2020. As we have previously reported, these standards introduce a significantly different way accounting for revenue and income, in particular grant funding.</p>	<p>We will obtain management's analysis of the impact of the new standards, and where appropriate will verify this by reference to the terms of the relevant funding agreements.</p> <p>We will test whether any necessary changes have been made to the calculation of income in advance as a result of the application of these new standards.</p> <p>We will consider the transitional method that management has elected to apply, and whether appropriate accounting adjustments and disclosures have been made.</p>

RISK ASSESSMENT AND AREAS OF AUDIT FOCUS *CONTINUED*

AREAS OF FOCUS	OUR PERSPECTIVE	PLANNED RESPONSE
Loans made to community organisations	There is an increased risk in relation to the recoverability of the loans made to Glenelg Football Club. Therefore, consideration needs to be given whether any further impairment is required in 2020.	We will obtain and review the Council's 2020 impairment assessment of the Glenelg Football Club loan to determine whether the assessment is appropriate.
Impact of COVID-19	<p>The COVID-19 pandemic is having a profound impact on the Australian economy. For some entities it may give rise to a risk of material uncertainty in relation to the ability to continue as a going concern.</p> <p>More generally it will need to be considered in the valuation of assets carried at fair value, and as a potential indicator of impairment to the carrying value of other assets.</p>	<p>As we are required to every year, we will evaluate management's assessment of going concern, including reviewing future cash flows and budgets with appropriate revisions since the development of the pandemic.</p> <p>Asset balances will be audited with specific consideration given to the wider economic impact of COVID-19.</p>



TIMELINE

AUDIT TIMELINE

We recognise that regular, timely communication with management and the Audit Committee is critical to maintaining an effective and transparent relationship. Our audit process operates throughout the year so that we can respond to issues as they arise and maintain close communication, with management and the Audit Committee, as the audit cycle progresses.

We have set out below the timing of significant milestones to include on-site visits, key meeting dates and reporting deadlines with respect to the completion of the audit.

MILESTONE	RESPONSIBILITY	DATE
Interim audit visit - Internal controls and financial statements	BDO & the Council	4 May to 8 May 2020
Audit Committee meeting and submission of Annual audit plan	BDO & the Council	25 May 2020
Final audit visit commences	BDO & the Council	31 August to 4 September 2020
Closing meeting with auditors	BDO & the Council	4 September 2020
Submission of Audit Completion Report	BDO	7 September 2020
Financial statements presented to Audit Committee	BDO & the Council	7 October 2020
Chief Executive Officer and Principal Member of the Council to approve and sign off Regulation 14 Certification of Financial Statements, Certificate of Auditor Independence and management representation letter	The Council	27 October 2020
Issue Independent Auditor's Report and Statement by Auditor in relation to Independence	BDO	27 October 2020



FEES

FEES

The proposed fee for all services provided for the year ending 30 June 2020 is \$40,430. All amounts are exclusive of GST.

This fee compasses the audit of:

- ▶ Annual financial statements - Council and Alwyndor Aged Care
- ▶ Internal Controls
- ▶ Roads to Recovery Chief Executive Officer's Financial Statement
- ▶ LGAWCS Actual Wages Declaration
- ▶ Prudential compliance report (Alwyndor Aged Care)

Charges to other grant acquittals will depend on the complexity and nature of the acquittal. Fee proposals will be provided on acquittal basis and work will not be commenced until a fee has been agreed.

ASSUMPTIONS

This is a fee estimate only and not a fixed price fee arrangement. We invoice the actual costs to complete the audit. Any reasonable out of pocket expense are charged to you as disbursements when incurred. Our estimate is based on our understanding of your current operations and the required scope of the audit. If these alter, the fee estimate will need to be revised.

Our estimated fees do not include any advice or assistance that may be given in respect of accounting issues. Whilst brief ad hoc information provided in the course of our audit is generally included in our proposed fee, formal advice, assistance with complex issues or meetings to discuss these issues falls outside the scope of our proposed fee. Fees for assistance provided will be negotiated prior to services being performed.

ASSISTANCE REQUIRED

In order to keep our time and costs to a minimum, we appreciate your assistance with the following:

- ▶ Management providing all deliverables in line with the agreed timetable
- ▶ Assistance from your staff with supporting documentation and explanations during the audit process
- ▶ Disclosure by your staff of all information relevant to the engagement in a timely manner
- ▶ Prior to the commencement of our audit, we will provide you with an audit preparation package.



APPENDIX 1 OTHER COMMUNICATIONS

ETHICS AND INDEPENDENCE

In conducting our audit, we are required to comply with the independence requirements of the *Local Government Act 1999*, the *Local Government (Financial Management) Regulations 2011* and s290 of APES 110 *Code of Ethics for Professional Accountants*.

We obtain independence declarations from all staff engaged in the audit. We also have policies and procedures in place to identify any threats to our independence, and to appropriately deal with and if relevant mitigate those risks.

Should any independence matters arise, we will bring them to your immediate attention.

For the comfort of those charged with governance, we note that the following processes assist in maintaining our independence:

- ▶ Restrictions on BDO employees having financial interests in audit clients
- ▶ No other work is permitted to be undertaken by any BDO division or office without the express approval of the engagement director/partner
- ▶ Services including valuation and similar services are specifically prohibited to be provided by any other BDO office to you
- ▶ All services performed by any BDO division or office have been reported below.

BDO has not provided any other services during the year to City of Holdfast Bay.

COMMUNICATIONS WITH THOSE CHARGED WITH GOVERNANCE

City of Holdfast Bay has an Audit committee and it is common practice for the auditor to liaise directly with the Audit Committee. All our reporting will be to the Presiding Member of Audit committee.

To enhance our communication and to reduce any potential expectation gaps with clients, BDO has adopted a structured reporting system. We will communicate with the Audit committee and management through various means. This includes but is not limited to:

- ▶ This audit plan
- ▶ The BDO Client Portal
- ▶ An audit completion report at the conclusion of the audit
- ▶ The audit report.



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We have prepared this report solely for the use of City of Holdfast Bay. As you know, this report forms part of a continuing dialogue between the company and us and, therefore, it is not intended to include every matter, whether large or small, that has come to our attention. For this reason we believe that it would be inappropriate for this report to be made available to third parties and, if such a third party were to obtain a copy of this report without prior consent, we would not accept any responsibility for any reliance they may place on it.

BDO Audit (SA) Pty Ltd ABN 33 161 379 086 is a member of a national association of independent entities which are all members of BDO Australia Ltd ABN 77 050 110 275, an Australian company limited by guarantee. BDO Audit (SA) Pty Ltd and BDO Australia Ltd are members of BDO International Ltd, a UK company limited by guarantee, and form part of the international BDO network of independent member firms. Liability limited by a scheme approved under Professional Standards Legislation.

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Attachment 2a





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GPO Box 2018, Adelaide SA 5001
AUSTRALIA

Councillor J Smedley
Presiding Member - Audit Committee
City of Holdfast Bay
24 Jetty Road
BRIGHTON SA 5048

13 May 2020

Dear Councillor Smedley

TERMS OF ENGAGEMENT - AUDIT

The purpose of this letter is to set out the basis on which BDO Audit (SA) Pty Ltd (BDO) acts as auditors of City of Holdfast Bay (the Council) and the respective areas of responsibility of the Council's officers and of BDO.

Audit of the financial report

The objective and scope of the audit

You have requested that we audit the financial report of City of Holdfast Bay which comprises the statement of financial position as at 30 June 2020, the statement of profit and loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements including a summary of significant accounting policies, and the certification of the financial statements by the Chief Executive Officer and Principal Member of the consolidated entity comprising the council and the entities it controlled at the year's end or from time to time during the financial year.

You have also requested that we audit the separate financial report of the controlled entity Alwyndor Aged Care, the Annual Prudential Compliance Report of Alwyndor Aged Care, and various ancillary reports prepared by Council and Alwyndor Aged Care.

We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter.

The objectives of our audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

The responsibilities of the auditor

We will conduct our audit in accordance with Australian Auditing Standards. Those standards require that we comply with ethical requirements. As part of an audit in accordance with Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Council's officers.
- Conclude on the appropriateness of Council officers' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, there is an unavoidable risk that some material misstatements may not be detected, even though the audit is properly planned and performed in accordance with Australian Auditing Standards.

The responsibilities of Council's officers and identification of the applicable financial reporting framework

Our audit will be conducted on the basis that the Council's officers acknowledge and understand that they have responsibility:

- a) For the preparation and fair presentation of the financial reports in accordance with the *Local Government Act 1999* and *Local Government (Financial Management) Regulations 2011* made under that act and Australian Accounting Standards (City of Holdfast Bay), and in accordance with the *Aged Care Act 1997* Australian Accounting Standards (Alwyndor Aged Care)
- b) For such internal control as Council's officers determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error and
- c) To provide us with:
 - i. Access to all information of which Council's officers are aware that is relevant to the preparation of the financial report whether obtained from within or outside of the general and subsidiary ledgers, such as records, documentation and other matters including access to information relevant to disclosures;
 - ii. Additional information that we may request from Council's officers for the purpose of the audit; and
 - iii. Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence;
- d) To inform us of any documents that you expect to issue that may comprise other information;
 - i. If the other information is provided prior to the auditor's report date; the financial report and any other information obtained prior to the date of the auditor's report will be consistent with one another, and the other information will not contain any material misstatements;

- ii. If the other information is not provided prior to the auditor's report date; to provide and/or issue such other information that will enable us to complete our required procedures.
- iii. As part of our audit process, we will request from Council's officers and where appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit.

We look forward to full cooperation from your staff during our audit.

Other requirements

Council's officers will inform us of any material event occurring between the date of our report and the date of issue of the financial report, which may affect the financial report.

Expected form and content of the auditor's report

We have included an example audit report for City of Holdfast Bay in Appendix 1 to this letter, which reflects the form and content of the auditor's report, in the circumstance where the auditor has concluded that an unmodified opinion is appropriate based on the audit evidence obtained, including the reporting on other information. The form and content of our report may vary from the example in light of our audit findings.

Fees

Our audit fees will be confirmed through our annual audit plan and will be consistent with our audit tender.

Our fees are based on our understanding of your current operations and the required scope of the engagement. If these alter, the estimated fee will need to be revised.

Our fees do not include any advice or assistance that may be given in respect of accounting issues. Whilst brief ad hoc advice provided in the course of our engagement is generally included in our proposed fee, formal advice, assistance with complex issues or meetings to discuss these issues which necessitate increased professional time will fall outside the scope of our proposed engagement fee. Fees for any assistance provided in this regard will be negotiated prior to the services being performed.

The fees assume that all engagement schedules and reports will be available upon commencement of the engagement and that the financial report will be prepared by your staff. If schedules and reports are not provided within the agreed timetable, additional costs may be incurred and charged to you.

Should these assumptions not remain valid, we will inform you prior to the occurrence of additional costs.

Other matters under the Local Government Act 1999

Independence

We confirm that, to the best of our knowledge and belief, we currently meet the independence requirements of the *Local Government Act 1999* in relation to the audit of the financial report. In conducting our audit of the financial report, should we become aware that we have contravened the independence requirements of the *Local Government Act 1999*, we shall notify you on a timely basis. As part of our audit process, we shall also provide you with a written independence declaration as required by the *Local Government Act 1999*.

Enquiries from oversight bodies

The Council's officers shall notify BDO of any enquiries, such as financial reporting surveillance enquiries, from any oversight body that relate to the audit engagement as soon as practicable.



Presentation of the audited financial report on the internet

If you intend to electronically present the audited financial report and auditor's report on your web site or any other digital media, the security and controls over information on the relevant web site shall be addressed by the entity to maintain the integrity of the data presented. The examination of the controls over the electronic presentation of audited financial information on the entity's web site is beyond the scope of the audit of the financial report. Responsibility for the electronic presentation of the financial report on the entity's web site is that of the governing body of the entity.

Terms of Trade

The terms of this engagement are per the Contract for the Provision of External Audit Services, Contract Number 2019 C24.

Yours faithfully

BDO Audit (SA) Pty Ltd

A handwritten signature in blue ink, appearing to read 'Andrew Tickle', written over a light blue grid background.

Andrew Tickle

Director



Appendix 1

DRAFT INDEPENDENT AUDITOR'S REPORT TO THE PRINCIPAL MEMBER OF CITY OF HOLDFAST BAY

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of the City of Holdfast Bay (“the Council”), which comprises the statement of financial position as at 30 June 2020, the statement of profit and loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the certification of the financial statements.

In our opinion the financial report of the City of Holdfast Bay, presents fairly, in all material respects, the Council’s financial position as at 30 June 2020 and its financial performance for the year ended on that date in accordance with Australian Accounting Standards, the *Local Government Act 1999*, and the *Local Government (Financial Management) Regulations 2011*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor’s Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Council in accordance with the *Local Government Act 1999* and the ethical requirements of the Accounting Professional and Ethical Standards Board’s *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Local Government Act 1999*, which has been given to the Council, would be in the same terms if given to the Council as at the time of this auditor’s report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Report and Auditor’s Report Thereon

Management is responsible for the other information. The other information obtained at the date of this auditor’s report is information included in the Annual Report, but does not include the financial report and our auditor’s report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report of the City of Holdfast Bay, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit, or otherwise appears to be materially misstated.



If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard. Council's responsibility for the Financial Report

The Council's officers are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards, the *Local Government Act 1999* and the *Local Government (Financial Management) Regulations 2011* and for such internal control as the Council's officers determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Council's officers are responsible for assessing the Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Council's officers either intend to liquidate the Council or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: http://www.auasb.gov.au/auditors_files/ar3.pdf.

This description forms part of our auditor's report.

BDO Audit (SA) Pty Ltd

Andrew Tickle
Director

Adelaide, XX Month XX

DRAFT INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF CITY OF HOLDFAST BAY

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of City of Holdfast Bay - Alwyndor Aged Care (the registered entity), which comprises the statement of financial position as at 30 June 2020, the statement of profit or loss and other comprehensive income, the statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies, and the responsible entities' declaration.

In our opinion the accompanying financial report of City of Holdfast Bay - Alwyndor Aged Care, is in accordance with Division 60 of the *Australian Charities and Not-for-profits Commission Act 2012*, including:

- (i) Giving a true and fair view of the registered entity's financial position as at 30 June 2020 and of its financial performance for the year then ended; and
- (ii) Complying with Australian Accounting Standards and Division 60 of the *Australian Charities and Not-for-profits Commission Regulation 2013*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the registered entity in accordance with the auditor independence requirements of the *Australian Charities and Not-for-profits Commission Act 2012* (ACNC Act) and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of responsible entities for the Financial Report

The responsible entities of the registered entity are responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the ACNC Act, and for such internal control as the responsible entities determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

In preparing the financial report, responsible entities are responsible for assessing the registered entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the responsible entities either intends to liquidate the registered entity or to cease operations, or has no realistic alternative but to do so.



Those charged with governance are responsible for overseeing the registered entity's financial reporting process.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (<http://www.auasb.gov.au/Home.aspx>) at: http://www.auasb.gov.au/auditors_responsibilities/ar4.pdf

This description forms part of our auditor's report.

BDO Audit (SA) Pty Ltd

Andrew Tickle
Director

Adelaide, XX Month XX

Attachment 2b



Councillor J Smedley
Presiding Member - Audit Committee
City of Holdfast Bay
24 Jetty Road
BRIGHTON SA 5048

13 May 2020

Dear Councillor Smedley

ASSURANCE ENGAGEMENTS ON CONTROLS

Design and Operating Effectiveness of Controls

You have requested that we undertake a reasonable assurance engagement on the design of controls established by City of Holdfast Bay (the Council) in relation to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, and the operating effectiveness of these controls throughout the period 1 July 2019 to 30 June 2020 in accordance with the requirements of the Local Government Act 1999. The control objectives to be addressed are specified by legislation, which are that financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities are conducted properly and in accordance with law.

We are pleased to confirm our acceptance and our understanding of this reasonable assurance engagement by means of this letter. Our assurance engagement will be conducted with the objective of expressing an opinion on the suitability of the design of controls within City of Holdfast Bay systems to achieve the stated control objectives, and the operating effectiveness of those controls throughout the period.

Responsibilities of the assurance practitioner

We will conduct our assurance engagement in accordance with Standard on Assurance Engagements ASAE 3150 *Assurance Engagements on Controls*. That standard requires that we comply with ethical requirements applicable to assurance engagements and plan and perform procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the control objectives, and the controls operated effectively throughout the period. An assurance engagement involves performing procedures to obtain evidence about the design, description and operating effectiveness of controls.

The procedures selected depend on the assurance practitioner's professional judgement, including the assessment of the risks of material deficiencies in the design or deviations in the operating effectiveness of the controls.

Because of the inherent limitations of an assurance engagement, together with the inherent limitations of any system of controls there is an unavoidable risk that some deficiencies in the design or deviations in the operating effectiveness of controls may not be detected, even though the engagement is properly planned and performed in accordance with Standards on Assurance Engagements.

The responsibilities of management and identification of the applicable control framework

Our assurance engagement will be conducted on the basis that management acknowledges and understands that they have responsibility:

- a) That throughout the period, in all material respects, and based on suitable criteria:
 - i. The controls within City of Holdfast Bay system were suitably designed to achieve the identified control objectives; and
 - ii. The controls operated effectively to achieve the control objectives;
- b) For the identification of suitable control objectives which are specified by law in relation to the system;
- c) For the identification of risks that threaten achievement of the control objectives identified;
- d) For design of the system, comprising controls which will mitigate those risks so that those risks will not prevent achievement of the identified control objectives and therefore that the control objectives will be achieved;
- e) For operation of the controls as designed throughout the period;
- f) To provide us with:
 - i. Access to all information of which those charged with governance and management are aware that is relevant to the description of the system and design and operation of the controls within that system;
 - ii. Additional information that we may request from those charged with governance and management for the purposes of this assurance engagement; and
 - iii. Unrestricted access to persons within the entity from whom we determine it necessary to obtain evidence.

As part of our engagement, we will request from management written confirmation concerning representations made to us in connection with the engagement.

Assurance Approach

We will examine and evaluate the controls established by Council in relation to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities.

Due to the complex nature of internal control, our assurance procedures will not encompass all individual controls at City of Holdfast Bay, but will be restricted to an examination of those controls reported which achieve the control objectives specified by legislation.

Assurance Procedures

Our assurance procedures will include:

- a) Obtaining an understanding of the control environment of City of Holdfast Bay relevant to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities;
- b) Evaluating the design of specific controls by:
 - i. Assessing the risks that threaten achievement of the control objectives; and
 - ii. Evaluating whether the controls described are capable of addressing those risks and achieving the related control objectives;
- c) Making enquiries, inspecting documents, conducting walk throughs and re-performance of controls to ascertain whether the degree of compliance with controls is sufficient to achieve their control objectives throughout the period.

Assurance Report

The format of the report will be in accordance with ASAE 3150 with respect to reasonable assurance engagements. An example of the proposed report is contained in the appendix to this letter.

Our opinion will be phrased in terms of the suitability of the design of controls to achieve the control objectives and the operating effectiveness of controls as designed.

Material Deficiencies in Design or Deviations in Operating Effectiveness of Controls]

We will issue an assurance report without modification, to provide a reasonable assurance conclusion on the controls relevant to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities where our procedures do not identify a material deficiency in the design of controls necessary to achieve the control objectives, or deviation in the operating effectiveness of controls as designed. For this purpose, a material deviation, misstatement or deficiency exists when:

- a) The controls as designed or the degree of compliance with them will not or may not achieve the control objectives in all material respects; and
- b) Knowledge of that deficiency or deviation would be material to users of the assurance report.

If our assurance engagement identifies that there are material deficiencies in the design or deviations in the operating effectiveness of controls during the period covered by the report, such deficiencies or deviations will be disclosed in our report even if they were corrected prior to the end of the reporting period. However, our report will indicate that such deviations were corrected if that is the case. If any material deficiencies or deviations disclosed in our report have been corrected subsequent to this period (or are in the process of being corrected), we will refer to this in our report.



Although the primary purpose of our assurance engagement will be to enable us to issue the above described report, we may also provide you with a letter containing recommendations for strengthening controls if such matters are observed during the process of the assurance engagement. Although issues raised may not represent deficiencies in design or deviations in operating effectiveness of the controls which are material to our conclusion, our recommendations will address areas where we believe controls could be improved.

We look forward to full cooperation from your staff during our assurance engagement.

Terms of Trade

The terms of this engagement are per the Services Agreement for External Audit Services between the City of Holdfast Bay and BDO Audit (SA) Pty Ltd.

Yours sincerely

BDO Audit (SA) Pty Ltd

A handwritten signature in blue ink, appearing to read 'Andrew Tickle', is written over a light blue circular stamp.

Andrew Tickle
Director

Appendix 1

DRAFT INDEPENDENT ASSURANCE REPORT ON THE INTERNAL CONTROLS OF CITY OF HOLDFAST BAY

Opinion

We have undertaken a reasonable assurance engagement on the design and the operating effectiveness of controls established by Council in relation to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities, throughout the period 1 July 2019 to 30 June 2020 relevant to ensuring such transactions have been conducted properly and in accordance with law.

In our opinion, in all material respects:

- (a) The controls established by Council in relation to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities were suitably designed to ensure such transactions have been conducted properly and in accordance with law; and
- (b) The controls operated effectively as designed throughout the period from 1 July 2019 to 30 June 2020.

Basis for opinion

We conducted our engagement in accordance with Standard on Assurance Engagements ASAE 3150 *Assurance Engagements on Controls* issued by the Auditing and Assurance Standards Board.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

The Council's responsibilities for the internal controls

The Council is responsible for:

- a) The receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities;
- b) Identifying the control objectives
- c) Identifying the risks that threaten achievement of the control objectives
- d) Designing controls to mitigate those risks, so that those risks will not prevent achievement of the identified control objectives; and
- e) Operating effectively the controls as designed throughout the period.

Our independence and quality control

We have complied with the independence and other relevant ethical requirements relating to assurance engagements, and apply Auditing Standard ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, and Other Assurance Engagements* in undertaking this assurance engagement.

Assurance practitioner's responsibilities

Our responsibility is to express an opinion, in all material respects, on the suitability of the design to achieve the control objectives and the operating effectiveness of controls established by Council in relation to financial transactions relating to the receipt, expenditure and investment of money, acquisition and disposal of property and incurring of liabilities. ASAE 3150 requires that we plan and perform our procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the control objectives and the controls operated effectively throughout the period.

An assurance engagement to report on the design and operating effectiveness of controls involves performing procedures to obtain evidence about the suitability of the design of controls to achieve the control objectives and the operating effectiveness of controls throughout the period. The procedures selected depend on our judgement, including the assessment of the risks that the controls are not suitably designed or the controls did not operate effectively. Our procedures included testing the operating effectiveness of those controls that we consider necessary to achieve the control objectives identified. An assurance engagement of this type also includes evaluating the suitability of the control objectives.

Limitations of controls

Because of the inherent limitations of an assurance engagement, together with any internal control structure it is possible that, even if the controls are suitably designed and operating effectively, the control objectives may not be achieved and so fraud, error, or non-compliance with laws and regulations may occur and not be detected.

An assurance engagement on operating effectiveness of controls is not designed to detect all instances of controls operating ineffectively as it is not performed continuously throughout the period and the tests performed are on a sample basis. Any projection of the outcome of the evaluation of controls to future periods is subject to the risk that the controls may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

BDO Audit (SA) Pty Ltd

Andrew Tickle
Director

Adelaide, XX Month 20XX

Attachment 3



Additional Information for Audit Committee – Business Cycles Excluded from Control Self Assessment Program



Cash Floats and Petty Cash

Excluded on the basis of materiality, and no high financial risks. Minimal values are held, and petty cash transactions are limited to \$100.

Inventory

Excluded on the basis of materiality (2019 inventory closing balance was \$9,000 out of total assets of over \$750 million), and no high financial risks. Inventory does not include plant and equipment assets, the controls for which are covered under the 'Fixed Assets' business cycle.

Prepayments

Excluded on the basis of materiality (\$298,000 out of \$3.2m of Trade & Other Receivables), and no high financial risks. Prepayments are an accounting adjustment only, and are reviewed as part of the year end process and external audit, providing the opportunity for any material errors to be detected and corrected via an audit adjustment with no consequence to Council.

Project Costing

Project costing is an important function of Council, and an area where council requires a level of assurance that controls are operating effectively. Key financial controls (budget monitoring, contracting and procurement controls) are duplicated and monitored within other business cycles – namely 'Purchasing and Procurement', 'Contracting' and 'Budgets'. Additionally, Project Management is included on the forward Internal Audit Plan as a future project.

No major non-routine projects underway in the 2019/20 financial year. Where non-routine projects are included in future year business plans, this business cycle may be included in the CSA program.

Elected member expenses

Excluded on the basis of materiality, low value of transactions. Controls found effective in prior years CSA, and staff interviews showed no concern from staff regarding these controls. Due to reputational risk around errors in elected member expenses, this business cycle will be considered for inclusion in the CSA program on a rotational basis in future.

Employee Reimbursements

Excluded on the basis of materiality, and no high financial risks. In addition, the key control “Employee expenses claims must be approved by authorised staff and independently verified and include relevant substantiation” is included and monitored within the Accounts Payable business cycle.

Other Expenses

Excluded on the basis of materiality, and no high financial risks. All key expense controls are covered in the ‘Accounts Payable’, ‘Purchasing and Procurement’, ‘Contracting’ and ‘Budgets’ business cycles.

Accrued Expenses

Excluded on the basis of materiality, and no high financial risks. All key expense controls are covered in the ‘Accounts Payable’, ‘Purchasing and Procurement’, ‘Contracting’ and ‘Budgets’ business cycles. Accrued Expenses are an accounting adjustment only, and are reviewed as part of the year end process and external audit, providing the opportunity for any material errors to be detected and corrected via an audit adjustment with no consequence to Council.

Taxation

Excluded on the basis of materiality, and no high financial risks.

Unused Grant Funds

Excluded on the basis of materiality, and no high financial risks. This business cycle is not included in the better practice model, and has been introduced by Council into the previous CSA program. The Controls identified in this former CSA program relate to accounting decisions for the timing of revenue recognition. As a result of recent changes to accounting standards for revenue recognition, this has been a focus of the financial reporting / end of year process and external audit for the last 2 years at least, meaning there is a low risk of material errors being left undetected and providing the opportunity for any material errors to be detected and corrected via an audit adjustment with no consequence to Council.

Investment/Interest Income

Excluded on the basis of materiality, and no high financial risks.

Other Revenue

Excluded on the basis of materiality, and no high financial risks. Key controls (e.g. bank reconciliation, cash collection controls, credit note / bad debt controls, debtors monitoring) are included and monitored within other business cycles (Banking, Receipting, Debtors)

Management Reporting

Includes a high risk, but key controls (e.g. existence of key financial policies, budget monitoring) are included and monitored within other budget cycles. The previous CSA included a finding related to policies – these policy controls are covered in other business cycles (e.g. Procurement, Credit Cards, Fixed Assets).

Statutory Reporting

No high risks. Controls relate largely to routine steps in the end of year process. Budget controls duplicated and monitored within Budget business cycle. The previous CSA included a finding related to policies – these policy controls are covered in other business cycles (e.g. Procurement, Credit Cards, Fixed Assets).

Alwyndor Specific Comments

In addition to the above, the following comments are applicable to Alwyndor only.

As the Better Practice Model (BPM) has been developed and tailored specifically to local government, a number of the controls within the model are not applicable to Alwyndor and Alwyndor is not obligated to adopt the controls within the BPM. That said, the BPM acts as a very good reference for appropriate internal financial controls, and the majority of applicable controls have been adopted. Two business cycles (inventory and unused grant funding) are included within Council's framework, but not Alwyndor's. Alwyndor records no inventory in its financial statements. Unused grant funding is not a business cycle within the BPM – it has been introduced by the Council. The controls are not considered material for Alwyndor.

Grants - Alwyndor

Grants have been included for Council, but excluded for Alwyndor. Whilst the value of grant income is a material number for Alwyndor, the nature of the grant income means this business cycle is low risk from a financial internal control perspective as the grant accounting is simpler and variation in the nature of grants less broad than for council. The key risk related to grant income for Alwyndor is meeting Accreditation standards, managed via non-financial controls and monitored by alternative assurance mechanisms outside of the financial CSA process. Again, budget controls are monitored within the 'Budget' business cycle.

Management Reporting - Alwyndor

Management reporting has not been included in Council's CSA program, but has been included as a high risk business cycle for Alwyndor on the basis that it forms a key part of the Governance Framework between Alwyndor and Council. Controls selected relate to the provision of information from Alwyndor to Council.

Attachment 4



Field Services, Regulatory Services– BCP on a Page



Disruption has occurred. If need be call emergency services 000

Loss of Site

Loss of IT Systems/Equipment

Loss of People

Loss of Third-party

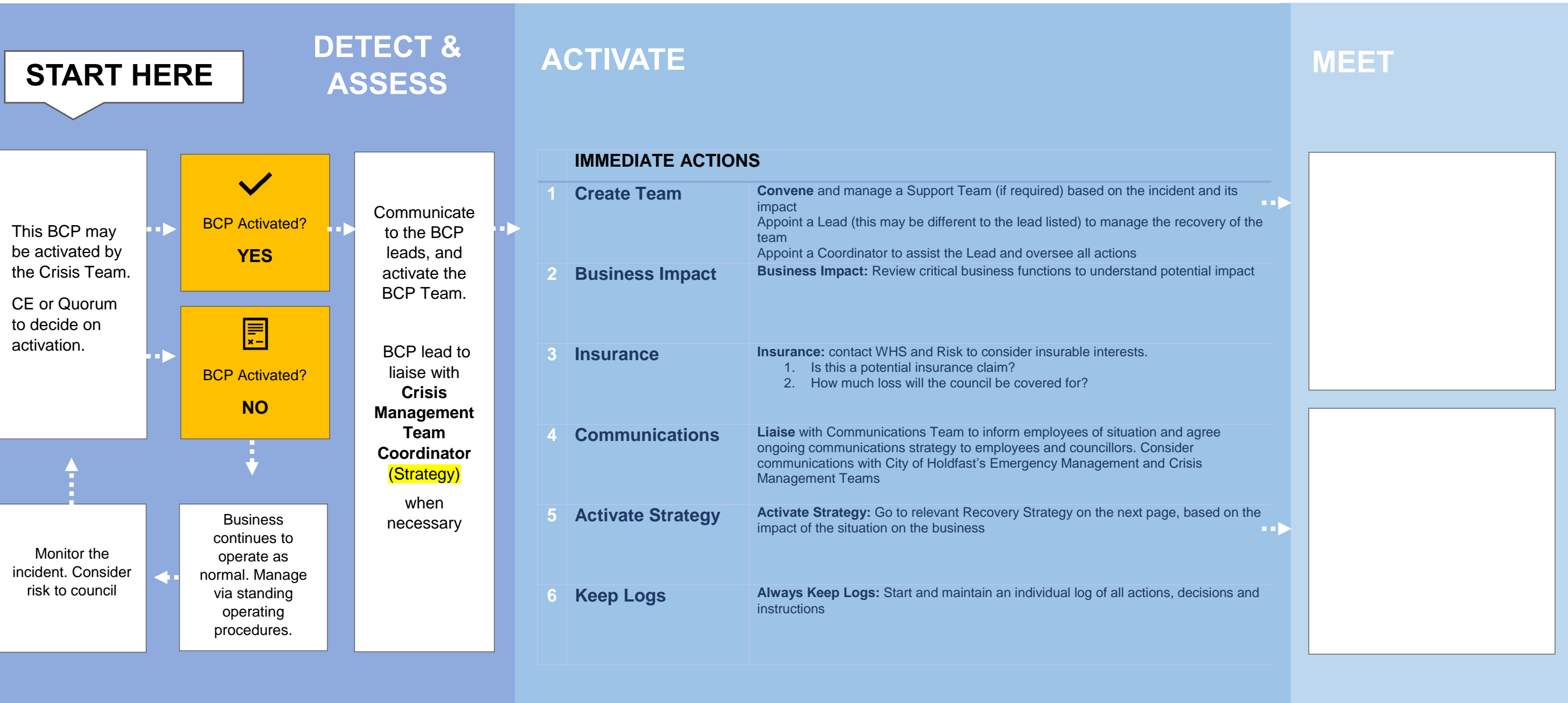
Ask yourself:

What has happened?
Summarise the nature & cause of the event

Date and time of event?
May be different to time reported

Location of event?
May be multiple areas in the council or not have a locality focus

NOTIFY [SLT] FOR ALL INCIDENTS AND CRISES



Use the strategies below to assist with immediate actions after a disruption.
Further steps can be found in the BCP Guide

STEP	LOSS OF SITE	✓
1	Critical Staff: Confirm alternate working arrangements: <ul style="list-style-type: none"> • Can they work remotely? 1. Is there another Holdfast location suited to their needs, such as a Library or Civic Centre. Refer to preferred site alternate location. Is it a viable option in this incident? 	
2	Replacement IT equipment: Assess the availability of laptops and essential equipment to support the recovery of critical business functions. If <i>insufficient</i> laptops are available: <ul style="list-style-type: none"> • Request laptops from employees <i>not</i> undertaking critical business functions • Contact Technology and request support to obtain additional laptops • Where possible transfer processes to alternate location and/or groups to complete actions or postpone until laptops available. 	
3	Non-Critical Staff: Confirm with Team Managers that non-essential employees have been advised to return home until further notice or non-critical staff can assist in service delivery in critical process.	
4	Communications: Communicate alternate working arrangements and timeframes for recovery with impacted employees.	

STEP	LOSS OF IT	✓
1	Confirm situation: What systems have been affected? What is the expected outage timeframe?	
2	Business Impact: Liaise with your team to confirm actual/likely impacts to critical business functions	
3	Technology Requirements: Who in your team is affected? What is their technology requirements for the critical functions? (technology requirements section I over page) – pass this information to IT so they know what your priorities are.	
4	Manual Workarounds: Consider if manual workarounds are practical to use and implement if necessary (i.e. if IT is also affected by the disruption)	
5	Communicate with Technology: Agree point of contact to receive status updates.	
6	Work Transfer: If the technology outage affects a single region, consider transferring processes to other non-affected sites/area	

STEP	LOSS OF EXTERNAL 3rd PARTY	✓
1	Understand Impact: Is the affected 3rd party critical? If critical: Liaise with 3rd party provider to: <ul style="list-style-type: none"> • confirm expected recovery time, if known • identify workarounds/strategies for the continuity and recovery of critical business functions 	
2	Consider Alternate Arrangements: Depending on the severity of the disruption and expected recovery time, consider the following options: <ul style="list-style-type: none"> • Can other council's or the Local Government Functional Support Groups? • Identify alternate service provider(s) and assess likely timeframe to engage/procure products and services; <ul style="list-style-type: none"> • Utilise existing Holdfast resources to provide support to impacted critical business functions 	
3	Get Help: Engage with Legal and Procurement teams to support management of disrupted provider and engagement of alternate providers	
4	Communications: Confirm the communications strategy with the 3 rd party and communicate required actions to employees and residents of the City of Holdfast.	

STEP	LOSS OF PEOPLE	✓
1	Find People: In liaison with General Managers, confirm if there are sufficient suitably skilled resources to continue to operate critical business functions	
2	Continue Operations: If insufficient employees to continue operation: <ul style="list-style-type: none"> • Liaise with other Department to identify availability of suitably skilled employees; • Review critical functions within the business to identify those actions that can be ceased or transferred; • Consider implementing a roster system to allow for rest for those employees still available to operate; 	
3	Monitor employee welfare such as potential fatigue or stress related issues. <ul style="list-style-type: none"> • Liaise with Work Health & Safety function to provide guidance and support to employees as required. • Consider engaging Employee Assistance Provider through People Experience Team. 	
4	Communicate: Provide regular information updates to all key stakeholders, including non-affected Teams (if required). Consider: <ul style="list-style-type: none"> • Plan and status of recovery activities; and • Identified risks associated with recovery 	

Consider the criticality of business processes and IT applications before proceeding.
Turn over the page.

Field Services, Regulatory Services– BCP on a Page

PEOPLE: Contact List and Key Roles

Role	Primary/Alternate Name	Mobile	Email
Understand the Roles			
Lead	<ul style="list-style-type: none"> Lead the use of this Plan. Work with CMT to understand status of situation, strategic overview and any impediments to activation of this Plan. Actively manage your team, communications and anything else needed to recover their operations. 		
Coordinator	<ul style="list-style-type: none"> Working with the Lead, assist to call out relevant people to assist with this Plan. Be a resource for the Lead to call on to assist with actions and decisions. Be the central point of call for all employees in your group. 		

Maintenance Schedules	T5	Consider: 1. Customer triage 2. Service and Asset performance 3. Customer liaison 4. Tree inspections, playground inspections, condition assessments. 5. Procurement, receiving invoices and budget. 6. Plant and machinery 7. Develop maintenance programmes and work plans 8. Generation of work requests or defects 9. Contractor management 10. Production reporting 11. Ad hoc consulting on capital works / design phase
Compliance and Complaints	T6	Consider: 1. Permission and complaints management (Hoarding, Building Sites, out door dining, mobile food vendors, signage, fireworks) 2. Issue management between residents. 3. Safety management, report to the police or the Field Services Team. 4. Nuisance complaints legislation. 5. Night patrols for security at nights. 6. Legal and legislation

Critical Business Functions and Timeframes

Process Name	Criticality	Contingency strategies and things to think about
Animal Management	T1	Consider: 1. Monitor properties 2. Dog attacks and stray animals. 3. 24 hours service - on call between 5am-7am 4. Contractors manage the night shift. 5. Animals could be taken to RSPCA or local vet. 6. <u>DACO</u> - registering system. 7. Legal and legislation
Environmental Health	T2	Consider: 1. Notifications from SA health (outbreaks at swimming pools, cafes, and sites throughout the council) 2. Action 3. Inspections, Food Act, proactive inspections, swimming pools, warm water systems (aged care facilities), cooling towers. 4. Assist the state government in inspections where required. 5. Supported residential facilities, for people with mental health. Consider residents 6. Legal and legislation
Reactive Maintenance and Customer Requests	T2	Consider: 1. Receive and assess and triage with customer service 2. Immediate risks, raised pavers, fallen branches, needles and public infrastructure defects, leaking taps, etc. 3. 24-48 hours time period. 4. Service performance - collect the data on what action was taken, data entry 5. Asset performance, assess the asset, condition of the asset, budget requirements for future maintenance. 6. Communication and customer liaison - inform proactively and close the loop. 7. Contractor management
Resource Management	T2	Consider: 1. Available and adequate resources 2. Training 3. Plant and equipment 4. Monitoring and support. 5. Scheduling and rostering.
Contractor Management	T2	Consider: 1. Security and night patrol
Immunisation	T4	Consider: 1. Public and schools 2. Order from state or federal government 3. Receive and Hold stock 4. For blackouts, ice up the medicine (SOP) 5. Administered by a registered nurse, one for the clinic and two for the schools. 6. Upload data onto the AIR programme. Can use IRIS, will upload onto AIR.
Parking	T4	Consider: 1. Monitoring, complaints management, Fines Recovery Unit 2. Timed parking and safety. 3. Contractor management. 4. Ticket machines 5. Conflict resolution.

IT: Critical Technology Applications & Timeframes

Application Name	RTO	RPO	Manual Workaround
Chemalert	At Time of Recovery	Last Transaction	Outside signage and do not procure new chemicals until system is live again.
DACO	At Time of Recovery	Last Transaction	Treat the case as the worse case scenario, capture the data on the dog, and take to the vet/RSPCA. Upload the data into DACO when available.
Duncans	At Time of Recovery	Last Backup (upto 24 hours data loss)	Take manual notes and photos, and reconcile into Duncans.
Health Manager	At Time of Recovery	Functionality Only	Information available in TRIM,
IntraMaps	Soon After Recovery	Functionality Only	-
IntraMaps	At Time of Recovery	Functionality Only	Google maps
Intranet	At Time of Recovery	Functionality Only	Phones and hard copy manuals.
Office, Internet & Email	At Time of Recovery	Last Transaction	Phones, records management system for animal management
Rainbird IQ	Soon After Recovery	Functionality Only	Manual intervention.
Rapid Plan	Eventually	Functionality Only	Use handbook
TechnologyOne ECM	At Time of Recovery	Last Transaction	Manual notes, two-way and phones.
TechnologyOne P&R	Eventually	Last Transaction	-
TechnologyOne P&R	At Time of Recovery	Last Transaction	Manual notes, two-way and phones.
TRIM HP Records Manager	At Time of Recovery	Last Transaction	-
TRIM HP Records Manager	At Time of Recovery	Last Transaction	-

External & Internal Dependencies

Vendor/Supplier Name	Internal/External	Reliance Level	Description of service	Contact Name & Number
Refer to Contractor / Supplier List	External	Total Reliance	-	
Care Park	External	Total Reliance	-	

Field Services, Regulatory Services– BCP on a Page

Consolidated Security	External	Total Reliance	-	
Department of Health	External	Total Reliance	-	
Emergency Management Services	External	Total Reliance	-	
LGA	External	Minimal Reliance	-	
Oracle	External	Total Reliance	-	
Telstra	External	Total Reliance	-	

SITES: Options of where to go

Site	Processes			
Depot	Reactive Maintenance and Customer Requests, Resource Management, Maintenance Schedules			
BAU Staff	47			
Additional Comments	For loss of site, transfer processes to other council.			
Work from Home?	Number of staff	% of Access Capability	Additional Requirements	Max Time Operable
Yes	-	-		
Number of people required to work from home over time:				
T1: - T2: - T3: - T4: - T5: - T6: -				
Transfer to alternate workplace?	Preferred location	Additional Requirements		
Yes	Another Council			
Number of people required to work from home over time:				
T1: - T2: - T3: - T4: - T5: - T6: -				

Site	Processes			
Town Hall	Animal Management, Environmental Health, Contractor Management, Immunisation , Parking, Compliance and Complaints			
BAU Staff	20			
Additional Comments	Including contractors.			
Work from Home?	Number of staff	% of Access Capability	Additional Requirements	Max Time Operable
No	-	-	-	-
Number of people required to work from home over time:				
-				
Transfer to alternate workplace?	Preferred location	Additional Requirements		
Yes	Civic Centre			
Number of people required to work from home over time:				
T1: - T2: - T3: - T4: - T5: - T6: -				

BUSINESS CONTINUITY PLAN GUIDE

Field Services, Regulatory Services

THIS DOCUMENT SHOULD BE USED IN CONJUNCTION WITH YOUR CONTINUITY PLAN ON A PAGE

VERSION: 1.0

DATE: AUGUST 16, 2018

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1. INTRODUCTION

The purpose of this document is to support the business to recover from a disruption to its normal business operations.

1.1. SCOPE

This Business Continuity Guide is a supporting document for the BC Plan on a Page, and addresses the following scenarios:

- Loss of Key **People**
- Loss of **IT** (Technology/Equipment)
- Denial of Access to **Site**/Premises
- Loss of **External Parties** (Third Party Providers)

1.2. HOW THIS GUIDE WORKS

This guide works alongside the Continuity Plan on a Page and contains additional tools, guides, actions and templates to assist in a recovery event.

2. DETECT & ASSESS

Follow the instructions on your Plan on a Page:

If **NO** BCP activation is required, the situation will be managed under normal business as usual procedures.

If BCP activation **IS** required, this plan along with the BC Plan on a Page should be used.

Below is a situation assessment checklist to assist understanding the impact on the business:

Situation Assessment (consult others as required)	
PEOPLE <i>Who is affected and how?</i>	<ul style="list-style-type: none"> • Are there any Injuries? • What potential harm exists – physical, psychological, both? • Who has been affected and how? Staff / Contractors / Visitors / Residents in the council? • What is their status (i.e. evacuated and at designated assembly point?) • What support is required by the affected team?
REPUTATION <i>Reputational impact?</i>	<ul style="list-style-type: none"> • Is there a reputation impact? If so, what and with whom? • Do staff need to be communicated to? • Is wider communication required to the community or South Australian State Departments?
INFRASTRUCTURE / TECHNOLOGY <i>What is affected & how?</i>	<ul style="list-style-type: none"> • Is this isolated to one area of the business? • What capability is impacted and how? • Is there any data loss? • Are IT Systems impacted (including cyber security?) • Is there any equipment loss? • Loss of equipment? Plant?
SITE <i>Affected sites / BUs?</i>	<ul style="list-style-type: none"> • Library, Recreational Centre, or Community Hall affected? • Is an owned and operated site affected including security? • Is a tenanted/leased site affected including security? • Is there an impact on the businesses ability to operate from a site? • Is a single department or multiple departments impacted?
EXTERNAL PARTY <i>Affected third parties?</i>	<ul style="list-style-type: none"> • Does the issue affect a critical third-party supplier? • Does this impact our ability to operate? • Can other councils in Adelaide assist? • What is the status of the third party?

3. ACTIVATE

If a decision is made to activate a business continuity team, this agenda and checklist will assist to run the first meeting of the team.

ALWAYS REMEMBER TO CONSIDER **PRISE**¹.

1	CONFIRM / REVIEW WHAT WE KNOW	
	Identify the known information from across the Business: <ul style="list-style-type: none"> Reconfirm facts What is new/what has changed? What is affected/what is not affected? What workarounds are currently in place? Number of issues currently being addressed 	Agree on what is the main issue - state what the main focus should be in dealing with this event. <i>e.g.: safety of the staff at certain locations, recovery of operations in specific geographies, etc.</i>
2	CONSIDER WHAT MAY HAPPEN	
	MOST LIKELY Using the main issue, state what you see as being the most likely outcome for this event.	WORST CASE Using the main issue, state what you see as being the "worst case" outcome for this event.
3	ASSESS IMPACTS	
	Against all key areas of the Business: <ul style="list-style-type: none"> What functions are working/not working? What workarounds or options exist? What are the critical Interdependencies? What additional resources are required? Are there any key timelines required for a response? Are there any impacts to external stakeholders 	For Worst Case , what additional considerations are required? Consider forming sub-team(s) to focus on key issues / tasks.
4	AGREE ACTIONS	
	NOW? Include details for each task: <ul style="list-style-type: none"> Actions/decisions? Who is responsible? Timings of actions? Desired outcomes? How status is to be reported? Approved additional resources? 	LATER? List those actions that can be delayed with details including: <ul style="list-style-type: none"> What, Who, Where Timing of when to commence action When others should consider the action
5	AGREE COMMUNICATIONS STRATEGY	
	<ul style="list-style-type: none"> Agree key message Identify responsibility for preparing message Confirm authorisation and methods of delivery Confirm timings for message / briefing release 	Liase with Communications Team

¹ PRISE is an acronym used at the City of Holdfast to assess an incident. PRISE stands for; People (internal and external), Reputation, Infrastructure (both IT and non-IT), Sites and External Third-Parties (suppliers and regulators). PRISE recognises an impact to one or more of these five elements may result in a business continuity incident.

4. RESPOND & RECOVER

Business Continuity Plan Coordinator to review and follow the relevant strategy as outlined below.

- **Loss of/Denial of Access to Site** when:
 - Access to a Site is not available for an extended period
 - Complete failure of systems from site (e.g. no power / no technology) requiring relocation or services or work
- **Loss of IT/Technology** when critical systems are not available for an extended period affecting work outcomes
- **Loss of Key People** when employees or onsite contractors performing critical functions are not available
- **Loss of External Third-Party Provider** when a critical supplier is not able to deliver critical services/products

ALL INITIAL ACTIONS ON YOUR BC PLAN ON A PAGE MUST BE COMPLETE. THEY ARE ALSO LISTED BELOW.

This guide contains follow-on and stand-down actions that may be considered

4.1. LOSS OF/DENIAL OF ACCESS TO SPACE

Immediate Actions

#	Actions	✓
1	Critical Staff: Confirm alternate working arrangements: <ul style="list-style-type: none"> • Can they work remotely? Is there another Holdfast location suited to their needs	
2	Replacement IT equipment: Assess the availability of laptops and essential equipment to support the recovery of critical business functions. If <i>insufficient</i> laptops are available: <ul style="list-style-type: none"> • Request laptops from employees <i>not</i> undertaking critical business functions • Contact IT and request support to obtain additional laptops Where possible transfer processes to alternate location and/or groups to complete actions or postpone until laptops available.	
3	Non-Critical Staff: Confirm with Team Managers that non-essential employees have been advised to return home until further notice.	
4	Communications: Communicate alternate working arrangements and timeframes for recovery with impacted employees. <ul style="list-style-type: none"> • Consider contacting insurance to reconcile loss. Communicate with WHS and Risk. 	

Ongoing Actions

#	Actions	✓
1	Regularly review the progress of all recovery activities and escalate any delays to as soon as possible	
2	Maintain regular contact with disrupted teams to review progress of recovery actions (workarounds, alternate sites, backup equipment, etc.) and adjust as required	
3	Regularly review welfare of employees and agree actions to manage fatigue and stress. Consider engaging Employee Assistance Provider (Contact the People Experience Team for activation).	

-- Extended Guide

4	Manage ongoing employees and stakeholder requirements. Liaise with Team Managers to ensure team-specific stakeholders are being managed	
5	Regularly provide update to all relevant key stakeholders, including non-affected Teams (if required)	
6	Consider and begin planning for longer term issues: <ul style="list-style-type: none"> • How long can we operate from alternate locations and home? • Where can people work from longer term? 	

Stand Down

#	Actions	✓
1	Once building has been restored to operational use: <ul style="list-style-type: none"> • Inform all internal stakeholders; • Continue to monitor situation to ensure no additional issues 	
2	Assess residual impacts, back log of activities and required resources to resolve. <ul style="list-style-type: none"> • Liaise with People team to obtain additional resources if required. 	
3	Create and implement a project plan for activities required to resume normal business operations	
4	Continue to monitor impact to the team and employees	
5	Conduct Post Incident Review to identify key learnings regarding the Recovery activities	

4.2. LOSS OF IT/TECHNOLOGY/EQUIPMENT

Immediate Actions

#	Actions	✓
1	Confirm situation: What systems have been affected? What is the expected outage timeframe?	
2	Business Impact: Liaise with your team to confirm actual/likely impacts to critical business functions	
3	Technology Requirements: Who in your team is affected? What is their technology requirements for the critical functions? <ul style="list-style-type: none"> pass this information to IT so they know what your priorities are. 	
4	Manual Workarounds: Consider if manual workarounds are practical to use and implement if necessary (i.e. if IT is also affected by the disruption)	
5	Communicate with Technology: Agree point of contact to receive status updates.	
6	Work Transfer: If the technology outage affects a single region, consider transferring processes to other non-affected regions.	

Ongoing Actions

#	Actions	✓
1	Regularly review the progress of all recovery activities and escalate any delays to the Leadership as soon as possible	
2	Review welfare of employees and agree actions to manage fatigue and stress due to additional workload. Consider engaging Employee Assistance Provider.	
3	Provide regular information updates to all internal stakeholders, including non-affected Teams (as required). Communicate: <ul style="list-style-type: none"> Direction and information regarding alternate or postponed processes Expected timeframes, if known, for recovery 	
4	Confirm and allocate any further actions required by the team during recovery phase	
5	Communications: Communicate alternate working arrangements and timeframes for recovery with impacted employees. <ul style="list-style-type: none"> Consider contacting insurance to reconcile loss. Communicate with WHS and Risk. 	

Stand Down

#	Actions	✓
1	Once systems/equipment have been restored to operational use: <ul style="list-style-type: none"> Inform all internal stakeholders (e.g. employees, management); Continue to monitor situation to ensure no additional issues 	
2	Assess residual impacts, back log of activities and required resources to resolve: <ul style="list-style-type: none"> Consider additional human resources required – liaise with People team to arrange. 	
3	Create and implement a project plan for activities required to resume normal business operations	
4	Continue to monitor impact to employees	
5	Conduct Post Incident Review to identify key learnings regarding the Recovery activities	

4.3. LOSS OF KEY PEOPLE

A loss of key people may occur for many reasons. This recovery strategy can assist when this loss causes disruption to the business which requires a coordinated approach and response.

Actions

#	Actions	✓
1	In liaison with Team Managers, confirm if there are sufficient suitably skilled resources to continue to operate critical business functions	
2	If insufficient employees to continue operation: <ul style="list-style-type: none"> • Liaise with other Teams to identify availability of suitably skilled employees; • Review critical functions within the business to identify those actions that can be ceased or transferred; • Consider implementing a roster system to allow for rest for those employees still available to operate; 	
3	Monitor employee welfare such as potential fatigue or stress related issues. <ul style="list-style-type: none"> • Liaise with Work Health & Safety (Physical Security Team) function to provide guidance and support to employees as required. • Consider engaging Employee Assistance Provider through the Experience Team. 	
4	Provide regular information updates to all key stakeholders, including non-affected Teams (if required). Consider: <ul style="list-style-type: none"> • Plan and status of recovery activities; and • Identified risks associated with recovery 	
5	Regularly review the progress of all recovery activities and escalate any delays to the management as soon as possible	
6	Confirm and allocate any further actions required by the team during recovery phase	

Stand Down

#	Actions	✓
1	Once sufficient levels of employees have returned or key roles have been temporarily filled: <ul style="list-style-type: none"> • Assess any residual impact, back log of activities and required resources to resolve • Commence recruitment of permanent employees to replace employees as needed 	
2	Conduct Post Incident Review to identify key learnings regarding the Recovery activities	

4.4. LOSS OF EXTERNAL THIRD-PARTY PROVIDER

Immediate Actions

#	Actions	✓
1	<p>Understand Impact: Is the affected 3rd party critical?</p> <p>If critical: Liaise with third-party provider to:</p> <ul style="list-style-type: none"> confirm expected recovery time, if known identify workarounds/strategies for the continuity and recovery of critical business functions 	
2	<p>Consider Alternate Arrangements: Depending on the severity of the disruption and expected recovery time, consider the following options:</p> <ul style="list-style-type: none"> Identify alternate service provider(s) and assess likely timeframe to engage/procure products and services; Do they have the necessary qualifications or police checks to perform the service? Utilise existing Holdfast resources to provide support to impacted critical business functions 	
3	<p>Get Help: Engage with Legal and Procurement teams to support management of disrupted provider and engagement of alternate providers</p>	
4	<p>Communications: Confirm and communicate required employee and Member actions</p>	

Ongoing Actions

#	Actions	✓
1	<p>Review the situation - <i>has anything changed? What is the current status of the incident/disruption?</i></p>	
2	<p>Review welfare of employees and agree on actions to manage fatigue and stress</p>	
3	<p>Provide regular information updates to all key stakeholders, including non-affected Teams. Consider:</p> <ul style="list-style-type: none"> Plan and status of recovery activities; and Identified risks associated with recovery 	
4	<p>Regularly review the progress of all recovery activities and escalate any delays to management as soon as possible</p>	

Stand Down Actions

#	Actions	✓
1	<p>Once issue is resolved, stand down Team Managers and resume normal business operations</p>	
2	<p>Assess residual impact, back log of activities and required resources to resolve</p>	
3	<p>Assess long term relationship with service provider and any legal considerations</p>	
4	<p>Conduct Post Incident Review to identify key learnings regarding the Recovery activities</p>	

5. PERSONAL LOG

APPENDIX – OTHER SUPPORTING INFORMATION

End of Document

Attachment 5



Today's ground rules

- Open to challenge – fearlessness rules!
- Growth mindset
- Confidentiality



GROWTH MINDSET
The belief that skills, intellect, and talents can be developed through practice and perseverance.

DESIRES I want to learn new things. I am eager to take risks.

SKILLS Is this really my best work? What else can I improve?

EFFORT I know this will help me even though it is difficult.

SETBACKS I'll use another strategy; my mistakes help me learn.

FEEDBACK I recognize my weakness, and I know what to fix.

TALENTED PEERS I wonder how they did it. Let me try to figure it out.

Outputs from today

- Confirm business continuity plan contents via ‘pressure test’ scenarios – with special focus on critical services + roles
- Recommendations to SLT regarding relevant COVID-19 considerations/actions

Agenda

1	CONFIRM / REVIEW WHAT WE KNOW	
	Identify the known information from across the Business: <ul style="list-style-type: none"> ▪ <i>Reconfirm facts</i> ▪ <i>What is new/what has changed?</i> ▪ <i>What is affected/what is not affected?</i> ▪ <i>What workarounds are currently in place?</i> ▪ <i>Number of issues currently being addressed</i> 	
2	CONSIDER WHAT MAY HAPPEN	
	MOST LIKELY Using the main issue, state what you see as being the most likely outcome for this event.	WORST CASE Using the main issue, state what you see as being the "worst case" outcome for this event.
3	ASSESS IMPACTS	
	Against all key areas of the Business: <ul style="list-style-type: none"> ▪ <i>What functions are working/not working?</i> ▪ <i>What workarounds or options exist?</i> ▪ <i>What are the critical Interdependencies?</i> ▪ <i>What additional resources are required?</i> ▪ <i>Are there any key timelines required for a response?</i> ▪ <i>Are there any impacts to external stakeholders</i> 	
4	AGREE ACTIONS	
	NOW? Include details for each task: <ul style="list-style-type: none"> ▪ <i>Actions/decisions?</i> ▪ <i>Who is responsible?</i> ▪ <i>Timings of actions?</i> ▪ <i>Desired outcomes?</i> ▪ <i>How status is to be reported?</i> ▪ <i>Approved additional resources?</i> 	LATER? List those actions that can be delayed with details including: <ul style="list-style-type: none"> ▪ <i>What, Who, Where</i> ▪ <i>Timing of when to commence action</i> ▪ <i>When others should consider the action</i>

Agree on what is the main issue - state what the main focus should be in dealing with this event. e.g.: safety of the staff at certain locations, recovery of operations in specific geographies, etc.

For Worst Case, what additional considerations are required? Consider forming sub-team(s) to focus on key issues / tasks.



Confirming what we know

- Infection rates in SA are currently low and mostly limited to travel exposure/direct contact
- The situation is changing rapidly – SLT are meeting daily, Taskforce is meeting at least weekly
- Departments of Health (Federal and State) are our source of truth
- LGA is preparing advice on a range of issues
- Current recommendations
 - Be alert, not alarmed
 - Personal hygiene is most important
 - Self-isolation for 14 days (post overseas travel, confirmed contact, symptomatic and awaiting testing)
 - Working from home considered as needed
 - Illness = personal leave
 - Positive diagnosis requires medical clearance to return to work

Consider what may happen

Most Likely	Worst Case
Up to 30% of workforce infected Full recovery of workforce Some containment measures 3-4 month duration	Up to 60% of workforce infected Deaths amongst workforce Widespread containment measures 6+ months duration

Assess Impacts

- What functions will work/not work?
- What workarounds or options exist?
- What are the critical interdependencies?
- What additional resources are required?
- Are there any key timelines required for a response?
- Are there any impacts to external stakeholders?
- What roles are critical and what's our back-up plan?

Most Likely

Up to 30% of workforce infected

Full recovery of workforce

Some containment measures

3-4 month duration

Worst Case

Up to 60% of workforce infected
Deaths amongst workforce
Widespread containment measures
6+ months duration

Assess Impacts

- What additional considerations are required?
- *What functions will work/not work?*
- *What workarounds or options exist?*
- *What are the critical interdependencies?*
- *What additional resources are required?*
- *Are there any key timelines required for a response?*
- *Are there any impacts to external stakeholders?*
- *What roles are critical and what's our back-up plan?*

Agree on recommendations

Most Likely

Up to 30% of workforce infected

Full recovery of workforce
Some containment measures
3-4 month duration

- What actions or decisions need to be taken?
- Do we have enough information to make/take them?
- What should trigger the action/decision?
- Are there resource implications?
- Who and by when?

Agree on recommendations

Worst Case

Up to 60% of workforce infected
Deaths amongst workforce
Widespread containment measures
6+ months duration

- What additional considerations are required?
- *What actions or decisions need to be taken?*
- *Do we have enough information to make/take them?*
- *What should trigger the action/decision?*
- *Are there resource implications?*
- *Who and by when?*

Attachment 6



Crisis Management Plan on a Page

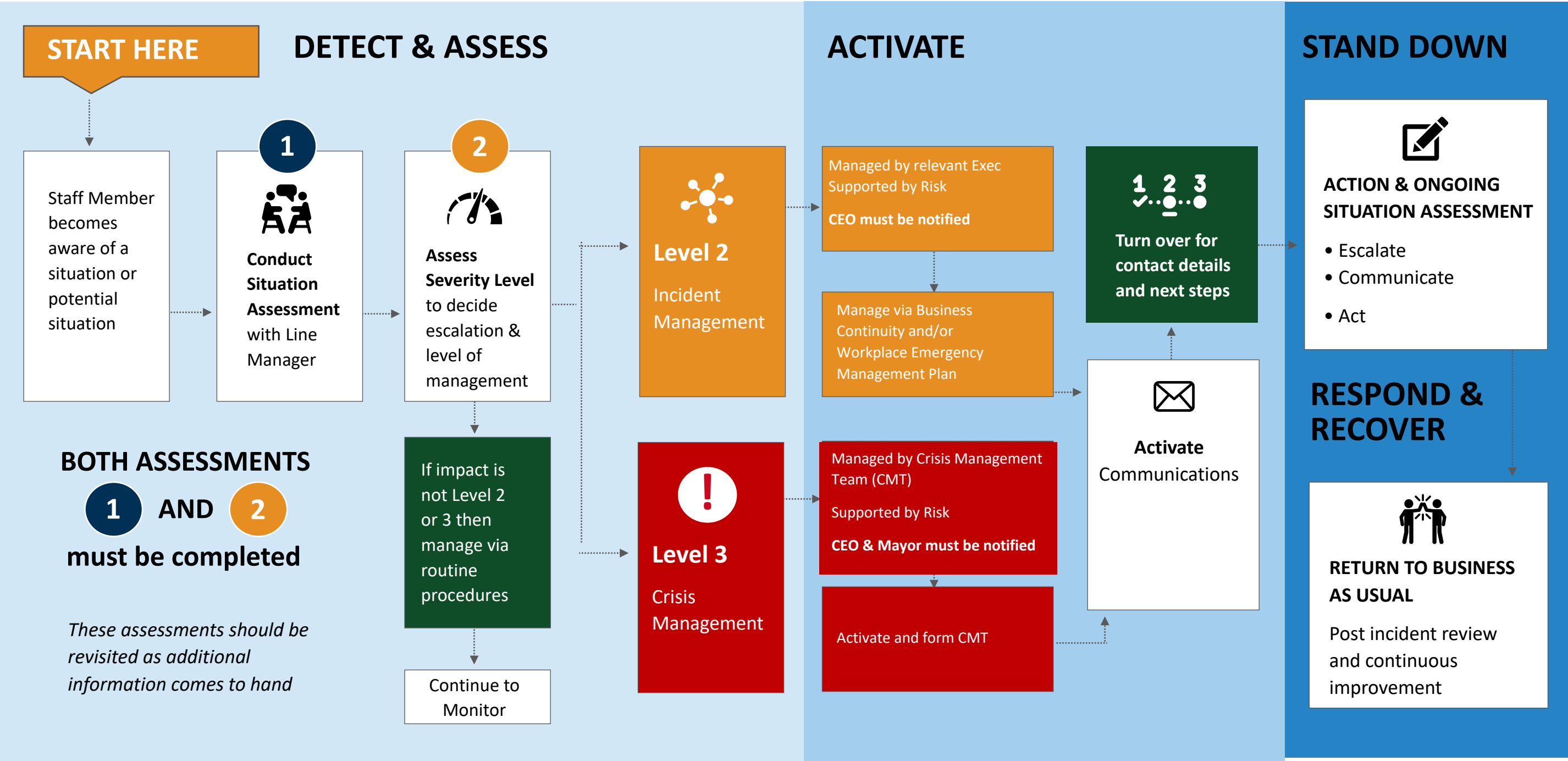
Ask yourself:

What has happened?
Summarise the nature & cause of the event

Date and time of event?
May be different to time reported

Location of event?
May be multiple sites or not have a locality focus

NOTIFY FOR ALL AFTER-HOUR INCIDENTS AND CRISES
After Hours Call Service:



1

Situation Assessment

Consult others as required



PEOPLE <i>Who is affected and how?</i>	<ul style="list-style-type: none"> Are there any injuries? What potential harm exists – physical, psychological, both? Who has been affected and how? staff members / contractors / visitors / other stakeholders? What is their current status (i.e. evacuated and at designated assembly point?) What support is required by the affected people/team? Which locations are impacted?
REPUTATION <i>Reputational impact?</i>	<ul style="list-style-type: none"> Is there a reputation impact? If so, what and with whom? Do staff members need to be communicated to? Is wider communication required?
INFORMATION TECHNOLOGY <i>What is affected & how?</i>	<ul style="list-style-type: none"> What IT capability is impacted and how? Is there any data loss? Are IT systems impacted (including cyber security?) Are voice systems impacted?
SITES <i>Affected sites / Departments?</i>	<ul style="list-style-type: none"> Is an owned and operated site affected including security? Is a tenanted/leased site affected including security? Is there an impact on the businesses ability to operate from a site? Is a single business unit or multiple business units impacted?
EXTERNAL PARTY <i>Affected third parties?</i>	<ul style="list-style-type: none"> Does the issue affect any critical third-party suppliers? Does this impact our ability to operate? What is the current status of the third party?

2

Severity Level Assessment

When in doubt, escalate



	LEVEL 2 – INCIDENT Localised incident impacting multiple departments with moderate impact on critical business functions.	LEVEL 3 - CRISIS Major disruption affecting multiple departments. Council-wide coordination required.
Reputation	<ul style="list-style-type: none"> Moderate adverse effect on public image Adverse media campaign in Messenger over two or more issues, supported by uptake of issue in Advertiser and or local electronic media Moderate level of community concern, large number of complaints and letters to editor in Messenger paper Minor common law action or Ombudsman investigation threatened/ initiated 	<ul style="list-style-type: none"> Significant adverse effect on public image Widespread adverse media campaign including electronic local and national media. Social media going viral requiring management intervention. Pressure on State Government and agencies to intervene Significant level of community concern Social health and wellbeing of the community seriously affected by major community unrest and/or significant breakdown of established community relationships and links Significant common law action threatened, major Ombudsman investigation initiated
Business impact	<ul style="list-style-type: none"> Moderate financial loss – impact of between \$20k and \$50k Impaired ability to maintain normal operations Reprogramming required Minor legal issues, non- compliances and breaches of regulation 	<ul style="list-style-type: none"> Major financial loss - impact of between \$50k and \$1million Significant effects loss of ability to complete programs, major restrictions to services and project delivery Serious breach of regulation with investigation or report to authority with prosecution and/or moderate fine possible
People Safety	<ul style="list-style-type: none"> Medical treatment required which may include short term admission to hospital Moderate loss/or infrastructure damage Local epidemic leading to noticeable disruption of activities 	<ul style="list-style-type: none"> Serious & extensive injuries Serious structural damage to infrastructure or serious loss of assets. Widespread epidemic that causes significant disruption to activities
Environment	<ul style="list-style-type: none"> “Material” category under the SA Environment Protection Act (1993) Contamination – on-site release contained with outside assistance Ecosystems- temporary, reversible damage, loss of habitat and migration of animal populations, some reduction in numbers and die back of plants. Pollution requires physical removal; air quality constitutes potential long term health problems. Manageable restrictions in resource usage 	<ul style="list-style-type: none"> “Serious” category under the SA Environment Protection Act (1993) Contamination – off-site release with no detrimental effects Ecosystems – recoverable damage, death of animals in large numbers, widespread habitation destruction, significant air quality issues. Pollution issues requiring long term management, serious introduction of invasive species Restrictions on resource usage threatening viability of accepted lifestyle
Service Delivery	<ul style="list-style-type: none"> Some key components of the Strategic Plan cannot be achieved within expected timeframes. Additional funding/resources or some strategies re-prioritisation is required 	<ul style="list-style-type: none"> Key Strategic Objectives unable to be achieved; review of Strategic Plan is required

Crisis Management Plan on a Page

Contact Lists

Team composition may vary based on ongoing situation assessments and as the situation unfolds.



Core Crisis Management Team (CMT) Contact List

ROLE	PRIMARY / ALTERNATE	NAME	MOBILE
CMT Leader	Primary	Marnie Lock	
	Alternate	Howard Lacy	
CMT Coordinator	Primary	Sacha Sewell	
Communications	Primary	Michelle Logie	
	Alternate	Anna Merola	
People and Culture	Primary	Sharon Somerville	
	Alternate	Kim Shearing	
CMT Admin	Primary	Marissa Marchegiano	
	Secondary	Jillian Conner	
Regulatory Services	Primary	Adrian Hill	
	Alternate	Marissa Michail	
Field Services	Primary	Ross Whitfield	
	Alternate	Bill Blyth	
Buildings and Facilities	Primary	Mathew Walsh	
Strategy and Governance	Primary	Ania Karzek	

Extended Crisis Management Team Contact List

ROLE	PRIMARY / ALTERNATE	NAME	MOBILE
CEO		Roberto Brian	
Mayor	Primary	Amanda Wilson	
	Alternate (Deputy Mayor)	Robert Snewin	
General Manager Business Services	Primary	Pam Jackson	
	Alternate	John Newton	

Specialist Contact List

Company/Role	Name	PHONE (BH)	MOBILE
Chair Emergency Planning Committee	Annie Elliot	8229 9950	
Emergency Management Response Committee	Rajiv Mouveri	8229 9949	
Team Leader Governance	Nicole Roberts	8229 9941	

Core Roles & Responsibilities

CMT Leader	<ul style="list-style-type: none"> Remind members of their responsibility for documentation and timely and accurate comms Brief CMT members of what is known, what is not known, what action has taken place and what requires action Set the Operating Rhythm and run CMT meetings with assistance from the CMT Coordinator Manage the agenda of CMT meetings and monitor the status of assigned tasks and actions
CMT Coordinator	<ul style="list-style-type: none"> Setup the CMT room including role tent cards and Plan on a Page placemats Responsible for CMT call-out Assist the CMT Leader to run the CMT meetings Work with CMT Admin to ensure visual logs are kept and meeting minutes recorded Assist with management of new information coming into the room
CMT Admin	<ul style="list-style-type: none"> Ensure CMT has adequate refreshments including water and healthy snacks Ensure visual logs are kept and meeting minutes recorded Maintain meeting minutes and written CMT Log

Crisis Management Team – How to meet

PHONE:	IN PERSON:
When a CMT is convened it is often with members not in the office. Use available tools where appropriate to connect everyone: Send relevant details to the team as required.	Meeting rooms can be established at the discretion of the CMT leader: <ol style="list-style-type: none"> Kingston or Mawson Rooms, Civic Centre Mayor's Parlour, Glenelg

Team Meetings – Checklist & Agenda

1	CONFIRM / REVIEW WHAT WE KNOW Discuss what is known / unknown: <ul style="list-style-type: none"> What are the facts? What is new/what has changed? What are the assumptions? What is not known? 	Agree the main issue(s) – identify the key focus of the team
2	CONSIDER WHAT MAY HAPPEN MOST LIKELY Agree the most likely outcome for this event.	WORST CASE Discuss the “worst case” outcome for this event – how bad could it get.
3	ASSESS IMPACTS Assess the potential impacts. Consider: <ul style="list-style-type: none"> Staff Members Members Reputation Operations / business activities Technology 	For Worst Case, what additional considerations are required? Consider forming sub-team(s) to focus on key issues / tasks.
4	AGREE ACTIONS NOW? Identify the immediate actions, include details for each task: <ul style="list-style-type: none"> Actions/decisions Who is responsible? Timings of actions 	LATER? Consider the longer-term actions required, with details including: <ul style="list-style-type: none"> What, Who, Where Timing of when to commence action When CMT should consider the action
5	AGREE COMMUNICATIONS STRATEGY <ul style="list-style-type: none"> Identify key stakeholders to be engaged Agree key messages Identify responsibility for preparing / delivering message Confirm authorisation and methods of delivery Confirm timings for message / briefing release 	

Item No: **7.2**

Subject: **DRAFT 2020-21 ANNUAL BUSINESS PLAN**

Date: 25 May 2020

Written By: Corporate Planning Officer, Manager Financial Services

General Manager: Strategy and Business Services, Ms P Jackson

SUMMARY

The Draft 2020-21 Annual Business Plan is to be presented to Council for endorsement and release for community engagement on 26 May 2020. It has been developed having regard to the "Our Place" 2030 Strategic Plan (Our Place) Asset Management Plans, Long Term Financial Plan and directions provided by Council.

The advent of the COVID-19 pandemic impacted the budget preparation and parameters. The draft budget includes a provision to support our community and businesses through COVID-19 and the ensuing recovery phase. This includes \$179,000 in measures and \$250,000 in a COVID-19 Fund to support the community and businesses through recovery. The budget also includes forecast loss of non-rate revenue associated with the pandemic of \$766,500.

The draft budget has been further developed with a general rate increase of 2.4% which includes a 0.8% provision for the Waste Levy.

Pursuant to its term of reference, the Audit Committee has an opportunity to review the assumptions, parameters and outcomes providing comments to Council in relation to the draft budget and associated Annual Business Plan.

RECOMMENDATION

That the Audit Committee support the draft 2020-21 Annual Business Plan, as presented, for presentation to Council for the purpose of public consultation.

COMMUNITY PLAN

Culture: Being Financially Accountable

COUNCIL POLICY

Not Applicable.

STATUTORY PROVISIONS

Section 123 of the *Local Government Act, 1999* (the Act).

BACKGROUND

The Audit Committee received the 2020-21 Budget Timetable and Development (Report No: 27/20) on 5 February 2020. The Committee resolved to support the timetable and key parameters as outlined in the report.

The first draft of the 2020-21 Budget (excluding Alwyndor operations) was presented to Council at a workshop on 3 March 2020. It was developed in response to a previous workshop held on 4 February 2020 and the outcome from the February meeting of the Audit Committee.

In response to the impact of COVID-19 a budget workshop was held on 21 April 2020 which assessed the impact of the economic downturn on non-rate revenue and the financial relief measures offered by Council. The workshop modelled a number of financial impacts and sought feedback as to the most suitable assumptions and parameters for updating the draft budget.

A further budget workshop was held on 5 May 2020 which included a presentation which modelled the financial impact of a preferred assumptions and parameters and sought feedback on which operational initiatives were to be included. The draft budgets for Alwyndor and Jetty Road Mainstreet operations were also presented at this workshop.

A presentation was shown to the Audit Committee on 6 May 2020 highlighting the budget development, impacts of COVID-19, and updated long term financial plan charts based on the parameters and assumptions from the Council workshops in April and May. The presentation also included the draft budgets for Alwyndor and Jetty Road Mainstreet.

The Draft Budget and Annual Business Plan (DB & ABP) document has been drafted for presentation to the community. The Audit Committee has an opportunity to provide further comments to Council on the DB & ABP.

Another opportunity will arise for the Audit Committee to receive information on community consultation outcomes and provide further advice on the DB & ABP at its next meeting.

REPORT**Development of the Draft 2020-21 Annual Business Plan and Budget**

The Draft 2020-21 Annual Business Plan is provided to committee members.
Refer Attachment 1 (The Draft Annual Business Plan will be provided under separate cover)

The Draft 2020-21 Annual Business Plan is Council's statement of its intended program of activities and outcomes for the coming financial year. It is developed concurrently with the budget, which outlines proposed revenue sources and allocations of funds required to implement the Annual Business Plan.

Key Parameters and Assumptions

- 2.4% general rate revenue increase (excluding separate rates and the Landscape Levy).
- 0.5% rate revenue increase for new development growth.
- No change to existing services.
- The 19/20 Annual LGPI of 1.6% with an additional 0.8% to cover the increase to the State Government's waste levy.
- Alwyndor draft budget is self-funding with a forecast operating deficit of \$467,000 and a positive cash result of \$443,000.
- Jetty Road Mainstreet budget – cost neutral with 1.6% rate increase.
- Regional Landscape Levy \$1,286,635 plus provision for rebates which is an increase of 0.3% (\$9,000). The Levy, previously known as the NRM Levy is collected by Council on behalf of the State Government.
- Fees and charges have been reviewed and assessed in accordance with a user pays principle, taking LGPI into account with the exception of outdoor dining, encroachment and reserve hire fees which have been amended to provide support for business during the COVID-19 restrictions.
- Roads-to-Recovery grant of \$298,000 with the Capital Works program developed to meet the requirements of the grant.
- Patawalonga Marina separate rate increased by 2.4% to raise \$73,000 in order to maintain the upkeep of boat lock and walkway.
- Employment costs reflect enterprise agreements.
- Depreciation increased by \$149,000 reflecting revalued assets and providing for new assets.
- EPA landfill levy has increased to \$140 per tonne with an estimated budgeted increase of \$270,000.
- Capital renewal program based on Asset Management Plans totaling \$5.7 million.
- Proposed capital new initiatives based on business cases totaling \$7 million to continue to support the local construction industry.
- Asset sales of plant and equipment totaling \$294,400.
- Interest rates are expected to remain at current low levels.
- Proposed new borrowings of \$5.4 million to fund new capital initiatives including the major projects listed below.

Measures and Impacts due to COVID-19

- Forecast reduction in non-rate revenue on previous years totaling \$766,500.
- Forecast costs associated with hardship provisions, and support for the community and local businesses during and following the COVID-19 pandemic totaling \$179,000.

- Provision for a COVID-19 Fund of \$250,000 to support and recovery of businesses and the community.
- Proposed operational new initiatives based on business cases \$127,500. This is a reduction of \$372,500 in the amount forecast in the Long Term Financial Plan.

Major Projects

Glenelg Town Hall Restoration Stage Three – \$1.3 million

In 2017–18 Council engaged specialised heritage architects to undertake an assessment of the Glenelg Town Hall which identified a range of restoration works needed to maintain this important, historic State Heritage listed building. In 2020-21, Council has allocated \$1.3 million to commence the first stage of a multi-year program of repair works to ensure the building can be enjoyed for many years to come.

Stormwater Management Plan Implementation – \$1.2 million

In 2014, the City of Holdfast Bay partnered with the City of Marion to develop a stormwater management plan. The plan identified high-risk flooding areas together with strategies to improve water quality and reduce runoff to the marine environment. In 2020-21, council will investigate, design and build infrastructure identified as high priority to reduce major property flooding and minor nuisance flooding, thereby reducing risk to the community.

Completion of the Wigley Reserve Playspace and Fitness Hub – \$500,000

Council will complete the upgrade of Wigley Reserve playspace and fitness hub which commenced in 2019-20. The upgrade will turn an obsolete playground and fitness area into a destination playspace with opportunities for all ages and abilities. The upgrade will activate a largely underutilised space, creating a valuable community asset.

Council has been successful in securing a \$500,000 grant towards this project as part of the State Government economic stimulus package and grant funds will be applied to the project when received.

Brighton Caravan Park – Stage Two – \$750,000

As a key, income-generating council business, the Brighton Caravan Park helps to alleviate the rate burden on residents and private businesses. However, its infrastructure is rapidly aging, compromising the future commercial success of the park. Over two financial years, Council will replace timeworn facilities with new sites, cabins and administration buildings. This will create stronger visitor appeal, grow the commercial revenue of the caravan park and enhance the city's tourism activities. Approval for construction of Stage 2 is subject to a business case.

Kingston Park Kiosk – Stage One – \$300,000

The Kingston Park kiosk is used by residents, caravan park customers and coastal pathway users. Proposed over two financial years, this project includes the design and construction of a new kiosk at Kingston Park near the Brighton Caravan Park to replace the existing kiosk which is past its end of life. The design of the new facility will be sensitive to its location and use construction materials suitable for coastal locations. Approval for construction of the kiosk is subject to a business case.

Brighton Oval - Stage Two (Fully funded through Federal and State Government Funding)

Grant funding from the Federal and State Governments is enabling Council to undertake stage 2 of the Brighton Oval Masterplan with completion scheduled for June 2021. This project will include enhanced community facilities such as fitness equipment, a new playspace, basketball half court, picnic shelters and additional onsite parking.

Financial Management

The formulation of the Draft 2020–21 Annual Business Plan is aimed to progress the objectives and directions of the Our Place Strategic Plan, Long Term Financial Plan (LTFP) and Asset Management Plans.

The COVID-19 global pandemic and associated government restrictions has significantly impacted the development of the annual budget. Financial rate and hardship relief measures have been introduced to support the local community. Non-rate revenue forecasts for areas such as parking and commercial activities including the Brighton Caravan Park and Partridge House have been re-assessed and reduced. The LTFP has been reviewed to allow for these unforeseen variations.

The updated LTFP and other plans articulate the parameters that form the underlying assumptions upon which the Annual Business Plan and Budget have been developed, including:

- Council delivering a budget which meets its financial measures notwithstanding an operating deficit due to the impact of COVID-19.
- There will be a reasonable degree of stability and predictability in the overall rate burden.
- There will be a fair distribution of the cost of assets and services between current and future generations.

Financial Performance and Position

The Draft 2020-21 Annual Business Plan contains a more detailed analysis of the projected financial performance for the coming year.

The draft budget features:

- Consolidated operating deficit of \$1,039,000 in 2020-21, comprising an operating deficit of \$660,000 for Council municipal activities and an operating deficit of \$379,000 for Alwyndor activities.
- Capital expenditure of \$14.4m comprising \$6.6m on renewal and replacement of existing assets; \$7m for new and upgraded assets and \$844,000 for renewing assets for the Alwyndor Aged Care Facility.

- Council's key financial measures for Municipal operations are within the targets set in our Long Term Financial Plan as identified below:

2020/21 Measure	Target	2.4% Increase	Comments
Operating Result – after proposed new initiatives <i>Operating revenue less operating expenditure</i>	≥ 0 – Over a 5 year average.	\$660,000 deficit	Target best measured over a five year average. The 5 year-average from 15/16 to 19/20 is \$1.3m surplus
Net Financial Liabilities Ratio – after allowing for proposed new initiatives Forecast to 30 June 2021 <i>Total liabilities less financial assets as a percentage of operating revenue</i>	≤ 75%	68%	<input checked="" type="checkbox"/> Current (19/20 forecast) ratio is 57%. Increase due to proposed new borrowings (\$5.3m) to fund major capital projects including; Glenelg Town Hall (\$1.3m); Stormwater Mgmt (\$1.2m); Caravan Pk Stg 2 (\$750k); Wigley Res (\$500k); Kingston Pk Kiosk (\$300)
Interest Cover Ratio Forecast for 2020/21 <i>Net interest expense as a percentage of operating revenue</i>	≤ 5%	1.6%	<input checked="" type="checkbox"/> Low interest-bearing debt and historically low interest rates.

Fees and Charges

In accordance with Section 188 of the Act, Council's fees and charges have been reviewed and included in the Draft 2020-21 Budget. The fees have been assessed in accordance with a user pays principle, taking the Local Government Price Index and the impact of COVID-19 restrictions into account.

Impact on Rates

The major variable determining the ability to meet the above program of works and financial targets is rate revenue which is budgeted to increase by 2.4% excluding separate rates, development growth (estimated at 0.5%) and the Regional landscape levy.

The Patawalonga Marina Separate Rate of \$73,000 has been determined based on the expected annual maintenance cost of the boat lock and walkway, providing a 50% discount to account for the general public's use of the facilities.

The apportionment of rate revenue derived from industrial, commercial properties and vacant land will remain at 13.8%. The Differential Rate premium applied to these properties will be

determined once land valuations are received by the Valuer-General. The premium applied to industrial, commercial properties and vacant land in the 2019-20 financial year is 55%.

Budget and Annual Business Plan Timeline

On 26 May 2020 Council will receive a report to endorse the updated 2020-21 DB & ABP for community consultation.

A number of further meetings and workshops are scheduled to meet the requirements of the budget timetable as follows:

- 26 May: Council receives report and endorses DB & ABP for community consultation.
- 2 June – 24 June: Community consultation period.
- 30 June: Council workshop to review consultation results.
- 14 July: Council accept and note results of consultation.
- 22 July (TBC): Audit Committee review updated DB&ABP.
- 28 July: Council receives Audit Committee recommendations and endorse final 2020-21 Budget and Annual Business Plan, and declares rates.

The Audit Committee has a further opportunity at its next meeting to:

- propose and provide information relevant to a review of Council's Annual Business Plan; and
- review and provide recommendations to Council on the sustainability of Council financial performance and proposals.

BUDGET

The cost of production of the 2020-21 Annual Business Plan and associated community engagement will be met within the current budget.

LIFE CYCLE COSTS

This report does not have any direct full lifecycle cost implications.

Item No: **7.3**

Subject: **FINANCIAL HARDSHIP POLICY AND PROCEDURES**

Date: 25 May 2020

Written By: Manager Financial Services

General Manager: Strategy and Business Services, Ms P Jackson

SUMMARY

With the advent of COVID-19 Council provided financial relief to ratepayers by delaying the payment of rates without penalty to 31 August 2020. Ratepayers were also advised of the process to apply for additional rate relief due to hardship.

Council's hardship policy is contained within its rating policy with administrative procedures to treat each case on their merits. Given the impact of COVID-19 it is considered timely to prepare a separate Financial Hardship Policy and Procedure to provide more comprehensive information on the identification and treatment of rate relief.

RECOMMENDATION

That the Audit Committee advises Council that:

- 1. it supports the draft Financial Hardship Policy for subsequent policy adoption by Council; and**
 - 2. notes the draft Financial Hardship Procedure.**
-

COMMUNITY PLAN

Culture: Being financially accountable

COUNCIL POLICY

Rating Policy.

STATUTORY PROVISIONS

Sections 181, 182, 182A of the *Local Government Act, 1999* (the Act).

BACKGROUND

Council has in place an annual rating policy which deals with the rate relief. The policy states that Council encourages ratepayers who may be experiencing difficulty to contact Council's Administration to discuss possible support to alleviate hardship. Each application is considered on its individual merits with total confidentiality. Assistance may include the acceptance of periodic payments in lieu of the standard quarterly payment system, and may require the willingness of each applicant to seek free counselling with a financial counselling service provider. Initial inquiries can be made to the Rates Administrator by telephone, emailing or writing.

With the advent of COVID-19 additional rate relief measures were implemented to support ratepayers experiencing hardship due to the unforeseen circumstances. Council's website was updated and an on-line process was created for ease of application. Given the changed circumstances it is considered timely to prepare separate rate relief hardship policy and procedures to ensure all applications are addressed in a fair, equitable, effective and consistent manner.

REPORT

Council's powers to raise rates are contained in Chapter 10 of the Act. The Act also provides several options which payments can be made and/or rate relief granted. Sections 181 and 182 are the most relevant sections regarding rate relief and outline the options available to councils including remission of fines or interest and/or remission and postponement of payment.

In March 2020 the Local Government Association prepared guidelines on preparing a rates hardship policy. Representatives of the Rating and Valuation Workgroup (which sits under the South Australian Local Government Financial Management Group), the Community Managers Network and the President of Revenue Professionals SA assisted in the development of the guidelines.

The guidelines were used to develop the attached policy and procedure documents.

Refer Attachment 1A and 1B

A number of key principles form the basis of these documents as follows:

- The hardship program should be easy to understand and apply for
- A range of assistance options should be available
- Ratepayers should be encouraged to utilise financial counselling supports
- Ratepayers privacy and dignity should be paramount in the process

Hardship Policy Document

The purpose of the hardship policy is to provide a documented framework which ensures financial support is addressed in accordance with legislation and in a fair, equitable, effective and consistent manner.

The policy outlines the scope, definitions, principles and assistance options. Assessment principles are also listed ensuring that privacy and confidentiality is preserved. Council has in place delegations to the General Manager Strategy and Business and Manager Financial Services for the waiving of fines and/or interest, remission and postponement of payments. The hardship procedures sit underneath the policy and outline the steps to follow when processing applications.

Hardship Procedure Document

The hardship procedure document provides guidance in understanding and processing applications for hardship as permitted under the Act. It provides detailed guidance in the process for receiving and assessing applications including details of the relief options available. The obligations on Council staff to ensure ratepayers are treated respectfully and in confidence is also explained.

The other major areas of procedural explanation include payment arrangements, postponement of rates generally and for seniors, and the remission of fines and interest. Terms and conditions are outlined explaining the obligations of the ratepayer.

The documents have been prepared in draft form to enable the Audit Committee the opportunity to review and make recommendations to Council on their adoption.

BUDGET

There is no budget impact.

LIFE CYCLE COSTS

There are no life cycle costs.

Attachment 1a



Trim Container	TRIM Container Number
First Issued / Approved:	Date of first issue/approval
Last Reviewed:	Date of last review
	Resolution Number
Next Review:	Review Date

1. PREAMBLE

1.1 Purpose

The City of Holdfast Bay understands that members of our community sometimes face challenging times. The purpose of the Financial Hardship Policy (“the Policy”) is to enable ratepayers who are experiencing financial hardship the ability to make application to Council for assistance relating to rates and charges levied on a property under the *Local Government Act 1999* (“the Act”).

The Policy defines hardship and provides the framework, in accordance with the Act, for the possible granting of a deferral of the payment of rates or changes, or waiver of part or all of those rates and changes.

1.2 Scope

This policy applies to all ratepayers who apply for financial relief. It addresses the principles, eligibility criteria, assistance options, general assessment principles and delegations for dealing with financial hardship.

1.4 Definitions

Act – refers to the *Local Government Act 1999*

Ratepayer - a person or entity whose name appears in the assessment record as the owner, or occupier of a rateable property.

Seniors – a person who holds a State Seniors Card.

Hardship - refers to financial hardship which occurs when a ratepayer is unable to meet their financial commitments due to an unforeseen change in circumstances.

Serious Financial Hardship – refers to personal financial hardship when a ratepayer is unable to provide for basic necessities for themselves and/or their dependents.

Financial Counselling Service – an accredited organisation or individual professionally qualified to provide financial counselling.

FINANCIAL HARDSHIP POLICY

Financial Hardship Procedures – approved documented guidelines for administering Council's Financial Hardship Policy.

1.5 Strategic Reference

Culture: Providing customer-centered services
Culture: Being financially accountable
Culture: Supporting excellent, efficient operations
Economy: Making it easier to do business
Economy: Supporting and growing local business
Community: Fostering and engaged and contributing community

2. PRINCIPLES

2.1 Objective

The objective of this policy is to:

- Provide assistance to ratepayers experiencing financial hardship.
- Provide a mechanism that enables people to feel comfortable approaching Council about outstanding debts and current financial hardship circumstances.
- Provide ratepayers with assurance they will be treated in a consistent, equitable and confidential manner.
- Ensure the policy is fair to all ratepayers.
- Ensure Council's debt collection practices are sensitive, responsive to financial hardship issues and considered as a last resort.
- Demonstrate Council's constructive culture and core values.

2.2 General Principles

Municipal rates constitute a majority of Council's annual income. Council's powers to raise rates are contained in Chapter 10 of the Local Government Act 1999 (the Act). Section 182 of the Act provides for the remission and postponement of rate payments.

In receiving an application for financial relief, Council will consider the following general principles:

- a) The payment of rates will cause hardship having regard to the ratepayer's individual circumstances.

FINANCIAL HARDSHIP POLICY

- b) The nature of the hardship, whether it is temporary due to unusual personal or economic circumstances, or long-term hardship caused by permanent changes in life circumstances and/or financial situation, and the most appropriate measures to support the ratepayer.
- c) The additional support that could be provided to the ratepayer, including encouraging financial counselling and other support services.
- d) The extent the assistance does not have an unfair impact on other ratepayers.

Hardship does not include circumstances where a ratepayer chooses not to meet a liability for an unpaid debt.

Additional support will be considered in instances where hardship is endemic, as in the case of a pandemic or financial crisis.

2.3 Financial Hardship

For the purpose of this policy, financial hardship is considered a change in circumstances which will affect the long-term ability of a ratepayer to pay rates and charges.

Council recognises that not all circumstances are alike, and that financial hardship may arise from a range of individual circumstances, including but not limited to, the following situations:

- Unemployment
- Sickness or injury
- Family break down
- Low income or loss of income

Applications are to be assessed in a consistent manner while retaining the flexibility to respond to individual circumstances.

All relevant factors are taken into consideration and each application is assessed on its merit.

The following additional general principles apply:

- a) Privacy and confidentiality is preserved.
- b) Applicants are informed on the progress of their application in a timely manner.

FINANCIAL HARDSHIP POLICY

- c) Additional information requests may be made when necessary.
- d) Referrals may be made to a financial counselling service provider to assist with completing the application.
- e) In situations of an unsuccessful application, applicants will be advised of reasons for refusal and their complaint and appeal rights.
- f) Successful applicants are advised of agreed terms and conditions including what action will be taken if the applicant defaults on the payment arrangement.

2.4 COVID-19 Impact

Council understands that many in our community are experience financial hardship due to the COVID-19 pandemic.

Priority for assistance will be considered for:

- Commercial ratepayers who have been required to close due to COVID-19;
- Commercial ratepayers eligible or the 'JobKeeper' payments;
- Non-commercial ratepayers eligible for the 'JobSeeker' or 'JobKeeper' payments; and
- Any other ratepayers experiencing financial hardship due to income dropping by 15 per cent or more.

This measure will remain in place for the period the COVID-19 emergency is declared by the Government of South Australia.

2.5 Financial Relief Options

Financial relief options are covered within the Act and are summarised as follows:

- a) Payment arrangements including individually tailored time payment plans s181(4)(b).
- b) Remission of fines and interest s181(9).
- c) Postponement enables the deferral of payments in whole or part with or without recovery of interest s182.
- d) Seniors postponement scheme s182A – seniors can choose to postpone a portion of their rates on their principal place of residence until the property is sold or any time of their choosing. The scheme is non-concessional and interest is charged on the postponed amount.

FINANCIAL HARDSHIP POLICY

- e) Full remission s182(1)(b) - considered in circumstances where the ratepayer can demonstrate long-term serious financial hardship and generally considered as a last resort.

Council's preference is to not waive rates on the basis it is considered equitable for the majority of ratepayers to subsidise the property assets of hardship applicants. A more equitable solution for the entire community is to defer rates and charges. However, Council will consider the waiving or reduction of rates for ratepayers where exceptional circumstances are experienced, and where severe impact can be demonstrated.

2.6 Council Delegations

Delegations are in place for the waiving of fines and/or interest incurred under Section 181 (9) to the Chief Executive Officer, General Manager Strategy and Business Services and Manager Financial Services.

Delegations are in place for remission and postponement of payment under Section 182 to the General Manager Strategy and Business Services and Manager Financial Services.

2.7 Financial Hardship Procedure

Financial Hardship procedures sit underneath this policy and outline the internal steps for Council staff to follow when processing an application.

Attachment 1b



1. **PREAMBLE**

The objective of this procedure is to provide guidance for City of Holdfast Bay Council employees to assist ratepayers who are experiencing financial hardship. These procedures support the Financial Hardship Policy.

1.1 **Background**

The *Local Government Act 1999* (the Act) describes the general principles for payment, remission postponement and non-payment of rates. These are covered within sections 181, 182 and 182A.

The Act permits ratepayers to apply to Council for postponement or remission of rates in whole or part if Council is satisfied the payment would cause hardship.

Council has in place a Financial Hardship Policy which provides a framework ensuring financial support is addressed in accordance with legislative requirements in a fair, equitable, effective and consistent manner.

1.2 **Purpose**

This procedure document provides guidance in understanding and processing applications for hardship as permitted under the Act and in accordance with the Financial Hardship Policy.

1.3 **Scope**

This procedure applies to all ratepayers who apply for financial relief.

1.4 **Definitions**

Act – refers to the *Local Government Act 1999*

Ratepayer - a person or entity whose name appears in the assessment record as the owner, or occupier of a rateable property.

Seniors – a person who holds a State Seniors Card.

Financial Hardship - refers to financial hardship which occurs when a ratepayer is unable to meet their financial commitments due to an unforeseen change in circumstances.

Serious Financial Hardship – refers to personal financial hardship when an individual is unable to provide for basic necessities for themselves and/or their dependents.

Financial Counselling Service – an accredited organisation or individual professionally qualified to provide financial counselling.

Financial Hardship Policy – approved Financial Hardship Policy.

2. **PROCESS**

A process exists to consider and assess each application for hardship on its merits.

It is preferred that the application be prepared or supported by a free professional accredited financial counselling service provider.

A list of free accredited financial counselling service providers will be provided to the ratepayer on application.

Each application is assessed on its merits and in confidence.

2.1 **Application process**

Applications for hardship involve completing a prescribed form and can be accepted in a number of ways:

- By completing the form on-line via Councils website
- Directly in person at Council offices or via email.
- Through a financial counselling service on behalf of the ratepayer

The form enables the inclusion of additional information which may include details and supporting evidence of the ratepayer's current financial position, ability to pay or other relevant information.

Evidence of loss of employment or business viability may be considered sufficient to support an application for hardship.

Council's preference is for the applicant to seek professional financial counselling support to assist them in the process and in providing relevant supporting information.

Council will assist in referring applicants to a financial counselling service if required.

Applicants attending financial counselling are required to complete a -

- Financial Hardship application form
- authority to act form for an accredited financial counsellor (if applicable)
- income and expenditure statement.

Relief options

The nature and type of applications can vary and a number of relief options exist as follows:

- Extended payment arrangements
- Postponement of rates in whole or part
- Seniors postponement of rates
- Remission of fines and interest
- Full remission – generally considered last resort and in cases of serious financial hardship.

Ratepayer treatment and communication

Ratepayer's applying for hardship will;

- Be treated respectfully, empathetically and have their circumstances kept confidential
- receive information about the Financial Hardship Policy
- be asked to seek assistance of an accredited financial counselling service
- be requested to negotiate a mutually acceptable arrangement
- receive written confirmation of the agreed arrangement
- agree to renegotiate their arrangement if there is a change in their circumstances
- be protected from legal action and additional debt recovery costs, whilst they continue to adhere to an agreed arrangement.

2.2 **Payment Arrangements**

Payment arrangements include ongoing progress payments based on the applicant's capacity to pay.

The following guidelines apply and the agreed amounts must:

- Include arrears and ongoing council rates where possible
- have fair and reasonable timeframes to pay the debt – preferably by 30th June of the financial year of the application
- include an agreed payment frequency (eg weekly, fortnightly, monthly)
- be mutually negotiated and agreed including terms and conditions.

Consideration will be given to remitting fines and interest owing at time of application, subject to delegated approval by Manager Financial Services or General Manager Strategy and Business Services.

Future fines and interest will not be charged on the proviso that the payment plan is honoured and remains up to date in accordance with the agreed terms and conditions.

Formal debt recovery will not be commenced on the proviso that the arrangements are honoured as agreed.

2.3 **Postponement of Rates**

Postponement enables ratepayers to defer payment of rates until such time as the property is sold or circumstances change.

The act allows Council to impose conditions it sees fit in respect of postponement.

In this regard delegated authority is given to the Manager Financial Services and General Manager Strategy and Business services to impose conditions that are fair and reasonable.

Conditions deemed reasonable include paying interest on the outstanding amount based on the cash advance debenture rate for the financial year in question.

Postponement arrangements cease to operate if revoked by the Manager Financial Services or General Manager Strategy and Business Services or if the ratepayer ceases to own or occupy the property.

Additional postponement support will be considered in instances where hardship is endemic as in the case of a pandemic or financial crisis. In these instances Council will approve any revised postponement criteria.

2.4 Postponement of Rates - Seniors

The Act allows for the postponement of the payment of the prescribed portion of rates for seniors for current or future financial years if:

- the ratepayer holds, or qualifies to hold, a current State Seniors Card issued by State Government,
- the person is, or is the spouse of, the prescribed ratepayer
- the rates are payable on land that is the principal place of residence of the prescribed ratepayer and;
- the land is owned by the prescribed ratepayer or his/her spouse; and
- no other person has an interest (as owner) in the land

Eligible ratepayers are required to pay a minimum of \$500 per year toward their Council rates with payment of the remaining balance postponed for an indefinite period, until their property is sold or eligibility ceases.

Should the entitlement to postponement cease to exist, the owner of the land must inform council.

The interest rate which will apply to the postponement amount for the rating year is based on the annual Cash Advance rate plus 1%. This will be applied to the total amount postponed on a monthly basis, compounded until the amount is paid.

2.5 Remission of rates, fines and interest

This financial relief involves the writing off rates in whole or part and requires an element of hardship before it applies.

Applicants will need to show why the rates, fines and interest applied are causing hardship.

Remissions are appropriate only in circumstances where the ratepayer can demonstrate serious and long-term hardship where there is little or no chance of an improvement in the ratepayer's financial circumstances.

This form of hardship relief is considered as a last resort and requires approval under delegated authority by the Manager Financial Services or General Manager Strategy and Business Services.

2.6 Completion of hardship assistance

Completion of hardship assistance is when the ratepayer has paid all outstanding debt.

The ratepayer will be returned to regular billing cycles after they have successfully completed the hardship assistance.

The ratepayer will be advised that they have completed their hardship payment arrangement and be given the option to continue making ongoing payments towards their current council rates based on their historical annual rates.

2.7 Terms and conditions

Ratepayers that have applied for and negotiated financial relief within Councils Financial Hardship policy are required to;

- make the agreed scheduled payments (where applicable)
- update Council on any changes to contact information including correct postal address, phone numbers and email address
- advise Council if the reasons of hardship assistance are no longer applicable
- advise Council of any other relevant changes to their circumstances
- maintain contact with Council's rates staff
- treat Council's employees respectfully
- not make false or misleading statements in application of assistance.

The ratepayer will be removed from hardship assistance, and be returned to the standard rate collection cycles, including debt recovery;

- should they cease to make payments or meet the agreed arrangement plan

- fail to contact, or respond to, Council for a period of greater than 60 days

The ratepayer will be advised that they have been removed from receiving hardship assistance for not meeting their obligations. Debt recovery processes will recommence, which may include legal action.

3. REFERENCES

3.1 Legislation

- *Local Government Act 1999* (South Australia)
- *Local Government (General) Regulations 1999* (South Australia)
- *Rates and Land Tax Remissions Act 1986*

3.2 Other References

- Financial Hardship Policy
- Postponement of Rates for Seniors application form

HARDSHIP PROCEDURES

Date Endorsed by Senior Leadership Team	click here to enter date
General Manager Signature	Signature placed here
Date of General Manager Signature	click here to enter date

Item No: **7.4**

Subject: **Policy Review – Prudential Management**

Date: 25 May 2020

Written By: Manager Strategy and Governance

General Manager: Strategy and Business Services, Ms P Jackson

SUMMARY

A Prudential Review Policy was approved on 13 March 2018. While a policy review was not due until March 2021, the Policy has been reviewed early at the request of the Audit Committee.

A desktop review of other Councils' policies has been undertaken and an amended Prudential Management Policy is submitted for the Audit Committee's consideration and comment prior to being submitted to Council for approval.

RECOMMENDATION

That the Audit Committee endorse the submission of the revised Policy to Council for approval, subject to any additional comments from the Committee being included.

COMMUNITY PLAN

Culture: enabling high performance
Culture: being financially accountable

COUNCIL POLICY

Prudential Review Policy 2018

STATUTORY PROVISIONS

Local Government Act 1999

BACKGROUND

The *Local Government Act 1999* (the Act) sets out extensive provisions to ensure transparency and accountability of Council decision-making and operations, including section 48, which defines prudential requirements for certain activities.

The second reading speech for the Local Government Bill 1999 noted that prudential requirements had the twin aim of flexibility and accountability.

Therefore, the revised Prudential Management Policy (the Policy) aims to:

- ensure that projects are undertaken only after an appropriate level of due diligence is applied,
- ensure that projects are effectively managed during delivery and appropriately evaluated after completion to confirm they achieve identified public benefits/goals, and
- minimise financial risks.

REPORT

Section 48 of the Act is prescriptive about a number of matters, including:

- the prudential issues which must be considered
- the conditions under which a report addressing the specified prudential issues must be obtained and considered by Council,
- the types of projects excluded (road construction and maintenance, and drainage works)
- who may prepare the report.

A desktop review of twelve randomly selected policies from other Councils identified a number of consistent approaches to prudential management across the sector, as well as revealing some differences. A matrix showing the policies reviewed is provided as Attachment 1.

Refer Attachment 1

Key commonalities relate to legislative requirements.

Key differences relate to:

- the policy approach (ie, whether compliance or principle focused),
- whether the policy applies narrowly (ie, only to projects required by section 48 of the Act) or broadly (ie, all Council projects),
- the level of specificity about operational matters (for example, specifying report disclosure, whether auditors can be engaged to write reports, the indexed amount as at a particular date etc),
- the process, specificity of the process and whether other frameworks and tools are included in achieving prudential management (for example, project management frameworks, risk assessment processes, etc).

It is understood that the intent of the Prudential Management Policy for the City of Holdfast Bay is to ensure that:

- decision-making is clear, prudent and accountable,
- projects are well planned (properly costed and properly scoped with clear deliverables and outcomes), and
- projects are delivered as expected (time, quality, budget).

To achieve this, the Prudential Management Policy does not stand alone. A user-friendly project management framework (currently in development), high quality project governance processes (currently under review), and clear delegations form part of the suite of tools needed to achieve high quality prudential management. Administration are currently working on building maturity and capability across a number of governance and project management activities.

In the interim, legislative compliance also necessitates a Prudential Management Policy. A revised version of the current policy is provided as Attachment 2.

Refer Attachment 2

BUDGET

Not applicable at this time.

LIFE CYCLE COSTS

Building capability to improve project discipline will incur costs, however, these should be absorbed within existing budgets as part of continuous improvement.

Attachment 1



	Purpose/Meaning	Principles	Scope	Timing	Policy Limitations	Other	Last Reviewed
Campbelltown City Council	Council needs to follow prudential management legislation when it decides to undertake a project that has a greater than usual risk in regard to financial or corporate governance arrangements.	Council is committed to a pro-active risk management approach when undertaking significant projects that have a high initial or long term impact on its budgets. Council will make open, transparent and informed decisions in regard to prudential projects.	A project or commercial activity being undertaken by Council or a subsidiary of Council that requires prudential legislative requirements to be followed.	Before Council engages in a prudential project, the Chief Executive Officer will engage the services of a suitably qualified independent person in accordance with Sections 48(4) and 48(4a), to prepare a prudential report that includes all issues listed in Section 48(2) of the Act. Council will ensure that prudential projects are only undertaken after an appropriate level of due diligence has been applied to the proposed project.	Council will not call for the preparation of a prudential report during a local government election period (as defined in Section 91A(8) of the Local Government (Elections) Act 1999) nor commit an incoming Council to engaging in a prudential commercial activity or project during an election period.	Except where information needs to be protected under Section 48(6) of the Act, adopted prudential reports will be available at the Council office and on Council's website for inspection by members of the public within 5 working days of the Council meeting at which the report was adopted. Adopted prudential reports will remain available for inspection by members of the public for at least one year beyond completion of the prudential project or activity	Jul-19
City of Tea Tree Gully	This policy has the following objectives: • To ensure that major Council projects are undertaken only after an appropriate level of Due Diligence is applied to the proposed project • To ensure that each major Council project is: o managed during the project o evaluated after the project • To achieve identified public benefits or needs; and to minimise financial risks.	The objectives of this Policy will be considered in a report on any potential Project, regardless of the financial impact or the size of the Project. Any proposed Project must first be assessed to determine the level of Due Diligence that is applicable. This will be managed in accordance with Council's Delegations Register. All proposed Projects, must follow the Project Management Framework requirements and include at a minimum: • The specific benefits or needs to be addressed by the proposed Project • The inclusion of impacts or learnings from similar past Projects • The expected whole of life costs of the proposed Project • Any key financial risks relating to the Project.	This Policy applies to all Council projects, no matter how large or small, to ensure compliance with this provision, and that decision making in respect of any project is made with reliable, accurate and timely information. The decision maker accordingly should make an evaluation as to the extent of Due Diligence that must be embarked upon before any subsequent decision is made whether or not to proceed with the proposed Project. As a first step, the decision maker must ascertain: • Whether funding of the whole of life costs of the proposed Project will (or might) require additional allocations beyond those already accommodated in Council's long term financial plan • Whether the proposed Project will (or might) generate any additional financial or other risks for the Council. Seeking the answers to these two questions is a threshold Due Diligence test. If the decision maker is sure that whole of life costs and financial risks are already accounted for, then no further action is necessary. However, in many cases, the decision maker will not be sure of these answers, and will require a second step. The Act requires that a report must be developed where the expected expenditure of the council over the ensuing five years is likely to exceed 20 per cent of the council's average annual operating expenses over the previous five financial years (as shown in the council's financial statements); or where the expected capital cost of the Project over the ensuing five years is likely to exceed \$4,000,000 (indexed). A full prudential report may also be commissioned under Section 48, for any other Project for which the Council considers that it is necessary or appropriate. A report is not required in relation to road construction or maintenance or drainage works. If a full prudential report is not sought, the Council will record its reasons for not obtaining such a report. This might be satisfied simply by noting (if appropriate) that the proposed Project has been assessed under this policy, or under a DDR as being of low or negligible financial risk.	Due Diligence before a decision on whether to proceed This DDR will include, in relation to the proposed Project: • An analysis of the need or demand • Identification and quantification of the expected financial and other benefits • Identification and quantification of the likely whole of life financial and other costs, including staffing and project management costs • Assessment of the associated financial risks, (including the financial risks of not proceeding or delaying the proposed Project) and consideration of ways they can be managed and/or mitigated • Assessment of other non-financial risks • An evaluation that weighs up all of the factors above. For the smallest Projects with low financial risk, this DDR may comprise only a single page and may be prepared by a single staff member and their corporate leader. Larger, more complicated and/or financially high risk Projects will require a DDR containing correspondingly more information and assessment, as required by the decision maker, with input from two or more officers. For example, the decision maker may request a DDR from a working party of Council officers, or an external consultant, or a combination of both. Consideration will be given to whether those preparing a DDR require special skills such as engineering, finance, project management, town planning etc. In requesting and preparing a DDR, the decision maker and Council officers must determine and manage risks as outlined in the Enterprise Risk Management Framework and follow the process requirements specified under the Project Management Framework.			Dec-17

	Purpose/Meaning	Principles	Scope	Timing	Policy Limitations	Other	Last Reviewed
			In the event of an emergency or business interruption scenario, consideration for community and staff safety and wellbeing may require a level of financial commitment to be made without seeking a full prudential report. When business as usual circumstances are restored, such decisions will be reviewed by the Chief Executive Officer.				
City of Norwood, Payneham and St Peters	Prudential Management requires financial risks or adverse financial consequences to be considered, minimised or offset to ensure that the proposed benefits are achieved.	The Principles of this Policy are: - To ensure that the Council undertakes projects only after an appropriate level of "due diligence" is applied to the proposed projects; and - Each project is managed during and evaluated after to ensure that the project achieved the identified public benefit and or needs and to minimise financial risk.	For projects greater than \$4.0* million (indexed), the Council will prepare a Prudential Management Report which complies with the requirements of Section 48(2) of the Act. For projects less than \$4.0* million (indexed), the Council will prepare a Due Diligence Report (Funding Submissions) which at a minimum are required to assess the following: - the benefits (financial or otherwise) and the needs of the project; - identification and quantification of the whole of life financial and other costs, including staffing and project management; - assessment of associated risks (including the risk of delaying or not proceeding) and considerations of ways the risk can be managed or mitigated.	Prudential projects will not commence until the Council has considered and adopted the Prudential Management Report		The Chief Executive Officer will appoint a suitably qualified independent person to prepare the Prudential Management Report. Except where information is required to be protected under Section 48 (5), once adopted Prudential Management Reports will be made available to the public on the Council's website and for inspection at the Council's Principal Office. The Council will not call for the preparation of a Prudential Management Report during the Local Government Election Caretaker Period.	Mar-18
District Council of Robe	This policy has two Objectives. 3.1 to ensure that a Council project is undertaken only after an appropriate level of "due diligence" is applied to the proposed project; and 3.2 to ensure that each Council project is: • managed during the project and • evaluated after the project, to achieve identified public benefits or needs; and to minimise financial risks. The Objectives of this Policy shall be considered in a report on any potential project, regardless of the financial impact or the size of the project.		This policy applies to all projects (as defined below) regardless of size. A project may be defined as "a new and discrete undertaking or activity that would involve the expenditure of money, deployment of resources, incurring or assuming a liability, or accepting an asset". This should not be interpreted to mean that all Council activities are "projects". Regular, ongoing deliveries of Council services are not "new and discrete" activities so therefore are not included within this definition. A project is a temporary endeavour with a defined beginning and end. The temporary nature of projects stands in contrast to business as usual (or operations) which are repetitive, ongoing functional activities to produce products or services. Simply purchasing an item of plant or equipment, (e.g. a single vehicle) or a parcel of land will constitute a "project" if the purchase is not part of a wider project or part of ongoing operations. Any purchase must comply with Council's Procurement Policy. However, a "project" will typically involve more than merely purchasing. It will always involve Council staff time, often in undertaking activities in association with other organisations. On the other hand, a project need not entail any expenditure. It may include, for example, receiving land or other assets for free, or granting permission for a private activity on Council land. All projects should be considered in the context of not only this policy, but also Council's Risk Management Plan. The decision-maker accordingly should make an evaluation as to the extent of due diligence that must be embarked upon before any subsequent decision is made whether or not to proceed with the proposed	Any proposed project must first be assessed as to the level of due diligence that is required. The Chief Executive has delegated authority to exercise some (depending upon budgetary allocations and other Council policies) of the Council's powers to approve projects. Therefore, for a particular project, the decision-maker may be the Chief Executive, or the Council. When approval is being sought or considered for a specific project, information must be provided to the decision-maker to indicate approximately, at first instance: • the specific benefits or needs to be addressed; • the extent to which it may be substantially similar to other past projects; • the expected whole-of-life costs of the project; and • what, if anything, is known about the levels of financial risk that may be involved. After a decision has been made to commence a project, it will be managed according to the principles of due diligence. The Council will take action to manage the project so that: • the project remains focussed upon the expected public benefits or needs that have been identified in the DDR; and • financial risks identified in the DDR are managed appropriately. After a project has been completed, it will be evaluated, according to the principles of due diligence, to determine the extent to which the project: • has achieved the public benefits or needs identified in the DDR that it was intended to achieve or satisfy; and • has avoided or mitigated the financial risks identified in the DDR.			Dec-18

	Purpose/Meaning	Principles	Scope	Timing	Policy Limitations	Other	Last Reviewed
			<p>project.</p> <p>As a first step, the decision-maker must ascertain:</p> <ul style="list-style-type: none"> • whether funding of the whole-of-life costs of the proposed project will (or might) require additional allocations beyond those already accommodated in Council's long-term financial plan and budget; and • whether the proposed project will (or might) generate any additional financial risk for the Council. <p>Seeking the answers to these two questions is a threshold 'due diligence' test. If the decision-maker is sure that whole-of-life costs and financial risks are already accounted for, then no further action is necessary. However, in many cases, the decision-maker will not be sure of these answers, and will require a second step.</p> <p>To resolve any doubt, the decision-maker must request preparation of a due diligence report (DDR).</p> <p>Depending upon the extent of due diligence required by the decision-maker, a DDR of greater or lesser detail will be prepared. This DDR will include, in relation to the proposed project:</p> <ul style="list-style-type: none"> • an analysis of the need or demand; • identification and quantification of the expected financial and other benefits; • identification and quantification of the likely whole-of-life financial and other costs, including staffing and project management costs; • assessment of the associated financial risks, (including the financial risks of not proceeding or delaying the project) and consideration of ways they can be managed and/or mitigated; • an evaluation that weighs up all of the factors above. <p>For the smallest projects with least financial risk, this DDR may comprise only a single page and may be prepared by a single staff member. Larger, more complicated and/or financially riskier projects will require a DDR containing correspondingly more information and assessment, as required by the decisionmaker, with input from two or more officers.</p> <p>For any project that falls in an area where there is a significant financial risk, a DDR must also include a project feasibility study, to provide a high level consideration of the expected costs and revenues over the life of the project, using discounted cashflow analysis. One important aspect that will be considered in such a study is the reliability of these costs and revenues within these calculations, particularly if revenues are dependent on future market conditions.</p>				
City of Charles Sturt	This policy seeks to enhance Council's existing policies and procedures govern Council's strategic management processes.		This policy covers the prudential review requirements when consideration is being given to a project that falls within the requirements of Section 48 (1) of the Local Government Act. These requirements are:	The engaged author will prepare a Prudential Report in accordance with this policy and the legislation for consideration of Council prior to the project commencement.		A report will be presented to Council for the consideration of the engagement of a suitably qualified author to undertake Prudential Reviews in accordance with this policy. The author will be an independent person who is skilled in the assessment of prudential issues relevant to the proposed projects against the requirements of	Sep-18

	Purpose/Meaning	Principles	Scope	Timing	Policy Limitations	Other	Last Reviewed
			<p>the ensuring five years is likely to exceed \$4,000,000 (indexed); or</p> <p>iii. where the Council considers that it is necessary or appropriate.</p> <p>In accordance with Section 48 (3) this policy does not apply to a) road construction or maintenance; or b) drainage works.</p> <p>A report will be presented to Council for the consideration of the engagement of a suitably qualified author to undertake Prudential Reviews in accordance with this policy. The author will be an independent person who is skilled in the assessment of prudential issues relevant to the proposed projects against the requirements of Section 48 of the Local Government. This may be an employee of Council; however in such instance the person must not have an interest in the proposed project.</p>			Section 48 of the Local Government. This may be an employee of Council; however in such instance the person must not have an interest in the proposed project.	
City of Burnside	<p>It imposes a standard of governance that encompasses effective prudential management and proper consideration of the impact of decisions for major projects.</p> <p>Ensure that each of Council's major projects are:</p> <ul style="list-style-type: none"> - undertaken only after an appropriate level of due diligence is applied to the proposed project; - managed appropriately during the project and evaluated after the project in terms of the use of council and other public resources to achieve identified public benefits or needs and to minimise financial risks; and - meeting the Prudential Report requirements when consideration is being given to a project that falls within the requirements of Section 48 (1) (b) of the Act. 	<p>3.1. Regularly review, update and adopt leading governance, risk management and administrative practices.</p> <p>3.2. Ensure the long-term sustainability of Council by monitoring and comparing to peak body indicators.</p> <p>3.3. Make open, transparent and informed decisions in regard to projects based on reliable, accurate and timely information</p> <p>3.4. Provide sufficient resources to meet current and future needs of the community.</p>	<p>Any proposed project must first be assessed as to the level of due diligence that is required. When approval is requested for a specific proposed project, the following information must be provided, at the very least to the authorised delegate:</p> <p>7.1.1.1. the specific benefits or needs to be addressed by the proposed project;</p> <p>7.1.1.2. the extent to which the proposed project may be substantially similar to other past projects;</p> <p>7.1.1.3. the expected whole-of-life costs of the proposed project; and</p> <p>7.1.1.4. what levels of financial risk may be involved.</p> <p>The authorised delegate must ascertain whether:</p> <p>7.2.1.1. funding of the whole-of-life costs of the proposed project may require additional allocations beyond those already accommodated in Council's long-term financial plan; and</p> <p>7.2.1.2. whether the proposed project may generate any additional financial risk for the Council;</p> <p>7.2.2. Where the whole-of-life costs and the financial risks have been accounted for, no further action is necessary. However, where this is not the case, a due diligence report must be prepared.</p> <p>Depending upon the extent of due diligence required by the authorised delegate, a due diligence report of greater or lesser detail will be prepared. This due diligence report may include, in relation to the proposed project:</p> <p>7.3.4.1. an analysis of the need or demand;</p> <p>7.3.4.2. identification and quantification of the expected financial and other benefits;</p> <p>7.3.4.3. identification and quantification of the likely whole-of-life financial and other costs, including staffing and project management costs;</p> <p>7.3.4.4. assessment of the associated financial risks (including the financial risks of not proceeding or delaying the proposed project) and consideration of ways they can be managed and/or mitigated; and</p> <p>2.2.1.1 an evaluation that weighs up all of the factors above</p> <p>Council will obtain a Prudential Report that addresses</p>	<p>Council's objectives of this Policy are to ensure that each of Council's major projects are: 6.1.1 undertaken only after an appropriate level of due diligence is applied to the proposed project;</p> <p>After a decision has been made to commence a project, it will be managed according to the principles of due diligence.</p> <p>12.2. Council will take action to manage the project so that:</p> <p>12.2.1. the project remains focussed upon the expected public benefits or needs that have been identified in the due diligence report; and</p> <p>12.2.2. financial risks identified in the due diligence report are managed appropriately.</p> <p>After a project has been completed, it will be evaluated, according to the principles of due diligence, to determine the extent to which the project:</p> <p>13.1.1. has achieved the public benefits or needs identified in the Due Diligence Report that it was intended to achieve or satisfy; and</p> <p>13.1.2. has avoided or mitigated the financial risks identified in the Due Diligence Report.</p>	<p>Council cannot delegate the consideration of the report. Council's Management will consider the impact that the whole of life costs of an asset or project will have on Council's Long Term Financial Plan and, if relevant, on the Council's Asset Management Plan and Risk Management Plan. The careful integration of these plans should result in a successfully managed, implemented and administered project regardless of the size of the project.</p>	<p>The Prudential Report will form part of the Council Agenda papers and will be a public document unless it been determined otherwise by the Council in accordance with Section 90 of the Act.</p> <p>If a Prudential Report is not requested, Council will record its reasons for not obtaining such a report.</p> <p>If a full Prudential Report is not sought for any project which fits the criteria's listed above, the reasons for not obtaining such a report will be recorded by the Project Manager and endorsed by the Executive Management Team prior to the project proceeding or being committed to.</p> <p>Pursuant to Section 48(5) and (6) of the Act and subject to restrictions to protect commercial confidentiality, or other people's financial affairs, the report will become a public document after Council has made a decision on the project (or earlier at the Council's discretion).</p> <p>Section 48(4) of the Act provides that this report must be prepared by a person whom the Council reasonably believes to be qualified to address the prudential issues as required per legislation.</p> <p>9.2. The Chief Executive Officer will ensure that prudential management reporting, as outlined above, is undertaken by a suitably qualified person independent of the project.</p>	

	Purpose/Meaning	Principles	Scope	Timing	Policy Limitations	Other	Last Reviewed
			<p>prudential issues, in relation to a proposed project:</p> <p>8.2.1. where the expected expenditure of Council over the ensuing five years is likely to exceed 20% of Council's average operating expenses over the previous five financial years (as shown in the Council's financial statements); or</p> <p>8.2.2. where the expected capital cost of the project over the ensuing five years is likely to exceed \$4 million (indexed). Per Section 48(6d) of the Act, \$4 million (indexed) means that the amount is to be adjusted for the purposes of this Section on 1 January of each year, starting on 1 January 2011, by multiplying the amount by a proportion obtained by dividing the CPI for the September quarter of the immediately preceding year by the CPI for the September quarter, 2009.</p> <p>8.3. Council may also obtain a report:</p> <p>8.3.1. in the case of projects that have been assessed as having a business risk profile of 'high' (in line with Council's Risk Management Framework), where the expected capital cost of the project over the ensuing five years is likely to exceed \$3 million (indexed); or</p> <p>8.3.2. where the business risk profile of the project is considered as extreme, as determined by the Project Manager and Executive Management Team and in conjunction with Council's Risk Management Framework.</p> <p>8.4. The Act provides, under Section 48(3) that a Prudential Report is not required in relation to road construction or maintenance or drainage works, even when the cost of such works would exceed the expenditure levels cited above.</p> <p>Scope includes S48(2) plus: The report will contain further information about the risks of the project and how these risks will be managed and a consideration as to whether these risks have been adequately addressed.</p> <p>The report will also contain sensitivity analyses on a best case, worst case and most likely outcome assuming the parameters used. Consideration will also be given to the impact on the Council's long term financial position.</p>				
<p>City of Marion</p>	<p>The City of Marion is committed to excellence in governance and using a best practice approach to transparent and accountable decision making. The City of Marion recognises the importance of prudential management of all projects it undertakes.</p> <p>The policy aims to ensure:</p> <ul style="list-style-type: none"> - a Council project is undertaken only after an appropriate level of "due care, diligence and foresight" is applied to the project; - any risks associated with the project are identified, managed and mitigated; - Council makes informed decisions and in the public 		<p>The policy applies to all projects (as defined below) regardless of size undertaken by the City of Marion. In addition, specific reporting requirements apply to projects as defined within s48(1) of the Local Government Act 1999 (the LG Act).</p> <p>"Project" Means a new and discrete undertaking or activity that would involve the:</p> <ul style="list-style-type: none"> - expenditure of money, and/or - deployment of resources, and/or - incurring or assuming a liability, accepting an asset or divestment of an asset. <p>A project has a defined beginning and end. Regular, ongoing deliveries of Council services are not "projects".</p> <p>The decision maker should determine with respect to any project (based on the size, complexity and amount of financial or other risk) the level of:</p> <ul style="list-style-type: none"> - Due care and diligence that is required <p>At a minimum this should require an assessment of:</p> <ul style="list-style-type: none"> o the benefits and needs of the project 	<p>Not specified</p>	<p>This report must be prepared by a person whom the Council reasonably believes to be qualified to address the prudential issues s48(4) and must not be a person who has an interest in the relevant project as defined in s48(6a) - (6c).</p>	<p>The decision-maker for any proposed project may be the Council, the Chief Executive or an officer of the Council to whom sub-delegation has been made (as reflected in the Council's Schedule of Delegations and Sub-delegations).</p> <p>Any complaint about this policy or the way in which it has been applied should be made in writing to the Manager Governance.</p>	<p>Dec-12</p>

	Purpose/Meaning	Principles	Scope	Timing	Policy Limitations	Other	Last Reviewed
	<p>interest; - Council is accountable for the use of Council and other public resources.</p>		<p>o whether the project will (or might) generate any additional risks for the Council; o the financial sustainability of a project (large or small) and whether funding of the whole-of-life costs of the project will (or might) require additional allocations beyond those already accommodated in Council's annual budget and long-term financial plan - Details required This may range from a single page describing the project scope, to a comprehensive business case (using the Corporate "Project Management Template – Business Case" and/or the IIMM Continuous Improvement Matrix - Excellence). - Risk assessment appropriate This may range from, a simple note that the proposed project has been determined as being of low or negligible risk, to a more detailed risk assessment in consultation with the Risk Management Unit. - Expertise required This may range from a single staff member (for the smallest projects with least risk), to a working party of staff and external specialists with expertise in areas such as engineering, finance, project management, town planning (for more complicated and/or riskier projects). - Accountability and reporting required - Post project implementation review and evaluation appropriate Evaluation and review can identify systemic issues and opportunities for improvement. 4.3 Adequate resources will be allocated to the prudential management of projects and staff will be appropriately trained.</p> <p>Under the LG Act, a report addressing the prudential issues set out in Section 48(2) must be prepared for any project that meets the criteria set out in s48(1) of the Act: (i) where the expected expenditure of the council over the ensuing five years is likely to exceed 20 per cent of the council's average annual operating expenses over the previous five financial years (as shown in the council's financial statements); or (ii) where the expected capital cost of the project over the ensuing five years is likely to exceed \$4 000 000 (indexed); or (iii) where the council considers that it is necessary or appropriate.</p>				
<p>City of Mitcham</p>	<p>The Prudential Management Policy seeks to outline Council's approach towards prudential management and to meet the requirements of the Act. It imposes a standard of governance that encompasses effective prudential management and proper consideration of the impact of decisions for major projects.</p> <p>The Policy ensures that Council acts with due care, diligence and foresight,</p>		<p>Council recognises that due diligence and effective project management is necessary for all projects regardless of size; however it is neither practical nor efficient for all projects to be subject to full prudential management reporting requirements. This Prudential Management Policy applies to all projects subject to the criteria listed under 4.1.</p> <p>For large commercial or non-commercial projects (including through a subsidiary or participation in a joint venture, trust, partnership or other similar body), Section 48(1) of the Act requires that a full Prudential Report be prepared for Council. Council will therefore obtain a report that addresses prudential issues, in relation to a proposed project:</p>	<p>Prudential management commences prior to making a decision to proceed with a major project and continues throughout the life of the project.</p> <p>If a full Prudential Report is not sought for any project which fits criteria 3 and 4 listed above, the reasons for not obtaining such a report will be recorded by the Project Manager and endorsed by the Executive Leadership Group prior to the project proceeding or being committed to.</p> <p>The requirement for a Prudential Report is considered as part of the project proposal and the setting of the Annual Business Plan and Budget.</p> <p>After a decision has been made to commence a project,</p>	<p>Council's internal and external auditors are precluded from preparing reports.</p> <p>Council cannot delegate the consideration of the report.</p>	<p>The Chief Executive Officer will ensure that prudential management reporting, as outlined above, is undertaken by a suitably qualified person independent of the project.</p> <p>The Prudential Report will form part of the Full Council Meeting Agenda and will be a public document unless it is determined otherwise by the Council in accordance with Section 90 of the Local Government Act 1999,</p>	<p>Oct-19</p>

	Purpose/Meaning	Principles	Scope	Timing	Policy Limitations	Other	Last Reviewed
	identifies and manages risks associated with major projects, makes informed decisions and is accountable for the use of public resources.		<p>1. Where the expected expenditure of Council over the ensuing five years is likely to exceed 20% of Council's average operating expenses over the previous five financial years (as shown in the Council's financial statements); and</p> <p>2. Where the expected capital cost of the project over the ensuing five years is likely to exceed \$4 million (indexed).</p> <p>Council may also obtain a report:</p> <p>3. In the case of projects that have been assessed as having a business risk profile of 'high', where the expected capital cost of the project over the ensuing five years is likely to exceed \$1 million (indexed); or</p> <p>4. Where the business risk profile of the project is considered as extreme, as determined by the Project Manager and Senior Management Team and in conjunction with Council's Risk Management Framework.</p> <p>The Act provides, under Section 48(3) that a Prudential Report is not required in relation to road construction or maintenance or drainage works, even when the cost of such works would exceed the expenditure levels cited above.</p> <p>Report content: S48(2) plus The report will contain further information about the risks of the project and how these risks will be managed and a consideration as to whether these risks have been adequately addressed.</p> <p>The report will also contain sensitivity analyses on a best case, worst case and most likely outcome assuming the parameters used. Consideration will also be given to the impact on the Council's long term financial position.</p> <p>Assets, including roads, land, and buildings can be received by Council for no consideration. This would have the effect of increasing the asset stock of Council and the consequent asset management costs. On the other hand there may be additional rate revenue generated from a new asset. Council will need to consider whether a proposed asset transfer is a project that needs to be subject to a full Prudential Report under Section 48 of the Act or whether it may be covered by a standard process of effective due diligence under this Policy. Where appropriate, depending on the level of risk, Council staff may treat an asset being received free of charge as a major project under the Prudential Management Policy, making it subject to full Prudential Reporting.</p>	<p>it will be managed according to the principles of due diligence.</p> <p>Council will take action to manage the project so that:</p> <p>4.5.2.1. the project remains focussed upon the expected public benefits or needs that have been identified in the due diligence report; and</p> <p>4.5.2.2 financial risks identified in the due diligence report are managed appropriately.</p> <p>After a project has been completed, it will be evaluated, according to the principles of due diligence, to determine the extent to which the project:</p> <p>4.6.1.1 has achieved the public benefits or needs identified in the Due Diligence Report that it was intended to achieve or satisfy; and</p> <p>4.6.1.2 has avoided or mitigated the financial risks identified in the Due Diligence Report.</p>			
Mid-Murray Council	This Policy has two objectives: (i) To ensure that a Council project is undertaken only after an appropriate level of "due diligence" is applied to the proposed project; and (ii) To ensure that each Council project is: · Managed during the project;	Prudential management may be described as taking a precautionary approach to proposed projects. Prudential management attempts to foresee what adverse financial consequence may arise from any project that Council is contemplating, and requires	The objectives of this Policy shall be considered in a report on any potential project regardless of the financial impact or size of the project. This Policy applies to all projects as defined regardless of size to ensure that decision making in respect to any project is made with reliable, accurate and timely information. Without limited Subsection 48(aa1), a Council must	The decision-maker accordingly should make an evaluation as to the extent of due diligence that must be embarked upon before any subsequent decision is made whether or not to proceed with the proposed project. As a first step, the decision-maker must ascertain: · whether funding of the whole-of-life costs of the proposed project will (or might) require additional	Regular ongoing deliveries of Council services are not "new and discrete" activities so therefore are not included within this definition.		Feb-20

	Purpose/Meaning	Principles	Scope	Timing	Policy Limitations	Other	Last Reviewed
	<ul style="list-style-type: none"> · Evaluated after the project, to achieve identified public benefits or needs; and · To minimise financial risks. 	<p>management of the project in such a manner as to capture the proposed benefits, while minimising, offsetting or otherwise taking account of the foreseeable financial risks.</p>	<p>obtain and consider a report that addresses the prudential issues set out in Subsection (2) before the Council:</p> <p>(a) engages in any project (whether commercial or otherwise and including through a subsidiary or participation in a joint venture, trust, partnership or other similar body);</p> <p>(i) where the expected expenditure of the Council over the ensuing five years is likely to exceed 20 per cent of the Council's average annual operating expenses over the previous five financial years (as shown in the Council's financial statements); or</p> <p>(ii) where the expected capital cost of the project over the ensuing five years is likely to exceed \$4,000,000 (indexed); or</p> <p>(iii) where the Council considers that it is necessary or appropriate.</p> <p>Section 48 (3) of the Act states that: A report is not required under subsection (1) in relation to –</p> <p>(a) road construction or maintenance; or</p> <p>(b) drainage works</p> <p>As such, this Policy applies to all Council projects that are covered under the legislative definitions above, and other projects deemed necessary by the Council or the Chief Executive Officer based on the general risk of the project proposal.</p> <p>Any proposed project must first be assessed as to the level of due diligence that is required. The Chief Executive Officer or Manager has delegated authority to exercise some (depending upon budgetary allocations and other Council Policies) of the Council's powers to approve projects and expend funds. Therefore, for a particular project, the decision-maker may be the Chief Executive Officer, Departmental Director or the Council. As a general guide Prudential Reports will only be obtained based on the provisions of Section 48(1)(b) of the Local Government Act 1999.</p> <p>When approval is being sought or considered for a specific proposed project, information must be provided to the decision-maker to indicate approximately, at first instance:</p> <ul style="list-style-type: none"> · the specific benefits or needs to be addressed by the proposed project; · the extent to which the proposed project may be substantially similar to other past projects; · the expected whole-of-life costs of the proposed project; and · what, if anything, is known about the levels of financial risk that may be involved. <p>For any project that involves:</p> <p>(i) other than insignificant or minor whole of life costs; and/or</p> <p>(ii) other than an insignificant or minor likelihood of financial risk occurring.</p> <p>A DDR must also include a project feasibility study to provide a high level consideration of the expected costs and revenues over the life of the project, using discounted cash flow analysis. One important aspect that will be considered in such a study is the reliability of these costs and revenues within these calculations, particularly if revenues are dependent on future market</p>	<p>allocations beyond those already accommodated in Council's long-term financial plan; and</p> <ul style="list-style-type: none"> · whether the proposed project will (or might) generate any additional financial risk for the Council. <p>Seeking the answers to these two questions is a threshold 'due diligence' test. If the decisionmaker is sure that whole-of-life costs and financial risks are already accounted for, then no further action is necessary. However, in many cases, the decision-maker will not be sure of these answers, and will require a second step.</p> <p>To resolve any doubt, the decision-maker must request preparation of a due diligence report (DDR).</p> <p>After a decision has been made to commence a project, it will be managed according to the principles of due diligence. The Council will take action to manage the project so that:</p> <ul style="list-style-type: none"> · the project remains focussed upon the expected public benefits or needs that have been identified in the DDR; and · financial risks identified in the DDR are managed appropriately. <p>After a project has been completed, it will be evaluated, according to the principles of due diligence, to determine the extent to which the project:</p> <ul style="list-style-type: none"> · has achieved the public benefits or needs identified in the DDR that it was intended to achieve or satisfy; and · has avoided or mitigated the financial risks identified in the DDR. 			

	Purpose/Meaning	Principles	Scope	Timing	Policy Limitations	Other	Last Reviewed
			<p>conditions.</p> <p>Depending upon the extent of due diligence required by the decision-maker, a DDR of greater or lesser detail will be prepared. This DDR will include, in relation to the proposed project:</p> <ul style="list-style-type: none"> · an analysis of the need or demand; · identification and quantification of the expected financial and other benefits; · identification and quantification of the likely whole-of-life financial and other costs, including staffing and project management costs; · assessment of the associated financial risks, (including the financial risks of not proceeding or delaying the proposed project) and consideration of ways they can be managed and/or mitigated; · an evaluation that weighs up all of the factors above. <p>For the smallest projects with least financial risk, this DDR may comprise only a single page and may be prepared by a single staff member. Larger, more complicated and/or financially riskier projects will require a DDR containing correspondingly more information and assessment, as required by the decision-maker, with input from two or more officers.</p>				
City of Adelaide	The City of Adelaide will ensure that it: (a) acts with due care, diligence and foresight; and (b) identifies and manages risks associated with a project; and (c) makes informed decisions; and (d) is accountable for the use of Council and other public resources, throughout its prudential management practices and procedures for certain activities.		<p>This policy is intended to apply to activities where the City of Adelaide (or its subsidiaries): (a) engage in any project (whether commercial or otherwise and including through a subsidiary or participation in a joint venture, trust, partnership or other similar body): (i) where the expected operating expenses calculated on an accrual basis of the Council over the ensuing five years is likely to exceed 20 per cent of the Council's average annual operating expenses over the previous five financial years (as shown in the Council's financial statements); or (ii) where the expected capital cost of the project over the ensuing five years is likely to exceed \$4,000,000.00 (indexed, excluding GST); or (iii) where the Council considers that it is necessary or appropriate. This policy is not intended to apply to activities in relation to: (a) road construction or maintenance; or (b) drainage works.</p> <p>(a) the fact that a project is to be undertaken in stages does not limit the operation of this policy in relation to the project as a whole. (b) \$4,000,000.00 (indexed) means that that amount is to be adjusted for the purposes of this policy on 1 January of each year, starting on 1 January 2011, by multiplying the amount by a proportion obtained by dividing the CPI for the September quarter of the immediately preceding year by the CPI for the September quarter, 2009. As at 1 January 2018, this indexed amount is \$4,712,920.21.</p> <p>Where the City of Adelaide is undertaking an activity for which this policy is intended to apply, the Council (elected members) must obtain and consider a report that addresses the prudential issues of the activity</p>	Not specified	The Council (elected members) must give reasonable consideration to a report prepared under this policy (and must not delegate the requirement to do so).	<p>A report required pursuant to this policy must be prepared by a person whom the Council reasonably believes to be qualified to address the prudential issues set out in this policy. Engagement of the person to draft the report and facilitate its presentation to the Council is the responsibility of the project manager for the project the subject of the prudential report. A report required pursuant to this policy must not be prepared by a person who has an interest in the relevant project (but may be prepared by a person who is an employee of the Council)</p> <p>A report prepared pursuant to this policy must be available for public inspection at the principal office of the Council, once the Council has made a decision on the relevant project (and may be available at an earlier time unless the Council orders that the report be kept confidential until that time). However, the Council may take steps to prevent the disclosure of specific information in order to protect its commercial value or to avoid disclosing the financial affairs of a person (other than the Council).</p>	Feb-18
City of Port Adelaide Enfield	Council considers effective prudential management to be part of achieving the leadership	Accountability - Council is to be accountable for its activities and decisions which must be in the public interest.	This policy applies to projects undertaken by the City of Port Adelaide Enfield. Prudential management requirements are incorporated into Council's existing risk management processes with	The prudential report prepared in accordance with this policy and the relevant legislation will be considered at a Council meeting prior to project construction and/or commencement of implementation activity, with due	The Council's external auditor will not be engaged to provide a Section 48 report as legislation requires that Council's statutory auditor not	To obtain a Section 48 prudential report, the Council will appoint a suitably qualified independent person skilled in the assessment of	Dec-18

	Purpose/Meaning	Principles	Scope	Timing	Policy Limitations	Other	Last Reviewed
	outcomes of being strategic and accountable.	<p>Probity - Council conduct aims to inspire confidence in the public sector and the integrity of public sector process.</p> <p>Due Care, Foresight and Diligence - Council will exercise due care foresight and diligence in the management of public resources.</p> <p>Risk Management - prudential requirements and reporting will be underpinned by Council's approach to risk assessment in accordance with its Risk Management Framework.</p>	<p>the obligations set out in Section 48(2)(a-i) included in the existing risk assessments undertaken for significant projects in accordance with Council's Risk Management Framework and Council's Administration Policy - Risk Management.</p> <p>Road construction and maintenance and drainage works may be undertaken in accordance with the Council's Procurement Policy without the requirement for these works to be assessed as projects for purposes of this policy, in accordance with Section 48(3) of the Act.</p> <p>Triggers for a prudential report Section 48(1) of the Act For large commercial or non-commercial projects, Section 48(1) of the Act requires that a full prudential report be prepared for and considered by Council in the following circumstances: (i) where the expected operating expenses calculated on an accrual basis of the council over the ensuing five years is likely to exceed 20 per cent of the council's average annual operating expenses over the previous five financial years (as shown in the council's financial statements); or (ii) the expected capital cost of the project (excluding GST) over the ensuing five years is likely to exceed \$4 million (indexed as specified in Section 48(6d) of the Act); or (iii) the Council considers that it is necessary or appropriate. Section 48(1)(iii) of the Act The trigger for preparing a prudential report under Section 48(1)(iii) will include where a risk assessment conducted against the City of Port Adelaide Enfield's Risk Management Framework indicates a High or Extreme risk score. Where a full prudential report is not required in accordance with Section 48 of the Act, Council will ensure the project is conducted in accordance with the legislative principles of due diligence, as outlined in Section 48 (aa1) of the Act.</p> <p>Content S48(2) Plus An assessment will be conducted and results clearly and specifically included within the prudential report regarding the merits of the project in the context of the Council's strategic management plans, asset management plan, long term financial plan, and risk management plan.</p>	reference to Council's asset management plan, long-term financial plan, and risk management policy.	undertake activities outside the scope of the auditor's functions under the Local Government Act 1999 to avoid compromising the auditor's independence of the auditor's statutory responsibilities. However, the Council may engage an alternative auditor, or other suitably qualified person to prepare such a report, if that person is considered to be skilled in the assessment of the proposed project.	<p>the proposed project. This may include engineering, finance, infrastructure, and project management skills. The person appointed may be a member of staff but must not have an interest, nor be closely associated with a person who has an interest, in the relevant project. An interest is defined under Section 48(6a) of the Act and a close association is defined under Section 48(6b) of the Act.</p> <p>Subject to restrictions to protect commercial confidentiality, or other people's financial affairs, the report will become a public document after the Council has made a decision on the project (or earlier at the Council's discretion). Council will make the document available for public inspection at its principle place of business, the Civic Centre, 163 St Vincent Street, Port Adelaide. The prudential report will be published on Council's website for the duration of the project.</p>	
Wakefield Regional Council	<p>Prudential management aims to foresee what adverse financial consequences might arise from any Council project. It requires managing the project in a manner that captures the proposed benefits and minimises, offsets and takes account of the foreseeable financial risks.</p> <p>Objectives: To ensure major Council projects are undertaken only after an appropriate level of due</p>	Wakefield Regional Council strives to make prudent decisions and will undertake appropriate due diligence on its projects to get the best possible outcomes for the community.	<p>A Prudential Report must be prepared for Council for large projects where the expected capital or operating expenses calculated on an accrual basis of the Council over the ensuing five years is likely to exceed 20 percent of Council's average annual operating expenses over the previous five financial years. This is \$2.76 million based on the budgeted total operating expenditure for 2017/18.</p> <p>Exclusions: road construction or maintenance; or drainage works (stormwater drainage). Project: may be a new and discrete undertaking or activity that would involve the expenditure of money, deployment of resources, incurring or assuming a liability, or accepting an asset.</p>	<p>Due diligence: is the conduct of a systematic review of a transaction prior to entering into that transaction.</p> <p>Any proposed project must first be assessed as to the level of due diligence that is required. When approval is being sought for a specific project, information must be provided to the correct delegated authority to approve the project which may be Council, the CEO or other officers with delegated authority to make such approval.</p> <p>The delegated authority will make an evaluation as to the extent of due diligence that must be undertaken before a decision is made to whether to proceed with the proposed project. This is the threshold due diligence test. It must be ascertained:</p>		<p>All projects should be considered in the context of not only this policy, but also Council's Risk Management Framework, Strategic Management Plans and annual plans and budgets.</p> <p>All DDRs will include estimated income and expenditure for the activity for the first five years and will be presented to a meeting of the Management Executive Team.</p>	Feb-19

	Purpose/Meaning	Principles	Scope	Timing	Policy Limitations	Other	Last Reviewed				
	<p>diligence is applied to the proposal;</p> <p>To ensure that each major Council project is well managed during the project and appropriately evaluated after the project;</p> <p>To comply with Section 48(aa1) of the Local Government Act 1999.</p>		<p>This should not be interpreted to mean that all Council activities are 'projects'. Regular, ongoing deliveries of Council services are not 'new and discrete' activities so therefore are not included within this definition. A project is a temporary endeavour with a defined beginning and end. The temporary nature of projects stands in contrast to business as usual (or operations) which are repetitive, ongoing functional activities. Simply purchasing an item of plant or equipment, (e.g. a single vehicle) or a parcel of land will constitute a project if the purchase is not part of a wider project or part of ongoing operations. Any purchase must comply with Council's Procurement Policy. A project need not entail any expenditure. It may include, for example, receiving land or other assets for free, or granting permission for a private activity on Council land.</p> <p>Any proposed project must first be assessed as to the level of due diligence that is required. When approval is being sought for a specific project, information must be provided to the correct delegated authority to approve the project which may be Council, the CEO or other officers with delegated authority to make such approval. This information will include:</p> <ul style="list-style-type: none"> • The specific benefits or needs to be addressed; • The extent to which it may be substantially similar to other past projects; • The expected whole-of-life costs of the project; and • Levels of financial risk that may be involved. <p>If there is any uncertainty, the delegated authority must request preparation of a Due Diligence Report (DDR). There are three levels of due diligence reporting available (basic, comprehensive or feasibility), along with the Prudential report that may be required under Section 48. The type of report a responsible officer must provide is determined as follows:</p>	<ul style="list-style-type: none"> • Whether funding of the whole-of-life costs of the proposed project will (or might) require additional allocations beyond those already accommodated in Council's long-term financial plan and budget; and • Whether the proposed project will generate any additional financial (or other) risk for the Council. <p>If the delegated authority is unsure of these answers, a second step will be required.</p> <p>After a decision has been made to commence a project, the responsible officer will take action to manage the project so that:</p> <ul style="list-style-type: none"> • the project remains focussed upon the expected public benefits or needs that have been identified in the DDR; and • financial risks identified in the DDR are managed appropriately. <p>After a project has been completed, it will be evaluated, according to the principles of due diligence, to determine the extent to which the project:</p> <ul style="list-style-type: none"> • Achieved the benefits or needs that it was intended to achieve or satisfy (as identified in the DDR); and • Avoided or mitigated the financial risks identified in the DDR. <p>A brief project evaluation report will be prepared and reported to Council.</p>							
Financial risk <small>Including upfront & ongoing costs (whole of life)</small> Likelihood <small>of financial risk occurring</small>	Minor Financial risk \$50-\$100,000	Moderate Financial risk \$100- 250,000	Major Financial risk \$250- \$500,000	Serious Financial risk \$500,000 to \$2.76m	Section 48 Financial risk greater than \$2.76m	Almost Certain	Basic	Comprehensive	Project Feasibility	Project Feasibility	Prudential Report
Likely	Basic	Comprehensive	Comprehensive	Project Feasibility	Prudential Report						
Possible	Basic	Basic	Comprehensive	Comprehensive	Prudential Report						
Unlikely	Basic	Basic	Basic	Comprehensive	Prudential Report						
Rare	Basic	Basic	Basic	Basic	Prudential Report						

Attachment 2



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1. PREAMBLE

1.1 Background

Prudential Management could be described as taking a precautionary approach to proposed projects. It requires managing projects in a manner that optimises proposed benefits and minimises, offsets and takes account of foreseeable risks.

This policy is made pursuant to Section 48(aa1) of *the Local Government Act 1999* (the Act), which provides that Council must develop and maintain policies practices and procedures for the assessment of projects to ensure that the Council:

- (a) acts with due care diligence and foresight; and
- (b) Identifies and manages risks associated with a project; and
- (c) makes informed decisions; and
- (d) is accountable for the use of Council and other public resources.

1.2 Purpose

This policy ensures that decision making regarding any project is made on the basis of reliable, accurate and timely information.

1.3 Scope

Under Section 48(1)(b) of the Act, there are specific prudential review requirements for projects that meet the following criteria where:

- (i) the expected operating expenses calculated on an accrual basis of the Council over the ensuring five years is likely to exceed 20 per cent of the Council's average operating expenses over the previous five financial years (as shown in Council's financial statements); or
- (ii) the expected capital cost of the project over the ensuring five years is likely to exceed \$4 million (indexed); or
- (iii) the Council considers that it is necessary or appropriate.

Section 48(6d) states \$4 000 000 (indexed) means that that amount is to be adjusted for the purposes of this Section on 1 January of each year, starting on 1 January 2011, by multiplying the amount by a proportion obtained by dividing the

PRUDENTIAL MANAGEMENT POLICY

CPI for the September quarter of the immediately preceding year by the CPI for the September quarter, 2009.

Section 48(3) states this policy does not apply to road construction or maintenance or drainage works.

If a project is to be undertaken in stages this does not limit the operation of the provisions in Section 48(1)(b) in relation to the project as a whole.

1.4 Definitions

Project may include any new or discrete undertaking or activity that would involve the expenditure of money, deployment of resources as commonly understood to be a project, or specified as being a project by Council or the Chief Executive Officer.

Due diligence means the systematic review of assumptions, risks and financial projections, prior to entering into any transaction, agreement or partnership.

1.5 Strategic Reference

Culture: enabling high performance

Culture: being financially accountable

2. PRINCIPLES

2.1 Due Diligence

Any project or activity undertaken by Council, whether within the scope of this policy or not, should apply due diligence in accordance with the principles of high performance.

2.2 Prudential Report

Projects falling within the scope of this policy require a Prudential Report to be prepared as part of project planning and prior to the commitment of funds being approved.

Any report prepared must be considered by Council and cannot be delegated to another committee or person (although it may be considered by another committee or person).

2.3 Prudential Report Author

Council will engage a suitably qualified independent person (whom the Council reasonably believes to be qualified to address prudential issues) to undertake a Prudential Report in accordance with this policy.

This may be completed by any person, who does not have an interest in the proposed project, who should be skilled in the assessment of the project being undertaken (and may be an employee of Council, including temporary contractors). Skills held may include but are not limited to engineering, finance, infrastructure, project management or town planning skills.

PRUDENTIAL MANAGEMENT POLICY

Expertise required may range from a single staff member (for the smallest projects with least risk), to a working party of staff and external specialists with expertise in certain areas (for more complicated and/or riskier projects). Adequate resources will be allocated to the prudential management of projects and staff will be appropriately trained.

A person has an interest in a project if the person or a person who is closely associated would:

- receive or have a reasonable expectation of receiving a direct or indirect pecuniary benefit or a non-pecuniary benefit; or
- suffer or have a reasonable expectation of suffering a direct or indirect detriment or a non-pecuniary detriment if the project were to proceed.

A person who is closely associated with another person is defined in Section 48(6b) of the Act. A person who will not be considered as closely associated with another person is defined in Section 48(6c) of the Act.

Council's external auditor cannot be engaged but a different auditor could be.

2.4 Prudential Report Content

In accordance with Section 48(2) of the Act, a Prudential Report must address the following prudential issues:

- (a) the relationship between the project and relevant strategic management plans;
- (b) the objectives of the Development Plan in the area where the project is to occur;
- (c) the expected contribution of the project to the economic development of the local area, the impact that the project may have on businesses carried on in the proximity and, if appropriate, how the project should be established in a way that ensures fair competition in the market place;
- (d) the level of consultation with the local community, including contact with persons who may be affected by the project and the representations that have been made by them, and the means by which the community can influence or contribute to the project or its outcomes;
- (e) if the project is intended to produce revenue, revenue projections and potential financial risks;
- (f) the recurrent and whole-of-life costs associated with the project including any costs arising out of proposed financial arrangements;
- (g) the financial viability of the project, and the short and longer term estimated net effect of the project on the financial position of the council;

PRUDENTIAL MANAGEMENT POLICY

- h) any risks associated with the project, and the steps that can be taken to manage, reduce or eliminate those risks (including by the provision of periodic reports to the chief executive officer and to the council);
- i) the most appropriate mechanisms or arrangements for carrying out the project.
- j) if the project involves the sale or disposition of land, the valuation of the land by a qualified valuer under the Land Valuers Act 1994.

2.5 Prudential Management Post Project Approval

After Council have given approval to commence a project, the responsible officer will take action to manage the project so that:

- the project remains focussed on delivering expected results as identified in the Prudential Report/Project Plan, and
- risks (including financial risks) identified in the Prudential Report/Project Plan are managed and reported on appropriately.

After a project has been completed, it will be evaluated to determine the extent to which the project:

- achieved the intended results as identified in the Prudential Report/Project Plan, and
- avoided or mitigated the risks (including financial risks) identified in the Prudential Report/Project Plan.

2.6 Timing of the Prudential Report

If a Prudential Report is required within the scope of this policy, it must be submitted to Council as part of project planning and prior to the commitment of funds being approved.

For projects that fall within the scope of this policy, no contract may be entered into until Council has considered a Prudential Report.

2.7 Public Access of the Prudential Report

The Prudential Report will form part of the Council Agenda papers and will be a public document unless it been determined otherwise by the Council in accordance with Section 90 of the Act. Council may determine to prevent specific information from being publicly available to protect its commercial value or to avoid disclosing financial affairs of a person.

3. REFERENCES

3.1 Legislation

- *Local Government Act 1999*
- *Land Valuers Act 1994*

3.2 Other References

- LGA Prudential Management Information Paper 27- Revised December 2019

PRUDENTIAL MANAGEMENT POLICY

- Procurement Policy
- Prudential Management Procedure
- Risk Management Policy

Attachment 3



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1. PREAMBLE

1.1 Background

Prudential Management may be described as taking a precautionary approach to proposed projects. A key outcome of prudential management is public value, or providing local government services in a manner that delivers a community benefit. In any prudential decision it is necessary to balance the value of the community outcome against the cost of achieving those outcomes.

This policy is made pursuant to section 48(aa1) of *the Local Government Act 1999 (the Act)*, which provides that Council must develop and maintain policies practices and procedures for the assessment of projects to ensure that the Council:

- _____ (a) ~~acts~~ acts with due care diligence and foresight; and
- _____ (b) ~~identifies~~ identifies and manages risks associated with a project; and
- _____ (c) ~~makes~~ makes informed decisions; and
- _____ (d) ~~is~~ is accountable for the use of Council and other public resources.

1.2 Purpose

The Prudential Management ~~is~~ policy ensures that decision making in respect of any project is made with reliable, accurate and timely information. This policy seeks to enhance Council’s existing policies governing Council’s strategic management processes.

1.3 Scope

Under ~~§~~section 48(1)(b) of the Act, there are specific prudential review requirements for projects that meet the following criteria where:

- _____ (ai) ~~where~~ the expected operating expenses calculated on an accrual basis expenditure of the Council over the ensuing five years is likely to exceed 20 per cent of the Council’s average operating

PRUDENTIAL REVIEW POLICY

expenses over the previous five financial years (as shown in Council's financial statements); or

(ii) The expected capital costs of the project over the ensuing five years is likely to exceed \$4.5 million (indexed); or

(iii) the Council considers that it is necessary or appropriate.

Section 48(6d) states \$4 000 000 (indexed) means that that amount is to be adjusted for the purposes of this section on 1 January of each year, starting on 1 January 2011, by multiplying the amount by a proportion obtained by dividing the CPI for the September quarter of the immediately preceding year by the CPI for the September quarter, 2009.

In accordance with Section 48(3) states this policy does not apply to road construction or maintenance or drainage works.

If a project is to be undertaken in stages this does not limit the operation of the provisions in section 48(1)(b) in relation to the project as a whole.

1.4 Definitions

Project may include a new or discrete undertaking or activity that would involve the expenditure of money, deployment of resources.

Due diligence means the conduct of a systematic review of assumptions, risks and financial projections, prior to entering into any transaction, agreement or partnership.

1.5 Strategic Reference

Culture: Being financially accountable

Culture: Supporting excellent, efficient operations

2. PRINCIPLES

2.1 Prudential Report

Projects falling within the scope of this policy require a Prudential Report to be prepared and the following criteria will be applied.

Any report prepared must be considered by Council and cannot be delegated to another committee or person (although it may be considered by another committee or person).

2.2 Prudential Report Author

Council will engage a suitably qualified independent person (whom the Council reasonably believes to be qualified to address prudential issues) ~~author~~ to undertake a Prudential Report Reviews in accordance with this policy.

This may be completed by any person, an employee of Council; however in such instance the person must who does not have an interest in the proposed project, who should be skilled in the assessment of the project being undertaken (and may be an employee of Council, including temporary contractors). Skills held may

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include engineering, finance, infrastructure, project management, town planning skills. Council's external auditor cannot be engaged but a different auditor could be.

Expertise required may range from a single staff member (for the smallest projects with least risk), to a working party of staff and external specialists with expertise in certain areas (for more complicated and/or riskier projects). Adequate resources will be allocated to the prudential management of projects and staff will be appropriately trained.

A person has an interest in a project if the person or a person who is closely associated would:

- receive or have a reasonable expectation of receiving a direct or indirect pecuniary benefit or a non-pecuniary benefit; or
- suffer or have a reasonable expectation of suffering a direct or indirect detriment or a non-pecuniary detriment if the project were to proceed.

A person who is closely associated with another person is defined in section 48(6b) of the Act. A person who will not be considered as closely associated with another person is defined in section 48(6c) of the Act.

2.3 Prudential Report ~~C~~Content

—In accordance with sSection 48(2) of the Act, ~~the a Prudential R~~report ~~will~~ must address the following prudential issues:

- _____ (a) the relationship between the project and relevant strategic management plans;
- _____ (b) the objectives of the Development Plan in the area where the project is to occur;
- _____ (c) the expected contribution of the project to the economic development of the local area, the impact that the project may have on businesses carried on in the proximity and, if appropriate, how the project should be established in a way that ensures fair competition in the market place;
- _____ d) _____the level of consultation with the local community, including contact with persons who may be affected by the project and the representations that have been made by them, and the means by which the community can influence or contribute to the project or its outcomes;
- _____ e) if the project is intended to produce revenue, revenue projections and potential financial risks;
- _____ f) the recurrent and whole-of-life costs associated with the project including any costs arising out of proposed financial arrangements;

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- _____ g) the financial viability of the project, and the short and longer term estimated net effect of the project on the financial position of the council;
- _____ h) any risks associated with the project, and the steps that can be taken to manage, reduce or eliminate those risks (including by the provision of periodic reports to the chief executive officer and to the council);
- _____ i) the most appropriate mechanisms or arrangements for carrying out the project.
- _____ j) if the project involves the sale or disposition of land, the valuation of the land by a qualified valuer under the Land Valuers Act 1994.

2.4 ~~Consideration~~ Timing of the Prudential Report

The author will prepare a Prudential Report in accordance with this policy and the ~~legislation~~ Act for consideration of Council prior to the project commencement.

2.5 Public Access of the Prudential Report

_____The Prudential ~~Review~~ Report will form part of the Council Agenda papers and will be a public document unless it been determined otherwise by the Council in accordance with ~~s~~Section 90 of the ~~Act~~Local Government Act 1999. Council may determine to prevent specific information from being publicly available to protect its commercial value or to avoid disclosing financial affairs of a person.

3. REFERENCES

3.1 Legislation

- Local Government Act 1999
- Land Valuers Act 1994

3.2 Other References

- LGA Prudential Management Information Paper 27- Revised December 2019
- Procurement Policy
- _____
- Prudential Management Procedure
- Risk Management Policy
- _____