Audit and Risk Committee

CITY OF HOLDFAST BAY

AGENDA

NOTICE OF MEETING

Notice is hereby given that a meeting of the Audit and Risk Committee will be held in the

Kingston Room, Civic Centre
24 Jetty Road, Brighton

Wednesday 7 June 2023 at 6.00pm

Roberto Bria
CHIEF EXECUTIVE OFFICER

Audit and Risk Committee Agenda

1.   OPENING

The Presiding Member, Councillor Smedley will declare the meeting open at 6.00pm.

2.   KAURNA ACKNOWLEDGEMENT

We acknowledge Kaurna people as the traditional owners and custodians of this land.
We respect their spiritual relationship with country that has developed over thousands of years, and the cultural heritage and beliefs that remain important to Kaurna People today.

3.   APOLOGIES

3.1   Apologies received

3.2   Absent

4.   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.

5.   CONFIRMATION OF MINUTES

<u>Motion</u>

That the minutes of the Audit and Risk Committee held on 3 May 2023 be taken as read and confirmed.

6.   ACTION ITEMS

7.   PRESENTATIONS - Nil

8.   REPORTS BY OFFICERS

8.1   Standing Items (Report No: 176/23)
8.2   Risk Report – June 2023 (Report No: 180/23)
8.3   Internal Audit Program – June 2023 (Report No: 178/23)
8.4   Information Technology Policies (Report No: 177/23)
8.5   Draft 2023-24 Annual Business Plan (Report No: 179/23)

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

10.   CONFIDENTIAL ITEMS

10.1   Alwyndor Budget 2023/24 - Draft (Report No: 193/23)

Pursuant to Section 87(10) of the Local Government Act 1999 the Report attached to this agenda and the accompanying documentation is delivered to the Audit and Risk Committee Members upon the basis that the Audit and Risk Committee consider the Report and the documents in confidence under Part 3 of the Act, specifically on the basis that Audit and Risk Committee will receive, discuss or consider:

d.   **commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and would, on balance, be contrary to the public interest.**

11.   DATE AND TIME OF NEXT MEETING

The next meeting of the Audit and Risk Committee will be held on Wednesday 16 August 2023 in the Kingston Room, Civic Centre, 24 Jetty Road, Brighton.

12.   CLOSURE

**ROBERTO BRIA
CHIEF EXECUTIVE OFFICER**

AUDIT COMMITTEE - ACTION ITEMS
as at 7 June 2023

Meeting	Agenda Item	Action Required	Responsibility	Estimated Completion Date	Current Status
16 December 2020	7.1 Standing Items	Develop framework for Governance relationship between Alywndor, Audit Committee and Council.	GMs Alywndor and Strategy & Corporate	June 2023	Delayed due to other priorities. Revised completion date June 2023.

Item No:	8.1
Subject:	**STANDING ITEMS – JUNE 2023**
Date:	7 June 2023
Written By:	Manager Finance
General Manager:	Strategy and Corporate, Ms P Jackson

SUMMARY

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

RECOMMENDATION

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

- **Monthly Financial Statements**
- **External Audit**
- **Public Interest Disclosures**
- **Economy and Efficiency Audits**
- **Council Recommendations**
- **Audit and Risk Committee Meeting Schedule 2023**

STRATEGIC PLAN

Statutory Requirement

COUNCIL POLICY

Not applicable

STATUTORY PROVISIONS

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

BACKGROUND

The Audit and Risk 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
•   Audit – External
•   Public Interest Disclosures
•   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 Statements

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

The budget update result for the period ended 31 March 2023 was considered by Council at its meeting on 26 April 2023. Members of the Committee received this report (139/23) prior to the Council meeting. The report showed an improved financial position for Council's municipal operations, with a surplus of $708,910 now forecast for 30 June 2023.

Financial reports for Municipal and Alwyndor operations for the months ended 28 February 2023 and 30 April 2023 were considered by Council at its meetings on 28 March 2023 and 23 May 2023. The financial report for the month ended 28 February 2023 (104/23) included a budget update for Alwyndor with an increase to their forecast operating deficit of $27,000 from $281,000 to $308,000. Members of the Committee have received a copy of these reports.

External Audit

Council's external auditor, Dean Newbery, attended Council offices during week starting 3 April 2023 and Alwyndor offices week starting 22 May 2023 to commence the 2022/23 interim audit as per the audit plan. An Interim Management Report will be issued to the next Audit and Risk Committee scheduled for 16 August 2023.

Public Interest Disclosures

There have been no public interest disclosures made to Council since the previous standing items report on 15 March 2023.

Section 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 15 March 2023.

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Council Recommendations

At its meeting on 28 March 2023 Council received the minutes and endorsed the recommendations of the meeting of the Audit and Risk Committee held on 15 March 2023.

Audit and Risk Committee Meeting Schedule 2023

The Audit and Risk Committee's Terms of Reference require it to meet at least four times each year and at least once each quarter. These meetings are held to align with the two important financial programs in which the Audit and Risk Committee plays an important role:

• Development of the annual business plan and budget; and
• 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 the remainder of 2023:

• Wednesday 16 August 2023
• Wednesday 18 October 2023

As the above reporting requirements have been addressed no further meetings at this time are proposed for the remainder of 2023.

BUDGET

This report does not have any budget implications.

LIFE CYCLE COSTS

This report does not have any full life cycle costs implications.

Item No: 8.2

Subject: **RISK REPORT**

Date: 7 June 2023

Written By: Risk and Improvement Officer

General Manager: Strategy and Corporate, Ms P Jackson

SUMMARY

A review of the Strategic Risk Register and high operational risks was undertaken in line with ISO31000 (2018), to ensure an accurate reflection of the current risk management position across the business, scoping both business risks and opportunities.

RECOMMENDATION

That the Audit and Risk Committee notes this report.

STRATEGIC PLAN

Statutory compliance

COUNCIL POLICY

Risk Management Policy

STATUTORY PROVISIONS

Not Applicable

BACKGROUND

As per the updated ISO31000 (2018) guidelines, both risks and related opportunities were captured and reviewed by the Senior Leadership Team (SLT) whilst using *Our Holdfast 2050+* and supporting business plans for reference.

REPORT

Under the current Risk Management Policy all strategic risks, and all extreme and high operational risks are required to be reported to the Audit and Risk Committee.

A review of risk data for the April to June 2023 quarter has not resulted in any movement on the previous quarter.

The resulting Risk Profile Overview (Table 1) and Risk Profile Movement (Table 2) are listed below.

The full register detail for *'Strategic and High-Level Operational Risk'* is presented for noting and is attached to this report.

Refer Attachment 1

Table 1: Risk Profile Overview - 12 Months to June 2023.

Period	Jul to Sep 22		Oct to Dec 22		Jan to Mar 2023		Apr to Jun 2023		*Risk Movement*
Risk	**I**	**C**	**I**	**C**	**I**	**C**	**I**	**C**	*current quarter*
Extreme	3	0	3	0	7	0	7	0	-
High	30	4	30	7	28	7	28	7	-
Medium	55	45	55	42	54	45	54	45	-
Low	17	56	17	56	17	54	17	54	-
Total	105	105	105	105	106	106	106	106	

Table 2: Risk Profile Movement - 12 Months to June 2023.

Strategic and 'Extreme/High' Rated Operational Risk Reviews

The risks currently rated as high from the strategic and operational risk registers have been reviewed and remain unchanged from Quarter 3 and are summarised in Table 3 as:

Table 3 – Risks with Current Rating of HIGH – April to June 2023

	I	C	R
Strategic Risk SC01 Inability to respond and recover effectively from disruptive events. *Increased national cyber incidents and Councils being perceived as 'soft targets'*	E	H	M
Strategic Risk SC07 Inability to effectively implement strategic projects. *Continued impact from scarcity factor/escalating prices/contractors/raw materials*	E	H	M
Strategic Risk SC09 Ineffective management of legislative/regulatory obligations & ongoing changes *Raised uncertainties of new Elected Member body & first year in role*	E	H	M
Strategic Risk AD01 Poor or ineffective management of the impacts of climate change *Addressed actively at local and metropolitan level - a long-term high risk issue*	E	H	M
Operational Risk: 81 Asset Management Plans with high-risk actions to be completed within 1 year. *Addressed by Asset Management audit – actions within 1 year*	H	H	M
Operational Risk: 82 Asset Management Plans with high-risk actions to be completed within 2 years. *Addressed by Asset Management audit – actions within 2 years*	H	H	M
Operational Risk: 83 Asset Management Plans with high-risk actions to be completed within 3 years. *Addressed by Asset Management audit – actions within 3 years*	H	H	M

Emergency Management: - *Ref. AD03/Medium Rated Risk: Failure to adequately consider Emergency Management prevention, preparedness, response and recovery.*

As a follow on from last quarter's focus on 'disruptive events', work has progressed on increasing our resilience in the 'prevention, preparedness, response and recovery' of emergency management.

As a member of the Southern Zone Emergency Management Committee (ZEMC), we work in partnership with the emergency agencies and, as a group, have undertaken a gap analysis to highlight training requirements, in light of various bushfire and stormwater events during the last twelve months where personnel and equipment requests were received.

At the Southern ZEMC meeting in May, training opportunities were further discussed and identified, largely for the Field Service teams from the four Council areas involved – Holdfast Bay, Marion, Mitcham and Onkaparinga. This will be organised during coming months and will cover elements such as iResponda (Emergency Response) Essentials, Bushfire Response and Wildwater Response. Training capacity will be shared across the Councils involved to give a wider choice of dates and times and those trained will then join a centralised register.

New/Emerging Risks

Due to the Easter break and diary constraints during April/May, there was no SLT review of the new and/or emerging risk issues for this quarter.

A full review of the issues identified to date and any new/emerging across all service portfolios, will be presented in the August risk report to reflect the position at the end of the financial year 2022/23.

To date the main issues highlighted have centred around:
- the community and financial hardship;
- mental health threats/individuals' wellbeing;
- recognised need for community/open spaces;
- rates revenue, business impacts and supply chain issues;
- effect of pandemic/COVID on staff morale and practicalities of 'Working from Home'; and
- need to reinvigorate tourism, appeal to all budget levels.

Once reviewed these will be updated to registers detailing business opportunities as well as business risks - as per ISO31000 (2018) guidelines.

National Local Government Vulnerability Program (NLGVP)

During May, the LGRS facilitated a workshop for the Leadership Team and a number of support officers. The aim of the workshop was to identify a 'vulnerability' baseline position for the City of Holdfast Bay, by analysing the Council's role in leading its community. This analysis referred to our strategic plan and budget, making reference to the 'Four Pillars' of Vulnerability which then linked in with 'Ten Essential Indicators' for Building Community Resilience.

Table 4 – The Four Pillars and Ten Essential Indicators for Building Community Resilience

The Four Pillars of Vulnerability		
1. *The Built Environment*	2.	*The Natural Environment*
3. *Community/Social*	4.	*Financial*
The Ten Essential Indicators for Building Community Resilience		
• *Strategic and Risk Plans*	•	*Building and Planning Regulations*
• *Investment, Finance and Budget*	•	*Education and Training*
• *Emergency and Risk Management*	•	*Hazard Impacts and Ecosystems*
• *Investment in Risk Reduction*	•	*Capacity and Capability to Respond*
• *Vulnerable Infrastructure Services*	•	*Community Expectations and Needs*

The resulting profile will be accessible via a portal and will allow Council to 'better understand and identify the risks and opportunities' available to 'effectively and efficiently invest in community resilience'.

Further progress reporting will be presented on this program over coming months.

Refer Attachment 2

BUDGET

There are no budget implications associated with this report.

LIFE CYCLE COSTS

There are no life cycle costs associated with this report.

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Attachment 1

Attachment 1

City of Holdfast & Alwyndor Risk Register - Strategic & High Risk Level

June 2023

Review Date	Risk ID	Strategic/ Operational	Risk Type	Risk Category	Risk Description	Consequences	Risk Manager	Causes	Inherent Risk Consequence	Inherent Risk Likelihood	Inherent Risk Rating	Controls Description	Current Risk Consequence	Current Risk Likelihood	Current Risk Rating	Residual Risk Consequence	Residual Risk Likelihood	Residual Risk Rating	Additional controls Further treatments/actions
March 2023	CE01	Governance, Legal & Compliance	Strategic	Effective Governance	Inability to implement appropriate controls to manage changes to Local Government reform	Legal/ Regulatory/ Policy, People, Financial/ Infrastructure, Reputation	Chief Executive Officer	1. Significant LG changes are ongoing 2. General rate/revenue pressures from State Govt. 3. Dissatisfaction with Boundary Reform process	Major	Possible	High	1.Membership of Local Government Association 2.Qualified /Specialised support staff for CEO office 3.LGRS suite of LG insurances /PSSI 4.Localised partnerships across various levels with neighbouring councils 5.Relevant suite of policies and procedures	Major	Unlikely	Medium	Major	Unlikely	Medium	1.Implement caretaker process during pre-election period 2. Schedule mandatory training for Elected Members post election 3. Review skills/provide training for newly appointed Elected Members.
March 2023	CB01	Poor or ineffective Community Service delivery	Strategic	Community Service	Poor or ineffective Community Service delivery	Service Delivery Financial/ Infrastructure Environmental/Cultural	General Manager Community and Business	1. Significant range of services and increasing demand 2. Decreasing State and Federal services/funding 3. COVID pandemic impacts	Major	Possible	High	1.Policy, procedure & processes 2.Qualified/specialist staff 3.Community Engagement strategies 4.Play Space action plan 5.Website events/activites calendar	Major	Unlikely	Medium	Major	Unlikely	Medium	1.Measure engagement participants per year 2.Monitor no. of new/existing mixed use developments 3.Scope current/potential CHB building usage stats
March 2023	CB02	External Communications	Strategic	Growth and Prosperity	Failure to appropriately engage the broader community and stakeholders	Service Delivery Environmental/Cultural Reputation	General Manager Community and Business	1.Lack of appropriate engagement /informing community 2.Disproportionate vocal minority 3.Inconsistent approach to stakeholder management	Moderate	Possible	Medium	1.Communications Strategy 2030 2.Qualified/specialised staff 3.Policy & procedures for Communications & Engagement 4.Website training programs 5.Regular 1:1 support for project managers	Moderate	Unlikely	Low	Moderate	Rare	Low	1.Implement actions from Stakeholder Management audit 2.Review project management communications/external engagement 3.Review engagement documentation. - with Strategy & Governance
March 2023	CB03	Service Delivery	Strategic	Customer Service	Poor or ineffective customer service delivery	Service Delivery, Reputation, Environmental/Cultural	General Manager Community and Business	1.Lack of customer-centric design 2.Lack of customer focus, especially post COVID 3.Inadequate IT support systems/processes for efficient/effective customer service	Moderate	Likely	High	1.Experienced /qualified customer service staff 2.Cross Council service standards for customer experience 3.Benchmarking and service information from LG network groups 4.Customer experience strategy 5.Service level performance key measures	Moderate	Unlikely	Medium	Minor	Unlikely	Low	1.Develop a Customer Service Charter/Service Statement. 2.Undertake Customer Experience surveys to reconnect post COVID 3.Review and implement findings as illustrated by survey results
March 2023	CB05	Economic Development	Strategic	Service Delivery	Poor or inadequate Economic Development and Tourism Management	Financial/ Infrastructure, Service Delivery, Environmental/Cultural, Reputation	General Manager Community and Business	1.Outdated Tourism Policy/Plan 2.Lack of Social Inclusion/Access and Inclusion Plan 3.Lack of effective traffic mgt. strategies /transport issues	Major	Possible	High	1.Membership of Regional Tourism Boards 2.Networking with tourism organisations 3.Qualified/experienced staff 4.Tourism Destination Action Plan 5.Regional Destination Action Plan	Major	Unlikely	Medium	Major	Unlikely	Medium	1.Ensure LTFP is updated with economic dev.funding detail 2.Factfind from tourism group activity levels for coming Summer 3.Draft tourism events calendar with COVID 'Plan B' capabilites
March 2023	AL01	Aged Care	Strategic	Community Health and Wellbeing	Inability to sustainably provide aged care services to the community consistent with the requirements of the ACQS.	Legal/ Regulatory/ Policy Service Delivery Financial/ Infrastructure Reputation	General Manager Alwyndor	1.Significant operation with $20m turnover/250 staff 2.Operates with multiple other Allied Health services 3.Lack of defined/inadequate policies and procedures	Major	Possible	High	1.Onsite management and support from Alwyndor Mgt Board 2.Specialised/trained staff 3.Additonal staffing available via contracted services 4.Policies, procedures and processes 5.Aged Care Service standards	Major	Unlikely	Medium	Major	Unlikely	Medium	1.Support services staff review 2.Staff skills audit 3.Benchmark services against lead aged care industry providers
March 2023	SC01	Community Safety	Strategic	Disruptive events	Inability to respond and recover effectively from disruptive events	Reputation Legal/ Regulatory/ Policy Service Delivery	General Manager Strategy and Governance	1.Cyber Security/hacking 2.Disruptive events 3.Climate change/Environmental factors	Major	Almost Certain	Extreme	1.Crisis and Incident Management Plan 2.Business Continuity Plan 3.Incident Management training 4.Southern Region IM Partnership (CoMa/CoMi/CoO)	Major	Possible	High	Major	Unlikely	Medium	1.Consider feedback/input as part of consultation of new DPTI system 2.Identify member to attend Resilient South Emergency Mgt meetings 3.Review website to ensure Community infopages are updated
March 2023	SC02	Place Making	Strategic	Growth and Prosperity	Poor or ineffective planning systems and processes	Legal/ Regulatory/ Policy Service Delivery Reputation	General Manager Strategy and Governance	1. Planning reform impacts reducing Council's influence 2. Priorities/targets to increase tree coverage impacting on Council planning 3. Loss of knowledge	Major	Likely	Extreme	1.Planning legislation and guidelines 2.Qualified/Specialist staff 3.Effective Planning and Development application process 4.Regulated policies and procedures 5.Assessments sampled/reviewed by supervisor	Moderate	Possible	Medium	Moderate	Unlikely	Medium	1. Implementation of 2021/22 audit recommendations 2. Internal Audit to review Planning reform implementation 3. Review training requirements of team members
March 2023	SC03	Workplace Culture	Strategic	People & Culture (incl. WHS)	Staff, contractor or volunteer death or serious injury OR subject to physical, sexual, emotional or psychological abuse	People Reputation Legal/ Regulatory/ Policy	General Manager Strategy and Governance	1.Physical, sexual, emotional or psychological abuse 2. Unqualified staff 3.Lack of appropriate training	Catastrophic	Possible	High	1.WHS Strategic Plan and Programs 2.Qualified/Specialised staff 3.Regular appraisal systems 4.Skills audits/Training Needs Analysis (TNA) 5.Published training program	Catastrophic	Rare	Medium	Catastrophic	Rare	Medium	1.Support finalisation of 2021/22 EA renewal process 2.Update policy documentation as required 3.Rollout new Fair Treatment procedures at Depot
March 2023	SC04	Governance, Legal & Compliance	Strategic	Innovation and Business Support	Inadequate utilisation of information technology to support service delivery	Service Delivery, Environmental/Cultural, Project, Legal/ Regulatory/ Policy , People	General Manager Strategy and Governance	1.Inadequate approach to data governance/security 2.Failure of significant/SMART city concepts/opportunities 3.Council's needs fail to align with vendor functionality	Major	Likely	Extreme	1.Information Management Governance Committee 2.Secure working practices in line with ISO 27001 Info Security Mgt Systems 3.Networking partnerships with neighbouring/metro Council areas 4.Qualified / Specialised staff 5.Vendor agreements/ preferred contractors for third party services	Moderate	Possible	Medium	Moderate	Possible	Medium	1. Implement 2021/22 Cyber Security audit actions 2. Implement identified user security in MFA at Council & Alwyndor 3. Review feasibility of resources/deliverables & advise IT Mgt Grp.
March 2023	SC05	Governance, Legal & Compliance	Strategic	Effective Governance	Lack of strategic alignment	Service Delivery, Financial/ Infrastructure, Reputation, Environmental/Cultural	General Manager Strategy and Governance	1.Increased service demands/delivery; need to be agile 2.Low risk appetite for alternative service options 3.Hard to measure performance outcomes vs outputs	Major	Possible	High	1.Experienced/qualified staff overseeing strategy/governance process 2.Membership on LG related Strategic and Governance networks 3.Related policies, procedures and processes 4.Strategic Plan review working group 5.Benchmarking groups - access to key governance data	Moderate	Unlikely	Medium	Moderate	Unlikely	Medium	1. Present strategic overview ('Our Holdfast 2050+'etc…) to new EMs 2. Draft and finalise CHB Corporate Plan 3. Review Business Plans to ensure alignment to Corporate Plan
March 2023	SC06	People & Culture (incl. WHS)	Strategic	Workforce Planning	Poor or ineffective workforce planning, including recruitment and retention.	People Legal/ Regulatory/ Policy Reputation Financial/ Infrastructure	General Manager Strategy and Governance	1.Inadequate workforce planning inc post COVID pressures 2.Lack of effective position management 3.Poor and ineffective recruitment decisions	Catastrophic	Possible	High	1.Organisational Development Policy 2.Recruitment and Selection Procedures 3.Background Screening & Reporting Procedures, 4.People & Culture Service Standards, 5.Quality Working Culture Policy,	Major	Rare	Medium	Major	Rare	Medium	1.Support finalisation of 2021/22 EA renewal process 2.Update policy documentation as required 3. Undertake gap analysis across current skills audit data
March 2023	SC07	Service Delivery	Strategic	Project delivery	Inability to effectively implement strategic projects	Financial/ Infrastructure, Service Delivery, Reputation, Environmental/Cultural	General Manager Strategy and Governance	1.Increased volume and complexity of projects 2. iguided stakeholder interest in major project outcomes 3.Decentralised approach to project management	Major	Likely	High	1.Project Management Board meetings and oversight 2.Project Management Framework and templates 3.Qualified /specialised staff managing project progress 4.Annual budget management process 5.Grant funding reporting and verification process	Major	Possible	High	Moderate	Unlikely	Medium	1.Enhance project management reporting templates 2.Scope/design group training or online training module 3.Devise training module and/or online module to deliver required detail
March 2023	SC08	Financial	Strategic	Effective Governance	Poor or ineffective budget development and management	Financial/ Infrastructure, Service Delivery, Legal/Regulatory/Policy, Reputation	General Manager Strategy and Governance	1.Lack of zero based budgeting aligned with strategy 2.Insufficient budget for development of new assets 3. Difficult to understand full cost of individual services	Major	Possible	High	1.Qualified/experienced/ specialised staff 2.Financial regulations/ Accounting standards 3.Internal policies, procedures, processes 4.Regular external and internal system audits 5.Budget Setting, Management & Reporting	Major	Unlikely	Medium	Major	Unlikely	Medium	1. Scope & mplement zero based budgetting as required 2. Ensure capital accounting adequately allocated for new assets 3.Ensure inclusion of strategic option/variations in LTFP process
March 2023	SC09	Governance, Legal & Compliance	Strategic	Effective Governance	Poor or ineffective management of legislative and regulatory obligations and ongoing changes	Legal/ Regulatory/ Policy, Service Delivery, Financial/Infrastructure, Reputation	General Manager Strategy and Governance	1.Poor comms. re. legislative/regulatory change 2.Poor comms. re. Aged Care legislative/regulatory change 3.Lack of compliance framework/understanding for risks	Major	Almost Certain	Extreme	1.Reference to LGA 1999 Act & regulations 2.LGA Governance networking group 3.Qualified / experienced staff 4.Compliance Register - Council 5.Governance policy, procedure and processes	Major	Possible	High	Major	Rare	Medium	1. Review and update Compliance Register 2. Draft a Compliance Policy & Framework 3. Provide Compliance training for staff as relevant
March 2023	SC10	Workforce Planning	Strategic	People & Culture (incl. WHS)	Inability of current staff profile to transform the organisation	People, Service Delivery, Legal/ Regulatory/ Policy, Reputation	General Manager Strategy and Governance	1.Lack of innovative/dynamic organisational direction 2.Poor capability/capacity for organisational transformation 3.Lack of skills/training to support staff to build change/agile skills	Major	Possible	High	1.HR policy and procedures 2.Training Needs Analysis (TNA) & corporate training program 3.Organisational structures and skills audits 4.Vacancy Management 5.Succession Planning	Major	Unlikely	Medium	Major	Unlikely	Medium	1.Align strategic plans to organisation structure to ensure capacity 2.Benchmark similar Councils re.their strategic planning process 3. Ensure 'key worker' risk/succession planning is updated & mapped.
March 2023	SC11	Workforce Planning	Strategic	People & Culture (incl. WHS)	Prevention of risk or harm to children, young and vulnerable people	People, Service Delivery, Reputation, Environmental/Cultural	General Manager Strategy and Governance	1.Poor recruitment 2.Failure to adequately undertake staff checks/ screening. 3. Inadequate level of training	Catastrophic	Likely	Extreme	1.Background Screening & Reporting Procedures 2.Training Needs Analysis (TNA) details training per position. 3.Required training undertaken for existing related postions. 4.Appropriate screening checks undertaken as part of recruitment process.	Major	Rare	Medium	Major	Rare	Medium	1.Undertake TNA reconciliation to skills source docs. 2.Identifed staff to acknowledge 'Children & Vulnerable People' req'mts. 3.Ensure required screening checks are undertaken as relevant
March 2023	AD01	Environmental & Coast	Strategic	Environment	Poor or ineffective management of the impacts of climate change	Environmental/Cultural Reputation Financial/ Infrastructure	General Manager Assets and Delivery	1. Lack of focus for environmental/climate change 2. Lack of budget capacity for environmental issues 3. Poor Community engagment on environmental change	Catastrophic	Likely	Extreme	1.Resilient South Regional Climate Partnership 2.Environment Strategy & Implementation Plan 3.Waste Management Policy inc diversion to recycling & organics 4.Tree Management Policy and Street tree audit 5.Specialist trained staff/externally funded Urban Greening Officer	Catastrophic	Possible	High	Major	Unlikely	Medium	1.Implement Resilient South Local Action Plan 2.Develop Regional Climate Action Plan 3.Develop a carbon neutral plan/strategy to achieve 2030 target
March 2023	AD02	Place Making	Strategic	Growth and Prosperity	Insufficient or ineffective Asset Management Planning	Service Delivery Environmental/Cultural Financial/ Infrastructure Reputation	General Manager Assets and Delivery	1.Insufficient resources/skills/accurate data & cost information, 2.Inadequate level of correct data analysis 3.Lack of commitment by SLT and EMs to drive asset management	Major	Likely	High	1.Place making Strategies guiding future asset investment/design 2. Asset management policy, AMPs and related procedures 3. Capital accounting & Project management programs 4. Specialist/trained staff 5. Regular training to align with legislation	Major	Unlikely	Medium	Major	Unlikely	Medium	1.Asset Management Audit actions 2.Recruit staff to team vacancies 3.Update asset related policies and procedures for 2022/23
March 2023	AD03	Community Safety	Strategic	Emergency Management	Failure to adequately consider Emergency Management planning, preparation, response and recovery	Reputation Legal/ Regulatory/ Policy Service Delivery	General Manager Strategy and Governance	1.Disruptive events 2.Flooding/Heat related emergencies 3.Climate change/Environmental factors	Major	Almost Certain	Extreme	1.Crisis and Incident Management Plan 2.Business Continuity Plan 3.Incident Management training 4.Southern Region Zone Partnership (CoMa/CoMi/CoO)	Major	Unlikely	Medium	Major	Unlikely	Medium	1. Emergency sand bags/flood signage/disaster mgt kits @ depot 2.Member attends Resilient South Emergency Mgt meetings 3.Review website to ensure Community infopages are updated
March 2023	81	Business Impact	Operational	Asset Management	Asset Management Plans with high and very high risk actions with actions to be completed in within 1 year	Service Delivery, Financial/Infrastructure, Reputation, Environmental/Cultural	General Manager Assets and Delivery	1.Inadequate priority planning currently in place 2.Insufficient resources/skills/accurate data & cost information, 3.Inadequate level of correct data analysis	Major	Likely	High	1.Trained teams/specialist staff 2.Adequate vehicles, tools & skills in place 3.Training Needs Analysis (TNA) data base 4.Established maintenance schedule data 5. SOPs/SSAPs/User Reference Documentation	Major	Possible	High	Major	Unlikely	Medium	1. Develop an Internal AMS to inform AMPs. 2. Review survey to inform community LOS as required to inform AMP. 3.Introduce review timetable via annual updates to the AMP development.
March 2023	82	Business Impact	Operational	Asset Management	Asset Management Plans with high and very high risk actions with actions to be completed in within 2 years	Service Delivery, Financial/Infrastructure, Reputation, Environmental/Cultural	General Manager Assets and Delivery	1.Inadequate priority planning currently in place 2.Insufficient resources/skills/accurate data & cost information, 3.Inadequate level of correct data analysis	Major	Likely	High	1.Trained teams/specialist staff 2.Adequate vehicles, tools & skills in place 3.Training Needs Analysis (TNA) data base 4.Established maintenance schedule data 5. SOPs/SSAPs/User Reference Documentation	Major	Possible	High	Major	Unlikely	Medium	4. Update asset category rates via revaluation sysle, next AMP update/reconcile replacement costs. 5. Revise the valuation dateine to 01/07 - to commence 2022/23 with Open Space. 6. Develop costed improvement plan with AMS.
March 2023	83	Business Impact	Operational	Asset Management	Asset Management Plans with high and very high risk actions with actions to be completed in within 4 years	Service Delivery, Financial/Infrastructure, Reputation, Environmental/Cultural	General Manager Assets and Delivery	1.Inadequate priority planning currently in place 2.Insufficient resources/skills/accurate data & cost information, 3.Inadequate level of correct data analysis	Major	Likely	High	1.Trained teams/specialist staff 2.Adequate vehicles, tools & skills in place 3.Training Needs Analysis (TNA) data base 4.Established maintenance schedule data 5. SOPs/SSAPs/User Reference Documentation	Major	Possible	High	Major	Unlikely	Medium	7. Undertake assessment with AMS and schedule every 4 years. 8. Investigate the use of thematic GIS mapping to support decision making. 9. Long term goal, asset data maturity to be in place to inform the strategic modelling. Aim to undertake some predictive /scenario modelling to inform the next Transport AMP.

Attachment 2

NATIONAL LOCAL GOVERNMENT VULNERABILITY PROGRAM

BUILDING A VULNERABILITY PROFILE

For the purpose of measuring and monitoring a Council's role in leading its community, the vulnerability profile is able to be analysed against the Council's strategic plan and budget – which in turn will inform policy, plans, procedures and assist with effective implementation.

The 50 survey questions have been coded to be capable of breaking down information into data that defines the 4 pillars of vulnerability. This council specific analysis will enable a council to better understand and identify the risks and opportunities that Council has to effectively and efficiently invest in community resilience.

The two components of the NLGVP, the Vulnerability Survey Assessment (VA) and the Hazard Risk Assessment (HRA) are important tools to support decision-making undertaken by different stakeholders for different purposes.

Data is used to build vulnerability profiles and identify the impact of an "all hazards" approach on local communities, councils, regions, states and nationally so that resources to support capacity and capability are allocated accordingly and risk mitigation investment decisions are fully informed.

Considerations take into account Council's Strategic Plan, Community Plan, Environmental and Climate Change/Adaptation and Emergency Management Response policy and processes. Individual scores, by participant, are captured via Qualtrics, using online voting. Participants are encouraged to join in group discussion, make their own observations for each question.

Each council will receive an overall resilience rank that combines the results from the Hazard and Vulnerability Survey assessments to create an overall score. This will allow councils to benchmark in their region, state, nationally and among other local government peer groups such as:

- Councils with similar profiles
- Councils with similar revenue
- Councils with similar populations
- Australian Bureau of Statistics remoteness categories
- Councils with similar area size/land use/crown land/national parks

VULNERABILITY SURVEY FRAMEWORK

As the result of participating in the workshop, local information/scores are collected and returned in the form of data, depicting your council's vulnerability profile. Consisting of 10 essential indicators, vulnerability is measured via the four pillars:

 1. Built Environment   2. Natural Environment

 4. Financial   3. Community/Social

The survey process is undertaken in a facilitated group environment and managed on-line via Qualtrics. The vulnerability assessment process consists of an online survey of 50 questions, divided into two sessions. For the purpose of creating harmonised data, the NLGVP survey tool has been developed around the *United Nations Local Government Self-Assessment Tool**, tailored for local government across Australia.

 **United Nations. (2013). "Local government self-assessment tool for disaster resilience"*

THE TEN ESSENTIAL INDICATORS FOR BUILDING COMMUNITY RESILIENCE:

- Strategic & Risk Plans
- Investment Strategies, Finance & Budget
- Emergency & Risk Management
- Investment in Risk Reduction Solutions
- Vulnerable Infrastructure, Services

- Building, Planning Regulations
- Education & Training
- Hazard Impacts & Ecosystems
- Capacity & Capability to Respond
- Community Expectations & Needs

Vulnerability is measured via scores and information collected from each local government and analysed against the four pillars supported by the ten essentials. This data creates your council's vulnerability profile and reflects your scores in relation to the relevance of the 10 Essential Indicators in order of high to low.

5		**Excellent progress** - whole of council and community commitment, resources, and capacities to *sustain* efforts across all levels.
4		**Good progress** - commitment, resources, or capacities are prioritised, documented and remedial action planned implemented and resourced.
3		**Moderate progress** - commitment, resources and capacities have been identified and some early interventions implemented.
2		**Poor progress** – limited commitment, resources and capacities are in early stages of development.
1		**No progress - no** commitment, planning or forward action.

The survey scores can also be viewed in the context of the five action priorities of the National Disaster Resilience Strategy (National Priority Actions) that the Australian government references as the basis to measure and monitor the build of community resilience against the impacts of natural hazard events.

Item No:	8.3
Subject:	**INTERNAL AUDIT PROGRAM REPORT – JUNE 2023**
Date:	7 June 2023
Written By:	Risk and Improvement Officer
General Manager:	Strategy and Corporate, Ms P Jackson

SUMMARY

Of the four risk-based audits scheduled for the Internal Audit Program 2022-23, the first, Flood Mitigation has been completed and was reported to the Audit and Risk Committee in March. The second, Complaints Handling, has now been completed and is detailed within this report.

The remaining audits relate to Fraud Detection, being a full audit and Development Assessment, being a follow up on last year's audit and recommendations.

In addition, the 'Audit Recommendations Outstanding Actions Update' is attached in three parts, highlighting those actions that are either; (i) completed, (ii) in progress or (iii) not yet implemented.

RECOMMENDATION

That the Audit and Risk Committee notes this report.

STRATEGIC PLAN

Statutory compliance

COUNCIL POLICY

Risk Management Policy

STATUTORY PROVISIONS

Local Government Act 1999

BACKGROUND

Section 125 of the *Local Government Act 1999* requires Council to implement and maintain appropriate internal control policies and procedures. A risk-based Internal Audit Plan is produced annually to guide internal audit activities throughout the year.

The Internal Audit Plan for the 2022-23 financial year was drafted with Galpins and endorsed by the

Audit Committee (Report No 343/22) in August 2022. A copy is provided as Attachment 1 for reference.

Refer Attachment 1

REPORT

Progress on the internal audits from the 2022/23 Internal Audit Plan is outlined below:

Flood Mitigation	Audit completed. Reported to Audit and Risk Committee 15/03/2023
Complaints Handling	Audit completed. Copy attached.*
Fraud Detection	Audit scope signed off. Three years' financial analytics being reviewed by Galpins prior to undertaking the audit testing during May/June.
Development Follow Up	Audit scope signed off. Initial audit meeting undertaken and audit scheduled for early to mid-June.

*Refer Attachment 2

Complaints Handling Audit

The Complaints Handling audit is now complete, providing a timely update for this key overarching process, which will then be used to inform and support the upcoming review of our 'Customer Experience' service.

This audit recognised CHB's commitment to providing excellence in Customer Service by way of:

-        seeking to find out what our customers require;

-        understanding how services can be improved to meet the needs of the community; and

-        responding positively to concerns and criticisms as they are raised.

Interviews were undertaken with key staff members and a benchmarking exercise completed, involving several of the best performing metropolitan Councils currently using Technology One for their complaints handling processes. This exercise provided feedback against best practice complaints handling guidelines, including reference to:

-        AS10002:2022 Guidelines for Complaint Management in Organisations;

-        Commonwealth Ombudsman Better Practice Complaint Handling Guide; and

-        Deloitte 'Unlocking the Value of Complaints'.

In addition to this consultation, the Council's *Customer Feedback and Complaints Policy* has been reviewed and updated, along with a suite of supporting tools and guidance notes.

Process documentation was also fully reviewed in line with this policy and in cross reference to the following related Council documentation:

- City of Holdfast Bay Creating a World Class Customer Experience Strategy;

- City of Holdfast Bay Customer Experience Questionnaire and Evaluation;

- City of Holdfast Bay Creating a World Class Experience Strategy Communications Plan;

- Complaints Handling Overview and Customer Service Standards – Development Services; and

- Projected Detailed Report for Your Holdfast Customer Service Strategy.

Liaison with other Councils operating their Complaints Handling within Technology One systems has provided valuable insight into areas for further development and improvement, which include:

- use of mandatory fields for staff to use when receiving complaint-related calls;

- develop usage of 'drag and drop' functionality to capture and link data accurately;

- improve ability to link multiple emails relating to same issue/complaint topic;

- separate workflows for 'complaints' and 'service requests'; and

- the ability to direct complaints directly to groups/managers as required.

Importantly, the introduction of dashboards and data analytics will enable increased visibility for the complaint causes, promoting more effective and efficient resolution and, ultimately an overall reduction in the number of complaints being received in the first instance.

Fraud Detection

Following agreement of the audit scope, further discussion was undertaken to decide the required data extraction. Three years of financial information have been made available to enable multiple layers of analytics to be performed. This audit will progress over the next few weeks to enable completion by the end of June 2023.

Development Follow Up

The initial audit meeting has been undertaken and the scope confirmed. This is a follow up audit and the majority of the recommendations have been implemented on time. This audit testing will provide greater assurance as to level of completion.

This is the final audit to be undertaken in the first year of this internal audit contract.

Audit Recommendations – Outstanding Actions Update

Each of the actions resulting from the Internal Audit program are monitored and managed via a master spreadsheet. This captures all related information and tracks the progress through three stages: not yet implemented; in progress and partially implemented; and completed.

In order to provide a clear update, the data from this master spreadsheet is attached in three versions, split to show:

- all actions that have been completed

Refer Attachment 3a

- all actions that are in progress and partially implemented

Refer Attachment 3b

- all actions that are not yet implemented

Refer Attachment 3c

All actions are reviewed regularly, and revised due dates will be kept to a minimum going forward to ensure outcomes are achieved as efficiently and effectively as possible.

BUDGET

There are no budget implications associated with this report.

LIFE CYCLE COSTS

There are no life cycle costs associated with this report.

Attachment 1

Internal Audit Program Year 1: 2022 – 23 Attachment 1

#	Year Ref:	Timing	Audit Topic	Audit Project Detail	Status	Audit Type			Risk Coverage	Project Sponsor
						System/ Process Audit	P.I.R*	Financial Controls Review		
1	*Year 1*	September/ December	*Floodwater/Stormwater*	Coastal area/environmental impact/asset protection *Risk 1 – Poor or ineffective management of the impacts of climate change*	Strategic	✓			1	GM Assets & Delivery
2	*Year 1*	February/ April	*Complaints Handling*	Link to Customer Experience Strategy once rolled out. *Risk 14 - Poor or ineffective customer service delivery*	Blended		✓		14	GM Community & Business
3	*Year 1*	May/ June	*Fraud Detection*	Undertake Fraud Detection - across CHB & Alwyndor *Risk 16 – Poor or ineffective budget development and management*	Standard			✓	16	GM Strategy & Corporate
4	*Year 1*	June	*Development Assessment*	Post implementation review. *Risk 7 - Poor or ineffective planning systems and processes*	Follow Up		✓		7	GM Strategy & Corporate

* PIR = Post Implementation Review

Attachment 2

City of Holdfast Bay

Internal Audit Report – Complaints Handling

May 2023

Table of contents

Document Control

Date	Revision Number	Revision Details	Author	Reviewer
19/04/2023	1.0	Final Draft Report	Danika Brown / Janna Burnham	Janna Burnham
19/05/2023		Management Response	Karen Peake	Tania Paull
25/05/2023	1.0	Final Report	Danika Brown / Janna Burnham	Janna Burnham

1.   Executive Summary

1.1   Background

The *Local Government Act 1999* section 270(b) requires the City of Holdfast Bay (CHB) to maintain policies, practices and procedures for dealing with complaints about the actions of CHB, its employees, or other persons acting on behalf of CHB.

CHB is committed to providing excellence in customer service. As part of this commitment, CHB:

- seeks to know what its customers require, understand how it can improve its services to meet the needs of the community and to respond positively to concerns and criticism, and

- has recently revised and updated it's *Customer Feedback and Complaints Policy*.

The approved Audit Program 2022-23 provides for an assurance audit to be undertaken reviewing CHB's complaints handling processes.

1.2   Objectives

This audit assessed the effectiveness of complaints handling procedures within CHB, including opportunities to strengthen the processes.

In particular, this audit:

- reviewed the current complaints handling processes, including records management and communications, and

- benchmarked current complaints handling processes against better practice principles for complaints handling,[1] and

- identified how CHB can draw on other metropolitan Tech One councils' complaints handling processes.

This audit excluded:

- a review of the CHB's Customer Experience Strategy, as this is currently being developed, and

- Alwyndor's customer complaints handling processes.

1.3   Relevant Strategic Risks

This audit aligns with CHB's strategic risk:

- poor or ineffective customer service delivery.

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[1] Galpins have developed a complaints handling maturity model that draws upon, for example, *ISO10002:2018 Complaints Management*, and the Commonwealth Ombudsman's *Better Practice Complaint Handling* guide.

Complaints Handling
Liability limited by a scheme approved under Professional Standards Legislation   2

1.4   Glossary/Terminology

Some specific terminology and acronymns are used throughout this report. These are summarised below.

Acronym/Phrase	Definition
ECM	Enterprise Content Management is a module within TechnologyOne and is currently used by Council to capture and store documents and official records.
TechOne	TechnologyOne Enterprise Management System, the overall system used by Council, with several modules including the CRM module.
RMS	Request Management System. This is a new TechOne module planned for release within CHB in May 2023. It is under the CiAnywhere version of TechnologyOne (a newer iteration than previously used within Council).

1.5   Good Practices Observed

- Interviewees demonstrated a cooperative and transparent approach towards the audit, including volunteering of ideas where strengthening can occur.

- Six out of nine interviewees (67%) reported a positive and customer-focused culture at Council around complaints handling.

- The *Customer Feedback and Complaints Handling Policy* is the current policy at CHB that outlines their complaint handling framework.

- As at Audit fieldwork, the *Customer Experience Strategy* draft was in review. This Strategy was created through community consultation and is based on CHB's ARISE values (Achieve, Respect, Innovation, Simplicity and Engagement). This document outlines how CHB will endeavour to serve its customers by providing world-class customer service.

- As at Audit fieldwork, CHB was developing/testing the new Request Management System (RMS), under the newer 'CiAnywhere' version of the TechnologyOne system. This included an improved customer complaints lodgement process, with automatic linkage ('auto-indexing') to the ECM recordkeeping module. *Note: This went live mid-May 2023.*

1.6   Key Findings and Recommendations

This internal audit aimed to assess the effectiveness of the complaints handling process at Council, to address the strategic risk of *poor or ineffective customer service delivery*. Based on the work undertaken, and when considering the design and/or effectiveness of controls collectively, we conclude that the control environment is: **partially effective**.[2]

Council has a *Customer Feedback and Complaints Handling Policy* (Policy) in place. This covers important elements of Council's complaint handling framework, such as the commitment to complaint handling, the seven steps of the complaint handling process, timeframes, and alternative dispute resolution methods. Staff demonstrated positivity and transparency to this internal audit, and are working on developing the new Customer Experience framework. Key stakeholders indicated strong interest in building on findings from this report to inform this process.

During fieldwork, Audit found there was a need to supplement existing policy with documented internal processes to guide staff on how complaints should be dealt with once received. Key audit findings/opportunities for improvement were around:

- There is a need for clarifying the definition of a complaint, and in particular what is *not* a complaint. Audit testing identified 13 (63%) out of a sample of 22 complaints that we consider meet the definition of 'service request' or 'feedback'.

- Sample testing identified inconsistency with how complaints and related records are recorded.

- There is a need for an internal document that outlines the standard on how to record complaints in ECM, as well as the communication expected to occur between staff and the complainant. Four out of six (66%) relevant interviewees reported a lack of clarity within Council regarding the complaints handling procedure.

- There is a need for internal training sessions on complaints handling, expectations, tone and recordkeeping requirements.

- There is opportunity for management staff to receive reports on complaints received and data trends. This lack of reporting appears to be due to the inconsistency around how complaints are recorded in ECM, therefore the data is not currently being analysed.

Findings are summarised on the next page.

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[2] Please refer to *Appendix 2 Overall Control Environment Conclusion Rating Definitions,* for information about this assessment.

Finding	Recommendation	Audit Risk Rating	CHB Risk Rating	Expected Completion Date
CHB complaints handling framework vs. better practice principles	**Recommendation 1:** Further clarify among staff what constitutes a formal complaint, and ensure this definition is consistently applied when entering communications from the community into ECM.	Medium	Medium	30/06/2023
	Recommendation 2: Create an internal procedure that details the complaint process workflows and provides step by step instructions to enable staff to understand expected complaint handling processes and to implement these processes consistently and effectively. This procedure can also confirm CHB's accepted methods for receiving complaints (phone, email, online form). *Audit note that better practice is for complaints to be able to be lodged in a variety of ways, to promote accessibility for all community members.*			30/06/2023
	Recommendation 3: Implement a sample-based approach to conducting quality assurance and review of complaints. This may occur at regular intervals, for example quarterly or six-monthly. *Note: The initial sample may be small, and increase or decrease for subsequent checks depending on findings and whether a need for improvement is identified.*			30/06/2023
	Recommendation 4: Consider strengthening requirements for significant contractors to report on complaints received from CHB residents in relation to their services. For example, this may cover waste management, after hours call centres, immunisation services. This can help CHB to have a fuller picture of complaints received relevant to their services/areas of responsibility. *Note – this recommendation can be considered on a cost/benefit basis.*			30/06/2023

Complaints Handling
Liability limited by a scheme approved under Professional Standards Legislation 5

Finding	Recommendation	Audit Risk Rating	CHB Risk Rating	Expected Completion Date
	Recommendation 5: Generate reports to enable review of CHB's complaint handling performance. This can include detail on complaint numbers, complaint by division, timeliness of resolution, and outstanding escalated complaints. Provide these reports to managers for review and discuss the findings as regular items on executive meeting agendas. *Note: This recommendation should be actioned once the definition of a complaint is clear, as per Recommendation 1.*			30/06/2023
	Recommendation 6: Develop complaint handling training, for example as part of induction training and refresher training schedules. Training can cover the definition of complaints, complaints handling processes, communication approaches and tone.			30/09/2023
Review of current complaints handling records management and communications	**Recommendation 7:** Work to reconfigure how 'complaints' are recorded in CHB's system, potentially with 'complaint' being a Level 1 business function subject index, with the Level 2 activity subject index then being the subject matter/business area of interest. *Note – this may occur in ECM and/or the new EMS module.*	Medium	Medium	30/09/2023
	Recommendation 8: Explore whether the council website/RMS portal can be used to lodge customer complaints.			30/06/2023
Other TechOne Councils and their complaints handling processes	**Recommendation 9:** Explore whether the council website/RMS portal can be used to lodge customer complaints. Explore whether the council website/RMS portal can be used to lodge customer complaints.	Better Practice	Better Practice	31/12/2023

2. Detailed Findings and Recommendations

2.1 CHB complaints handling framework vs. better practice principles

Audit Risk Rating	CHB Risk Rating
Medium	Medium

Key Findings

- 8 out of 9 interviewees had a clear understanding of their roles and responsibilities regarding complaints handling. The final interviewee had clarity about handling complaints but indicated a need for further clarity about ownership of the Policy.

- Council do not have a documented operational process/workflow for handling complaints.

- All interviewees reported that they could not recall undergoing official training regarding expectations for complaints handling within CHB during their employment.

- There is currently no reporting on complaints handling (e.g. themes, trends, resolution times) within CHB.

Discussion

The audit scope called to benchmark current complaints handling processes against better practice principles. To achieve this, Audit assessed CHB's overall complaints handling framework against key principles from *Guidelines for complaint management in organisations AS 10002:2022* (the Standard) and the *Commonwealth Ombudsman Better Practice Guide*.

A visual summary of the principles is below.

Key principles from AS 10002 2022

Commitment

Policy and procedures

Responsibility and authority

Staff awareness

Commitment

One key better practice principle in the Standard is 'commitment'.[3] The Commonwealth Ombudsman Better Practice Guide highlights that the complaint process *"is a journey for both the complainant and the complaint handler".* In some cases, a customer's experience with the complaint handling process can be just as important as the final outcome. Audit found that Council's policy aligns with this principle.

Policy and procedures

Another important principle discussed in the Standard is around 'policy and procedures'. Better practice elements are summarised below, with an assessment of the status within CHB:

Better practice principles: Complaint Management policy and procedures	Finding
▪ Roles and responsibilities of everyone involved in complaints management process is defined.	In place within the Policy (high level). Audit identified a need for a <u>clearer understanding of the definition of 'complaint'</u>. See discussion below.
▪ Clear complaint handling process in place, including complaint handling channels, responsibilities, quality assurance processes and performance indicators.	There is a need for process guidance, and opportunity to confirm complaint receipt methods. Opportunity to consider how complaints arising from contracts with third parties are managed. See discussion further in this section.
▪ Formal process in place for systematic review of complaints and providing feedback to staff.	Not in place. Opportunity for improvement. See **Recommendation 3**.
▪ Policies and procedures in place instructing staff to accurately record **all communications, decisions**, review requests and **outcomes**.[4]	Policy is in place, opportunity to strengthen. See discussion below.
▪ There are targets set to help measure escalation.	Not in place. See **Recommendation 5**

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[3] Section 6.2 pg. 6 of *Guidelines for complaint management in organisations AS 10002:2022*
[4] This better practice principle is discussed in detail in section 2.2

A need for a clearer understanding of the definition of a complaint

Audit found a lack of understanding of the definition of a complaint within CHB. See below:

CHB 'complaint' definition	Findings
"An expression of dissatisfaction with a product or service delivered by Council or Council's representatives that has failed to reach the standard stated, implied or expected. This includes complaints about a service that has been, or should have been delivered."	▪ All six staff specifically asked during interviews indicated confusion about what can be defined as an official complaint. ▪ Thirteen out of 22 (59%) general complaints sampled did not meet CHB's definition of a 'complaint'. For example, complaints about busking do not meet the definition of a formal complaint about Council. This is not a complaint about a product or service delivered by Council. ▪ Audit identified that 'complaints' can be recorded in 18 different 'subject indexes' within the system. See discussion in **Section 2.2**

The Commonwealth Ombudsman Better Practice Guide highlights that "*It can be difficult to distinguish between complaints and other types of contact from members of the public.*" CHB's definition of a complaint has clear requirements in place for types of contact from members of the public to qualify as a 'complaint'. The above findings, however, show that there is a need for internal clarity around this definition, especially when communications from members of the public are being recorded in ECM.

There is opportunity for CHB to further clarify among staff what constitutes a formal complaint, and to ensure this definition is consistently applied when entering communications from the community into ECM. Audit note that there are other streams of action that can also be referenced, for clarity around what is and is not a complaint. These include internal process reviews under s270 of the Local Government Act, Ombudsman enquiries and ICAC enquiries. These are generally separate to the general complaints handling framework but are of relevance to the types of potential dissatisfaction from community members. See **Recommendation 1.**

A need for documented complaint handling process guidance

Audit identified a need for operational complaint handling process guidance, to outline the roles and responsibilities of all staff members in regard to the complaint handling process and support the *Customer Feedback and Complaints Handling Policy*. Four of five (80%) relevant interviewees identified that there is no specific procedure/operational guidance to specifically step through expectations around how to receive and handle a complaint. In addition, Audit received conflicting advice about the method of receiving/recording complaints. One staff member reported directing complainants to make complaints in writing. Better practice is for complaints to be received in a variety of ways.

Audit testing identified themes that indicate a need for strengthened guidance:

- three out of 22 (13%) general complaint entries did not have the customer complaint recorded, and

- seven of 22 (31%) general complaints had no subsequent communication recorded in ECM.

This shows inconsistency around recording complaints and subsequent customer communications into ECM. To align with better practice, there is opportunity to develop an internal document for staff that:

- confirms expectations for how complaints can be received

- outlines the expected recordkeeping expectations/standards (including linking complaints to appropriate subject indexes and business processes)

- shows the complaint process workflows, and

- provides step by step instructions to enable staff to implement the Policy consistently and effectively.

Having confidence that all complaints are registered in ECM with the same level of detail will also mean that more accurate and insightful data can be pulled from the software regarding trends for the complaints received. See **Recommendation 2.**

Systematic review of complaints/quality assurance

The Commonwealth Ombudsman Better Practice Guide reports that strong quality assurance and review processes underpin the success of a complaint handling system. This can include:

- a supervision framework, with clear quality checkpoints

- complaint satisfaction analysis

- performance benchmarks

- regular review of complaints handling process, and

- feedback to staff members.

CHB's current complaint handling framework does not include quality assurance processes, however ongoing and/or repeat complaints are escalated to senior management. In addition, regular complainants are dealt with directly by the General Manager Community and Business.

Quality assurance can offer valuable insight into the customer's experience and satisfaction with the complaint handling process, how complaints are generally handled by staff and areas that may need additional training/resourcing.

There is opportunity for CHB to align with the Standard via systematic review of complaints, for continuous improvement purposes. See **Recommendation 3.**

Complaints involving contractors/third parties

Better practice indicates that contracts with third parties require them to provide a better practice complaint handling service and report complaint data and trends to [CHB]. Council's draft Customer Experience Strategy notes an intent to '*build into contracts and raise awareness of and monitor the execution of CX behaviours with Council contractors.*'

Audit note there is also opportunity to consider whether Council is informed of complaints received by third party contracted operators – for example in relation to waste removal, immunisation services, after hours call centres. See **Recommendation 4**.

Responsibility
and authority

A third better practice principle from the Standard is in relation to 'responsibility and authority'. A summary of findings around elements of this principle is below.

Responsible person	Responsibility per better practice	Audit finding
CEO	▪ Complaint handling key performance indicators (KPIs) in place and include complaint handling performance; trends and insights should be regular items on executive meeting agendas. ▪ Allocates clear responsibility for complaints handling.	▪ KPIs for complaint resolution in place.[5] ▪ KPIs not yet reported to Executive. ▪ Responsibility can be further strengthened.
Manager responsible for complaint management	Supervision arrangements in place, designed to: ▪ provide direction and support to staff ▪ monitor how well complaints are being handled and that remedies are offered ▪ identify complaint trends and issues ▪ provide performance and program feedback.	▪ Customer Experience Lead in this role and responsible for complaint management ▪ Manager Customer Experience and Library Services also has an informal oversight role ▪ Complaints management not identified as a responsibility in management job descriptions. ▪ Lack of reporting and analysis on complaint data and trends. See discussion below. ▪ Opportunity for management to provide feedback to staff regarding complaint handling performance.
Staff handling complaints	Respond to complaints in a non-defensive manner. Be open to feedback. There is an acknowledgement of staff who exhibit this approach in their work.	▪ Positive approach identified in general tested communications.

[5] Council's Policy outlines an aim to acknowledge complaints within 5 working days, and to resolve complaints within 10 working days. Three out of nine (33%) interviewees demonstrated a lack of clarity around complaint handling KPIs, including response times. This is addressed in **Recommendation 5** and **Recommendation 6.**

Developing reports around complaints

Better practice calls for monitoring/reporting of complaints. There is currently no relevant reporting in place, and no management staff interviewed recalled receiving these. This means that these insights are currently not discussed in executive meetings. Giving managers the opportunity to review complaint handling reports can enable managers to gain insight into any trends (e.g. subject matter) and areas or staff requiring additional training or support. *Audit note that reviewing complaint handling performance and data trends will only be insightful if the detail entered in complaint records is consistent across the organisation*. **See Recommendation 5.**

Staff awareness

The final better practice principle from the Standard is around staff awareness regarding complaint handling. This includes:

- a clear understanding of roles and responsibilities regarding complaint handling among staff

- all staff are trained on their role in the complaint handling system and should be able to recognise a complaint an assist people to access the complaint system, and

- feedback is provided to staff.

All staff interviewed demonstrated a clear understanding of their responsibilities regarding proactive and helpful complaint handling. All interviewees, however, also reported that they could not recall undergoing official training regarding complaints handling. Including complaint handling training in induction is important so that Council can be confident that all staff are aware of the policies and processes in place, as well as the expected standard of reporting and recording these complaints. Refresher courses based on complaint and escalation trends and any changes to the complaint handling policy or procedures can also be provided to staff. How often these refresher courses should take place should be an appropriate period for CHB, so that these courses are relevant and useful to the position of each staff member. See **Recommendation 6.**

Risk Exposure

- Lack of documented internal processes may mean staff are unsure of how to record a complaint once it has been received.

- A lack of quality assurance and review processes may mean Council lacks confidence in how well complaint are handled by staff.

- Lack of training may mean staff are not aware of what actions to take when a complaint arises.

- A lack of insight in complaint data trends may mean that management staff are unaware of complaints that are at risk of being escalated or any areas that staff may need additional training on in relation to complaint handling.

Recommendation 1	Further clarify among staff what constitutes a formal complaint, and ensure this definition is consistently applied when entering communications from the community into ECM.
Agreed Actions	Agreed
Action Officer	Manager Customer Experience and Library Services
Completion Date	30/06/2023

Recommendation 2	Create an internal procedure that details the complaint process workflows and provides step by step instructions to enable staff to understand expected complaint handling processes and to implement these processes consistently and effectively. This procedure can also confirm CHB's accepted methods for receiving complaints (phone, email, online form). *Audit note that better practice is for complaints to be able to be lodged in a variety of ways, to promote accessibility for all community members.*
Agreed Actions	Agreed
Action Officer	Manager Customer Experience and Library Services
Completion Date	30/06/2023

Recommendation 3	Implement a sample-based approach to conducting quality assurance and review of complaints. This may occur at regular intervals, for example quarterly or six-monthly. *Note: The initial sample may be small, and increase or decrease for subsequent checks depending on findings and whether a need for improvement is identified.*
Agreed Actions	Agreed
Action Officer	Manager Customer Experience and Library Services in liaison with Risk & Improvement Officer (Strategy & Governance Team)
Completion Date	30/06/2023

Recommendation 4	Consider strengthening requirements for significant contractors to report on complaints received from CHB residents in relation to their services. For example, this may cover waste management, after hours call centres, immunisation services. This can help CHB to have a fuller picture of complaints received relevant to their services/areas of responsibility. *Note – this recommendation can be considered on a cost/benefit basis.*

Complaints Handling

Agreed Actions	Agreed
Action Officer	Manager Customer Experience and Library Services in liaison with Procurement Officer (Strategy & Governance Team)
Completion Date	30/06/2023

Recommendation 5	Generate reports to enable review of CHB's complaint handling performance. This can include detail on complaint numbers, complaint by division, timeliness of resolution, and outstanding escalated complaints. Provide these reports to managers for review and discuss the findings as regular items on executive meeting agendas.
	Note: This recommendation should be actioned once the definition of a complaint is clear, as per Recommendation 1.
Agreed Actions	Agreed
Action Officer	Manager Customer Experience and Library Services
Completion Date	30/06/2023

Recommendation 6	Develop complaint handling training, for example as part of induction training and refresher training schedules. Training can cover the definition of complaints, complaints handling processes, communication approaches and tone.
Agreed Actions	Agreed
Action Officer	Manager Customer Experience and Library Services in liaison with P&C / register in the Training Needs Analysis.
Completion Date	30/09/2023

2.2 Review of current complaints handling records management and communications

	Audit Risk Rating	CHB Risk Rating
	Medium	Medium

Key Findings

- Audit attempted to test a sample of complaints and experienced difficulties in testing due to lack of detail recorded. Testing showed that this is indicative of a need for training/awareness about complaints handling processes and recordkeeping, rather than a negative approach to complaints handling.

- Opportunity for 'business processes' function and 'subject indexes' to be updated to enable clearer recording of complaints.

- A need for CHB to further clarify the definition of a regular or serial complainant and the steps CHB will take when dealing with these complainants. Audit note that these complaints are appropriately handled by a General Manager.

Discussion

The audit scope called for a review of the current complaints handling processes, including records management and communications. To achieve this, Audit tested a sample of recorded complaints against better practice principles.[67]

Summary of testing results

A summary of test results is below:

Test	General complaints	Escalated complaints	Comments
Acknowledgement of the original complaint on file?	▪ 12 out of 22 (55%) yes ▪ 8 out of 22 (36%) no ▪ 1 out of 22 (5%) partial ▪ 1 out of 22 (5%) not required	▪ 11 out of 22 (50%) yes ▪ 8 out of 22 (36%) no ▪ 3 out of 22 (14%) partial	In one general complaint, complainant requested no feedback. See **Recommendation 2.**
Evidence of communication loop recorded with the complainant on file?	▪ 12 out of 22 (55%) yes ▪ 5 out of 22 (23%) no ▪ 4 out of 22 (18%) partial ▪ 1 out of 22 (5%) not required	▪ 8 out of 22 (36%) yes ▪ 7 out of 22 (32%) no ▪ 7 out of 22 (32%) partial	In one general complaint, complainant requested no feedback. See **Recommendation 2.**
Complaint resolved within 10 business days KPI?	▪ 8 out of 22 (36%) yes ▪ 6 out of 22 (27%) no ▪ 8 out of 22 (36%) unable to be determined	▪ 13 out of 22 (59%) yes ▪ 6 out of 22 (27%) no ▪ 3 out of 22 (14%) unable to be determined[8]	See **Recommendation 5.**

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[6] Only entries recorded as official complaints from the ECM module were tested, not other records recorded under subject indexes with the word 'complaint' in the description. Better practice principles from the Standard and the Commonwealth Ombudsman were used.

[7] A random audit sample was chosen, using a confidence interval of 95% and standard error of 0.2.

[8] Complaints marked 'unable to be determined' had either no communications recorded or original complaint not on file.

Test	General complaints	Escalated complaints	Comments
Complaint linked to relevant subject indexes?[9]	▪ 13 out of 22 (59%) yes ▪ 1 out of 22 (5%) not no ▪ 8 out of 22 (36%) partial	▪ 17 out of 22 (77%) yes ▪ 5 out of 22 (23%) partial	See discussion below and **Recommendation 7.**
Complaint assigned to relevant "business process" for action?[10]	▪ 10 out of 22 (45%) yes ▪ 11 out of 22 (50%) no ▪ 1 out of 22 (5%) not applicable	▪ 9 out of 22 (41%) yes ▪ 13 out of 22 (59%) no	1 complaint not applicable as this was a matter for another Council. See **Recommendation 2.**
Auditor judgement - does the complaint meet the better practice definition of a "complaint"?	▪ 7 out of 22 (32%) yes ▪ 14 out of 22 (64%) no ▪ 1 out off 22 (5%) unable to be determined	▪ 12 out of 22 (55%) yes ▪ 9 out of 22 (41%) no ▪ 1 out of 22 (5%) unable to be determined	See **Recommendation 1.**
Auditor judgement - does the evidence indicate the complaint has been sufficiently addressed?	▪ 9 out of 22 (41%) yes ▪ 5 out of 22 (23%) no ▪ 3 out of 22 (14%) partial ▪ 5 out of 22 (23%) unable to be determined	▪ 12 out of 22 (55%) yes ▪ 8 out of 22 (36%) no ▪ 2 out of 22 (9%) partial	See **Recommendation 3.** Also see discussion around 'serial' complaints and recording below, **Recommendation 8.**

The table above demonstrates a need for strengthening the approach to complaint handling and recording. Overall review identified that responses on file generally seemed appropriate, with one instance where the response tone appeared less positive than others. The findings support recommendations throughout the report.

Detailed test results are also included in **Appendix 7** and **Appendix 8**.

Linkages to subject indexes

Subject indexes are used to organise data within TechOne, into Level 1 (higher level business function) and Level 2 (more granular activity level) files. When complaints are recorded in ECM, the complaint is intended to be linked to relevant subject indexes.

Upon review, Audit identified 18 different subject indexes (including 11 at Level 1) where complaints can be recorded within ECM. A summary of these can be found in **Appendix 1.** To simplify the complaint recording process and improve the data reports that can be generated from the system, there is a need for 'complaints' to be reconfigured, and for complaints to be a Level 1 business function subject index and Level 2 activity subject indexes being the subject matter/business area of interest of the complaint being recorded. This could mean that complaints registered would be easier to find/review and that more insightful data trends could be generated from records. See **Recommendation 7.**

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[9] Subject indexes discussed in detail further below.
[10] TechOne uses the term 'business process'. Audit checked this information to understand that complaints were assigned to relevant teams for action.

Management of regular or 'serial' complainants

When looking at the complaints/escalations recorded, it is evident that a significant amount of CHB's escalated complaints have arisen from the same complainant. For example:

- approximately 90 of 349 escalations in 2021-2022 were from the same complainant, and
- approximately 645 of 754 escalations in 2022-2023 were from the same complainant as above

When reviewing the raw data, Audit note that it is difficult to determine the actual number of complaints arising from this one individual, as the complainant's name is not included in the title of all the complaints recorded.

Audit's review of a small sample of the complaints lodged by the same complainant as above showed that a copy of the complaint is uploaded and linked with relevant subject indexes. They are overseen by the General Manager. Due to the bulk of the similar complaints being received from the same complainant, it is reasonable for these complaints to be escalated to the General Manager and for periodic checking in with the complainant to occur, but no other action on these complaints. For clarity of recordkeeping and transparency of action, these complaints could be linked to a confirming that no action has been taken. There is also opportunity for an additional section be added to the Policy, outlining what constitutes a 'serial complainant' and the steps CHB will take when dealing with these complaints. A separate internal process document can highlight what steps to take when a complaint from a serial complainant is received, and what details need to be recorded and linked in ECM. See **Recommendation 8.**

Risk Exposure

- Complaints potentially not being recorded with sufficient detail create difficulties for CHB to adequately demonstrate transparency and appropriate action to address complaints.
- Complaints not being categorised in an effective way may mean that data being pulled for analysis/review could be inaccurate and lack valuable insight.
- New staff are unaware of serial complainants when a complaint is lodged and are unsure of the process regarding handling these complaints.

Recommendation 7	Work to reconfigure how 'complaints' are recorded in CHB's system, potentially with 'complaint' being a Level 1 business function subject index, with the Level 2 activity subject index then being the subject matter/business area of interest. *Note – this may occur in ECM and/or the new RMS module that is currently being configured for roll-out in mid-2023.*
Agreed Actions	Agreed
Action Officer	Manager Customer Experience and Library Services
Completion Date	30/09/2023

Recommendation 8	Add a section to the Customer Feedback and Complaints Handling Policy to clearly outline: ▪ what constitutes a regular or serial complainant ▪ the steps CHB will take when dealing with complaints lodged by these individuals. In addition, define an internal process to clearly outline the steps staff should take/records to be kept when a complaint from a regular complainant is received.
Agreed Actions	Agreed
Action Officer	Manager Customer Experience and Library Services
Completion Date	30/06/2023

	Audit Risk Rating	CHB Risk Rating
2.3 Other TechOne Councils and their complaints handling processes	Better practice	Better practice

Key Findings

- Complaint handling is an area for continuous improvement for all peer councils reviewed

- Better practice demonstrated by some councils around quality assurance mechanisms and reporting around complaints.

- Reported opportunities for improvement were around the definition of complaints, use of KPIs, training and awareness.

Discussion

The audit scope called for a review of other metropolitan councils' complaints handling processes to identify if there are any elements CHB can draw on, in the aim of continuous improvement.

To achieve this, audit conducted interviews with relevant officers from the following councils:

- City of Burnside

- Campbelltown City Council, and

- City of Onkaparinga.

The City of Mitcham also provided some written input. Other councils did not respond to our invitation to participate.

Peer councils

Overall, each council interviewed demonstrated a clear understanding of why complaints handling is important and expressed that complaint handling is an area for continuous improvement.

Areas of complaints handling noted for improvement included:

- the definition of a 'complaint'

- expected timeframes and increasing community awareness of these (through publication), and

- a push for more training across the organisation, including modules focused on how to use the record management system properly.

Peer councils also expressed that making improvements in this space can be a time intensive process.

All councils interviewed showed examples of recent improvements made within TechOne. These improvements are summarised in the infograph over page.

CATEGORIES/SUBJECT INDEXES

- Mandatory drop-down field for staff to fill out when entering the complaint into the system regarding why complaint is being lodged: no response, dissatisfaction with decision, dissatisfaction with service, other. Tracks 'why' complaints are being lodged to provide additional insight/trends.

RECORD KEEPING

- 'Drag and drop' function in TechOne CR module – automatically records responses and makes capturing correspondence easier
- CR created for single complaint so multiple emails for same complaint are captured in one location

INTERNAL PROCESS

- Separate definition and internal workflow process for 'complaints' and 'service requests'
- Complaints sent directly to group manager for action (i.e. group manager investigates, communicates, records and closes of the complaint once resolved)
- Looking at what improvements can be done to avoid the need for complaints

ELEMENTS OF THE COMPLAINT HANDLING FRAMEWORK AND POSITIVE PEER COUNCIL FINDINGS
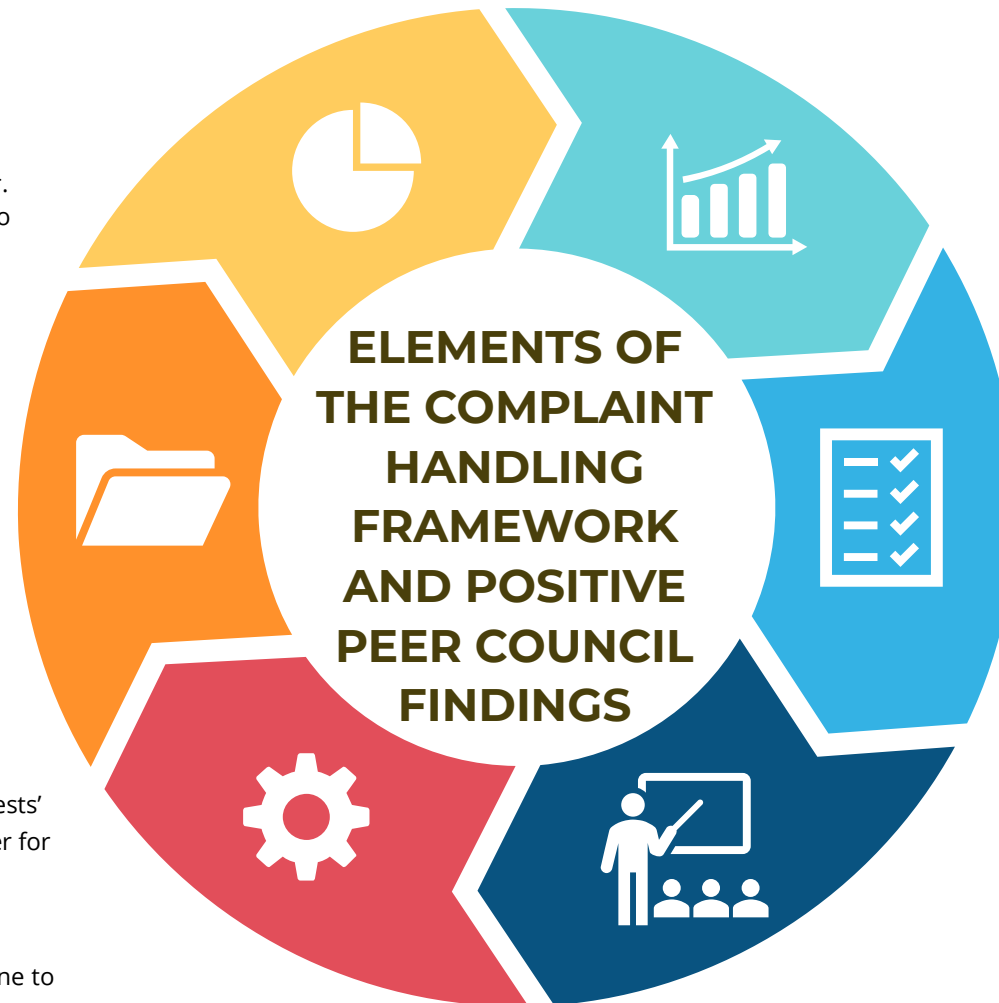
DATA REVIEW

- Monthly reports sent to group managers showing list of outstanding complaints
- Sample check CRs and complaints to ensure notes are entered and resolved complaints are closed off (QA)
- Dashboard reporting to give 'snapshot' of complaints, data can be exported to Excel
- Data reports from TechOne used - pie charts/graphs including the categories of complaints received
- Report broken down per department so each team can assess where they can improve

KPIs

- CEO has a KPI to reduce overdue CRs down to 10%
- Agenda item in monthly executive leadership meetings

TRAINING

- Separate training for staff, leadership, executive teams - training tailored to each role in the complaint handling process
- Training resources available via intranet and circulated to all attendees.

Complaints Handling
Liability limited by a scheme approved under Professional Standards Legislation

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Planned system changes (RMS)

During fieldwork, Audit identified that some of the above ideas are in the process of being included in the planned system change, with the introduction of the new RMS module for CHB from mid-May 2023. These positive changes include:

- CHB definition of a 'complaint' on first page when staff go to record a complaint in RMS
- 'drag and drop' feature to capture complaints received via email, along with responses
- ability for staff to auto-link/relate a new complaint to a previous complaint in recording process
- complaint can be assigned to a particular business pool/staff member when complaint is entered into RMS, and
- ability to write and send communications via RMS that automatically get uploaded to the complaint record.

Potential improvements identified are around enabling complainants to lodge complaints via the portal/website.

Risk Exposure

- Not reviewing and discussing complaints handling frameworks of similar TechOne councils could mean that CHB may not be aware of ideas and strategies that could be beneficial to their aim of continuous improvement in complaints handling.
- Not discussing complaints handling with other peer councils could lead to a missed opportunity to work collaboratively and network within the local government space to reach mutual complaints handling goals.

Recommendation 9	Explore whether the council website/RMS portal can be used to lodge customer complaints.
Agreed Actions	Agreed
Action Officer	Manager Customer Experience and Library Services in liaison with the IT section
Completion Date	31/12/2023

Appendices

Appendix 1. Scope of the audit engagement

Internal Audit Scope
Complaints Handing Process Review

Background	The *Local Government Act 1999* section 270(b) requires CHB to maintain policies, practices and procedures for dealing with complaints about the actions of CHB, its employees, or other persons acting on behalf of CHB. The City of Holdfast Bay (CHB) is committed to providing excellence in customer service. As part of this commitment CHB: • seeks to know what its customers require, understand how it can improve its services to meet the needs of the community and to respond positively to concerns and criticism, and • has developed the *Customer Feedback and Complaints Policy*. The approved Audit Program 2022-23 provides for an assurance audit to be undertaken reviewing CHB's complaints handling processes.
Audit Objective	This audit will assess the effectiveness of complaints handling processes within CHB, including opportunities to strengthen the processes.
Scope	In particular the audit will: • review the current complaints handling processes, including records management and communications, and • benchmark current complaints handling processes against better practice principles for complaints handling,[1] and • identify how CHB can draw on other metropolitan Tech One councils' complaints handling processes. This audit will exclude: • a review of the CHB's Customer Experience Strategy, as this is currently being developed, and • Alwyndor's customer complaints handling processes.

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[1] Galpins have developed a complaints handling maturity model that draws upon, for example, *ISO10002:2018 Complaints Management*, and the Commonwealth Ombudsman's *Better Practice Complaint Handling* guide.

Appendix 2. Overall Control Environment Conclusion Rating Definitions

This internal audit project aimed to assess the controls established to address a key strategic risk or risks as documented in the Executive Summary. Based on the work undertaken, and when considering the design and/or effectiveness of controls collectively, we conclude that the control environment is one of the following ratings:

Rating	Effective	Majority Effective	Partially Effective	Requires Significant Improvement	Ineffective
Definition	Controls assessed were effective in mitigating the key strategic risk or risks	Controls assessed were largely effective in mitigating the key strategic risk or risks	Controls assessed were partially effective in mitigating the key strategic risk or risks	Controls assessed require significant improvement to mitigate the key strategic risk or risks	Controls assessed were ineffective in mitigating the key strategic risk or risks

Appendix 3. Risk Management Framework

The method of risk assessment used in this review is based on Council's Risk Management Framework.

It measures the likelihood of each risk occurring and the consequence of the risk event. From this analysis it is then possible to determine the level of inherent risk (risk without any controls in place) and residual risk (risks when controls are in place). This method of analysis is not an exact science and quite subjective, but it is of value as an indicator and therefore assists in assessing review risks.

Likelihood \ Consequence		Insignificant	Minor	Moderate	Major	Catastrophic
		1	2	3	4	5
Almost Certain	E	Medium	Medium	High	Extreme	Extreme
Likely	D	Low	Medium	High	High	Extreme
Possible	C	Low	Medium	Medium	High	High
Unlikely	B	Low	Low	Medium	Medium	High
Rare	A	Low	Low	Low	Medium	Medium

Risk Consequence:

Level	Impact Scale
1	Insignificant
2	Minor
3	Moderate
4	Major
5	Catastrophic

Additional detail on consequences in terms of Reputation, Business Impact, People Safety, Environment and Service Delivery is contained in the table over page.

Appendix 4. Documents reviewed

Below is a list of all the documents reviewed during the internal audit process. The results and recommendations within this report consider the analysis and evaluation of these documents:

City of Holdfast Bay documents:

- City of Holdfast Bay Customer Feedback and Complaints Policy (approved 22.06.21)
- City of Holdfast Bay Creating a World Class Customer Experience Strategy (drafted August 2020)
- City of Holdfast Bay Customer Experience Questionnaire and Evaluation (October 2019)
- City of Holdfast Bay Creating a World Class Experience Strategy Communications Plan (July 2019)
- City of Holdfast Bay Customer Experience Strategy (additional draft)
- Complaints Handling Overview (31.01.23)
- Projected Detailed Report for Your Holdfast Customer Service Strategy (29.05.11-28.10.19)
- Customer Service Standards – Development Services (01.06.21)
- City of Holdfast Bay Manager Customer Experience & Library Services Position Description (

Better Practice/industry documents:

- AS 10002 2022 Guidelines for Complaint Management in Organisations
- Commonwealth Ombudsman Better Practice Complaint Handling Guide
- Deloitte – Unlocking The Value of Complaints

Appendix 5.   Staff members interviewed

A list of all the staff members at CHB that were interviewed during fieldwork in preparation for this report.

Name	Title
Tania Paull	Manager Customer Experience & Library Services
Sarah Tudini	Customer Experience Lead
Marnie Lock	General Manager Community & Business
Adrian Hill	Manager Community Safety
Anthony Maroncelli	Manager Development Services
Ania Karzek	Manager Strategy & Governance
Kat Reiman	Information Management Specialist
Sarah Arnold	Operations Planner
Lina Altinger	IT Officer

Appendix 6. Subject indexes in ECM

A list of all the level 1 and level 2 subject indexes currently available for complaints to be linked to when registered in ECM.

Level 1 Subject Index (Business Function)	Level 2 Subject Index (Activity)	Index Description
Animals		
	Animals - Court Action	Complaints and investigations that lead to Legal Proceedings, includes Court Documents, Subpoenas, discovery orders, complaints, responses, inspections etc
	Cats - Enquiries, Complaints and Investigations	Documents and records relating to the management of cat related queries and requests, including regulatory matters.
	Dogs - Enquiries, Complaints and Investigations	Documents and records relating to the management of dog related queries and requests, including regulatory matters, that do not lead to court action.
	Other Animals - Enquiries, Complaints and Investigations	Documents and records relating to the management of other animal related queries and requests, including regulatory matters. Includes species listed in legislation as rare, vulnerable, threatened, endangered or protected. Includes snakes and birds
Community		
	Playspaces	Document and records relating to Glenelg Foreshore Playspace/playground, Wigley Reserve Playspace and Fitness Hub, Angus Neill Playspace, Alf Smedley and Mel Baker Reserve Playspace, Bindarra Reserve Playspace, Kauri Sports and Community Centre playspace, and playspace enquiries/complaints
Community Safety		
	Jet Skis and Boating	Documents and records relating to jet skis and boating within the City of Holdfast Bay, including enquiries and complaints
	Jetty Jumping and Breakwater Safety - Enquiries and Complaints	Documents and records relating to jetty jumping and breakwater safety including enquiries and complaints
Customer Services		
	Complaints	Documents and records relating to the management of initial complaints and responses to complaints.
	Complaints - Escalated	Documents and records relating to the management of escalated or significant complaints and responses to complaints, which may lead to an investigation or change in policy or procedure.
Governance		

Level 1 Subject Index (Business Function)	Level 2 Subject Index (Activity)	Index Description
	Mayor & Elected Members	Records relating to general management of and correspondence with Mayor and Elected Members. Includes escalated complaints sent to Council by Elected Members.
Infrastructure		
	Bicycle / Bike / Shared Path Complaints / Enquiries	Documentation relating to complaint and enquiries with bike paths and shared pedestrian paths
Libraries		
	Library Customer Feedback	Documents and records relating to library feedback, including letters of appreciation, suggestions for improvement, and complaints.
Media		
	Website	Documents and records relating to Council's website including enquiries and complaints
Permits and Applications		
	Personal Training Permit	Documents and records relating to personal training applications, enquiries and complaints
	Special Permits (includes monthly/yearly, fireworks & horses etc)	Documents and records relating to obtaining a special permit to hold/display fireworks in the foreshore/beach/reserves and using horses including complaints / enquiries about drones
Public Health		
	Food Customer Requests	Documents and records relating to food Inspections, complaints, enquiries and new food businesses
	SA Public Health Act 2011 Regulation and General	Documents and records relating to other public health complaints not covered in other categories eg pigeons, pests etc expiation notices, general duty assessments, Public Health Act Notices including sharps/needles
Traffic and Parking		
	Parking Complaints	Documents relating to parking complaints from the public

Appendix 7. Analysis: General complaints sample testing

Visual display of results from testing a sample of complaints recorded. The results cover key principles from the Commonwealth Ombudsman Better Practice Guide.

Complaint sample testing analysis						
	2021-22		2022-23		Overall results	
Response status	Response %	Response total	Response %	Response total	Response %	Response total
Acknowledgement of complaint on file						
Yes	73%	8	36%	4	55%	12
No	18%	2	55%	6	36%	8
Partial	9%	1	0%	0	5%	1
N/A	0%	0	9%	1	5%	1
Total	100%	11	100%	11	100%	22
Evidence of communication loop with complainant						
Yes	73%	8	36%	4	55%	12
No	18%	2	27%	3	23%	5
Partial	9%	1	27%	3	18%	4
N/A	0%	0	9%	1	5%	1
Total	100%	11	100%	11	100%	22
Number of days from receipt to final recorded communication						
1-10 business days	27%	3	45%	5	36%	8
11+ business days	27%	3	27%	3	27%	6
Unable to be determined	45%	5	27%	3	36%	8
Total	100%	11	100%	11	100%	22
Complaint linked to relevant subject indexes						
Yes	73%	8	45%	5	59%	13
No	9%	1	0%	0	5%	1
Partial	18%	2	55%	6	36%	8
Total	100%	11	100%	11	100%	22
Complaint linked to relevant business processes for action						
Yes	18%	2	73%	8	45%	10
No	73%	8	27%	3	50%	11
n/a	9%	1	0%	0	5%	1
Total	100%	11	100%	11	100%	22
Auditor judgement - does the 'complaint' fit CHB's definition of a complaint?						
Yes	36%	4	27%	3	32%	7
No	55%	6	73%	8	64%	14
Unable to be determined	9%	1	0%	0	5%	1
Total	100%	11	100%	11	100%	22

Auditor judgement - does the evidence indicate the escalation has been sufficiently addressed?						
Yes	36%	4	45%	5	41%	9
No	27%	3	18%	2	23%	5
Unable to be determined	18%	2	27%	3	23%	5
Partial	18%	2	9%	1	14%	3
Total	100%	11	100%	11	100%	22

Appendix 8. Analysis: Escalated complaints sample testing

Visual display of results from testing a sample of escalated complaints recorded. The results cover key principles from the Commonwealth Ombudsman Better Practice Guide.

	2021-22		2022-23		Overall results	
Sample testing analysis						
Response status	**Response %**	**Response total**	**Response%**	**Response total**	**Response %**	**Response total**
Acknowledgement of escalation on file?						
Yes	45%	5	55%	6	50%	11
No	27%	3	45%	5	36%	8
Partial	27%	3	0%	0	14%	3
Total	100%	11	100%	11	100%	22
Evidence of communication loop with complainant prior to resolution						
Yes	27%	3	45%	5	36%	8
No	27%	3	36%	4	32%	7
Partial	45%	5	18%	2	32%	7
Total	100%	11	100%	11	100%	22
Number of days from receipt to final recorded communication						
1-10 business days	45%	5	73%	8	59%	13
11+ business days	27%	3	27%	3	27%	6
Unable to be determined	27%	3	0%	0	14%	3
Total	100%	11	100%	11	100%	22
Complaint linked to relevant subject indexes?						
Yes	82%	9	73%	8	77%	17
No	0%	0	0%	0	0%	0
Partial	18%	2	27%	3	23%	5
Total	100%	11	100%	11	100%	22
Escalation assigned to relevant business process for action?						
Yes	36%	4	45%	5	41%	9
Unable to be determined	64%	7	55%	6	59%	13
Total	100%	11	100%	11	100%	22
Auditor judgement - does the complaint meet the better practice definition of a "complaint"?						
Yes	45%	5	64%	7	55%	12
No	55%	6	27%	3	41%	9
Unable to determined	0%	0	9%	1	5%	1
Total	100%	11	100%	11	100%	22

Auditor judgement - does the evidence indicate the escalation has been sufficiently addressed?						
Yes	64%	7	45%	5	55%	12
No	36%	4	36%	4	36%	8
Partial	0%	0	18%	2	9%	2
Total	100%	11	100%	11	100%	22

Disclaimers

Inherent limitations

This report has been prepared for the information and internal use of the City of Holdfast Bay in accordance with the scope and objectives outlined in the Executive Summary of this report. The services provided in connection with this engagement comprise an advisory engagement which is not subject to the Australian Auditing Standards or the Australian Standards on Review and Assurance Engagements. Consequently, no express opinions or conclusions have been drawn or intended to convey assurance. Due to the inherent limitations of any internal control structure, it is possible that fraud, error or non-compliance with laws and regulations may occur and not be detected.

Further, the internal control structure, within which the control procedures that have been subject to the procedures we performed operate, has not been reviewed in its entirety and, therefore, no opinion or view is expressed as to its effectiveness of the greater internal control structure. The procedures performed were not designed to detect all weaknesses in control procedures as they are not performed continuously throughout the period and the tests performed on the control procedures were on a sample basis. Any projection of the evaluation of control procedures to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

We believe that the statements made in this report are accurate, but no warranty of completeness, accuracy or reliability is given in relation to the statements and representations made by, and the information and documentation provided by, the City of Holdfast Bay's management and personnel. We have not sought to independently verify those sources. We are under no obligation in any circumstance to update this report, in either oral or written form, for events occurring after the report has been issued in final form unless specifically agreed with the City of Holdfast Bay. The internal audit findings expressed in this report have been formed on the above basis.

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This report is solely for the purpose set out in the Executive Summary of this report and for the City of Holdfast Bay's information, and is not to be used for any other purpose or distributed to any other party without Galpins' prior written consent. This internal audit report has been prepared at the request of the City of Holdfast Bay or its delegate in connection with our engagement to perform internal audit services. Other than our responsibility to City of Holdfast Bay, neither Galpins nor any member or employee of Galpins undertakes responsibility arising in any way from reliance placed by a third party, including but not limited to the City of Holdfast Bay's external auditor, on this internal audit report. Any reliance placed is that party's sole responsibility.

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Galpins' audit/ advisory leadership team (from L to R): Tim Muhlhausler, Jessica Kellaway, Luke Williams and Janna Burnham

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- City of Salisbury
- Local Government Finance Authority
- Auditor-General's Department
- Department Environment and Water

- City of Burnside
- City of Playford
- Coorong Council
- Department for Education
- PIRSA
- Department Premier and Cabinet

Attachment 3

Attachment A - Internal Audit Completed Recommendations

Audit	Date Report Finalised	Ref	Findings	Recommendation	Risk Rating	Status	Action Owner	Target Completion Date	Completed Report	Action Owner Comments
Planning Review	Apr-22	PR04	**2.3 A need to clarify delegations around Planning and strengthen segregation of duties** - Council meets minimum legislative requirements in relation to delegations under the PDI Act. In particular, external legal counsel advised that the Assessment Manager can sub-delegate to (unaccredited) planning staff when absent from work. - There is opportunity to ensure segregation of duties between assessment and decision-making steps for planning consents. - Clarity needed for regularity of updating Instruments of Delegation.	**We recommend that;** **Rec 4:** Communicate the outcomes of the current external delegations review with all staff and provide them with access to the current delegations. Ensure processes are in place to inform staff of any future updates in a timely manner.	Low	Complete	Manager Development Services	1/06/2022	7/06/2023	Comments September 2022 Outcomes of the current external delegations review have been communicated with all staff, providing them with access to the current delegations, with further updates to come as the delegations are refined during November 2022. Manager Development Services provides delegations update at weekly team meetings. Comments March 2023 - Delegations for CAP and planning team all updated. **Comments June 2023** **- Complete**
Cyber Security Follow-Up	Apr-22	CS02.03	**2.1 A need to define required technology and security capabilities**	**We recommend that;** **Rec 2:** Develop an information security strategy, applicable to CHB and Alwyndor,. This can address: - alignment with the organisation's overall strategic direction - governance/oversight mechanisms - approach to compliance with relevant laws and regulations - roles and responsibilities, inc.expectations relating to ext'l suppliers - monitoring and reporting, including audit and assurance requirements. Ensure this is approved by management and is made available to both employees and relevant external parties.	High	Complete	Manager Innovation and Technology	~~31/12/2022~~ 14/02/2023	7/06/2023	- The intent of this recommendation is to track all new recommendations from reviews/audits in relation to information security/IT. - The Information Security Procedure mentions; (i) - annual review of user access, (ii) - regular monitoring of IT use (which should be determined through risk assessment.) - Audit were advised penetration testing to be completed by EOFY 21-22. - Whilst the Cyber Security Review - Action Plan demonstrates tracking of the 2020 Internal Audit recommendations, Audit did not sight a process to monitor recommendations from other IT-related reviews/audits. (See section 2.2 in report.) Comments September 2022 IT suite of policy documents have been revised and are due for presentation to Leadership Team / SLT / Council - Nov/Dec 2022 Comments March 2023 IT policy docs now endorsed; - as of 27/10/2022 (i) Organisational Backup and Recovery Policy (ii) Organisational IT Asset Management Policy and as of 14/02/2023 (i) Council Acceptable Use Policy (ii) Council Information Security Policy (iii) Council Mobile Device Policy (iv) Council Social Media Policy. **Comments June 2023** **- Complete**
Cyber Security Follow-Up (denoted by Ref. No's 02.xx)	Apr-22	CS02.09	**2.5 Lack of incident management response and recovery plans**	**We recommend that;** **Rec 9:** CHB to investigate the use of a Mobile Device Management tool which will allow the remote wiping of devices should they become compromised, lost or stolen. (Note: CHB rated **Medium** - Alwyndor rated **High**)	High	Complete	Manager Innovation and Technology	~~31/12/2022~~ 31/03/2023	7/06/2023	- Mobile Device Management - rolled-out to CHB staff, still to be completed for Elected Members Alwyndor: In progress, to be completed in stages. As at audit fieldwork (March/April 2022) a pilot is being conducted, before MFA is rolled-out to Alwyndor staff in phases. Comments September 2022 Work commenced. Comments March 2023 MFA rollout phases at Alwyndor almost complete. **Comments June 2023** **- Complete**
2021/22 EOFY Financial Controls CHB Council	May-22	FC01	**Detailed Findings: 1. LIA-ACC-0007:** Payments are verified to appropriate supporting documentation and are in line with Delegations of Authority.	**Rec.Treatment Plan 1:** Investigate the ability to isolate Finance staff journal approval permissions from AP financial delegations in Tech1.	Better Practice	Complete	Financial Accountant	~~31/12/2022~~ 31/03/2023	7/06/2023	Comments September 2022 Financial Accountant will investigate the capabilities within Technology One of isolating journal approval and the impact on workflow. Comments March 2023 Being reviewed as part of corporate review of delegations - TechOne support are trialling **Comments June 2023** **- Complete**

Attachment B - Internal Audit In Progress Recommendations

Audit	Date Report Finalised	Ref	Findings	Recommendation	Risk Rating	Status	Action Owner	Target Completion Date	Action Owner Comments
Asset Management Audit	2019	AM2	**AM2: Maintenance plans not developed for all asset classes** Our audit found that there is no evidence of a formal maintenance plan developed and implemented for all assets. For example, the stormwater maintenance officers out on the ground know exactly what to do and where to go, but nothing is documented through a maintenance plan. As maintenance is not recorded, it is hard to know the current up keep of the drains, pipes, etc. Currently only ad hoc and unplanned maintenance is performed. We also noted that maintenance is not being considered, planned and communicated at construction stage of new assets. It is up to project manager to define what maintenance may require, however, those plans and costs are not being considered and recorded.	We recommend management; 1. Develop and implement appropriate maintenance plan for all asset classes. These plans could include: • Street maintenance plan • Buildings & facilities maintenance plan • Park maintenance plan • Beach maintenance plan • Ecological asset maintenance plan • Coastal asset maintenance plan • Transport asset maintenance plan • Fleet maintenance plan • Waste asset maintenance plan • Infrastructure maintenance plan	High	See Follow Up Audit	Team Leader Asset Mgt	~~30/09/2021~~ ~~31/03/2023~~ 31/12/2023	Comments March 2021 Asset Maintenance Plans for all agreed asset categories are in place except for a Buildings & Facilities Maintenance plan. The Asset Management Team are working on creating lease agreements with detailed Asset Management Plans for the main/ high risk civic and community buildings. An example of a lease agreement for a particular site was provided to audit with included a comprehensive asset management plan. Comments June 2022 Incorporated into May 2022 Asset Management Audit - Galpins Comments September 2022 - Check link to actions outlined in Transport Asset Management audit May 2022. Comments March 2023 - These maintenance plan inclusions are being incorporated on a rolling review. - Incorporated into the May 2022 Transport Asset Management plan review. **Comments June 2023** **- see Transport Asset Management audit - May 2022**
Strategic Planning Alignment Audit	Aug 2019	SP4	**SP4: KPIs in SMPs are not monitored effectively** - Various Key Performance Indicators ("KPIs") are included in different SMPs but not linked together for cohesive management. As a result, not all KPIs are monitored and reported to management or Council to ensure achievement. - Different operational and strategic levels of KPIs are included in Council's Strategic Plan, LTFP, I&AMPs, ABP and other SMPs. Strategic and financial KPIs in Council's Strategic Plan and LTFP are assessed annually and reported in the Annual Report, e.g. 2017-18 Annual Report. At the beginning of each financial year, the strategic and financial KPIs are communicated to public via ABP, e.g. 2018-19 ABP. However, other KPIs, such as KPIs in I&AMPs, are not monitored or reported to management or Council to measure performance. - During the audit, it was advised that I&AMPs will be reviewed and updated to fit into the SMPs review process. Once I&AMPs are updated, KPIs will be monitored and reported regularly to ensure achievement of objectives. - Also, since annual reporting on strategic KPIs was introduced last financial year, i.e. 2017-18 after the current Council's Strategic Plan was updated, the methods utilised to measure KPIs are not formalised to ensure consistency. Council is currently investigating and formalising the methods and frequency of future KPIs assessment and reporting.	We recommend management: 1. Investigate possibility and feasibility to link together various KPIs in different SMPs and make decision on how to cohesively manage KPIs; 2. Monitor and report KPIs in I&AMPs regularly to management or Council to measure performance once I&AMPs are reviewed and updated; and 3. Formalise the methods and frequency of future KPIs assessment and reporting.	Medium	In Progress	Manager Strategy and Governance	~~30/06/2022~~ ~~30/06/2023~~ 31/12/2023	Comments March 2021 The Long Term Financial Plan includes KPIs, and are reported on in the Annual Report. The Strategic Management Plans finalised in 2020 include performance indicators. The KPIs are included as a standard item in the template agendas for team meetings. At time of audit however the KPIs were not monitored or reported. The timeframe for reporting on KPIs is <Ania/Catlin - please confirm date> Comments May 2021 Previously the annual business plan has functioned as our reporting and communication, with a more comprehensive review during revision of the Asset Plans (i.e. every 2-4 years). However in the latest plans we have committed to a review against KPIs to be reported to audit committee each year. We will likely look to undertake this the same time as annual budget presentation (Feb-June 2022), as the two tie together. Comments June 2022 The Corporate Reporting function was subject to a restructure in May/June 2022. A new resource has been appointed, commencing 11 July 2022, who will holistically reconsider/review Council's Corporate Reporting. Comments September 2022 - Work underway to complete by revised Due Date 30/06/2023 Comments March 2023 - Strategic Planning Service Model now approved - next phase is the Strategic Planning Framework. work is underway via the corporate planning process Biz reg's for a system to capture - revised due date to 31/12/2023 **Comments June 2023** **- strategic planning process continuing - on target for 31/12/2023**
Workforce Planning	Feb-21	WFP02	**2.2 Opportunity to develop a strategic workforce plan that aligns with business objectives:** - Workforce planning activities are primarily conducted at a team level with the Manager assuming key responsibility. The General Manager and People and Culture provide input and support. - All Managers interviewed demonstrated an understanding of their team's operational workforce requirements and strategic challenges and identified further the need for strategic and holistic workforce planning across Council. - Specific workforce planning approaches are informal, operational, and teams based. There is opportunity to document critical workforce knowledge. - Alwyndor's Managers have demonstrated awareness of WFP recommendations arising from the Royal Commission into Aged Care Quality and Safety (the Royal Commission) and a desire to ensure compliance. Alwyndor have commenced preliminary planning for a strategic WFP.9	We recommend that: **Rec: 2** - Develop an overarching strategy or framework to guide workforce planning initiatives, specifically including **strategic** workforce planning at both CHB and Alwyndor. Options to achieve this include: - develop a high level standalone workforce plan, framework or strategy that documents the overall workforce planning requirements for CHB and Alwyndor. - link more strategic WFP activities to requirements under Council's exisitng 'culture' pillar. A suite of supporting documents may then be developed to further outline specific actions in place. **NOTE:** – Internal Audit consider that WFP is an ongoing process and promote a pragmatic approach to WFP rather than a time-intensive and static document. In addition, this work can be completed in line with Council's draft strategy – Audit understand that directions included in the new Strategy are already broadly known. In addition, Alwyndor's Strategic Plan, through the enabler: People and Culture, includes an action to develop a workforce plan for 2021.	Low	In Progress	Manager People & Culture	~~30/06/2022~~ 30/06/2023	Comments June 2022; - Generic principles of Workforce Planning were determined for both Alwyndor and COHB and approved by the SLT. - Strategic Plan 2050 launched in January 2022. Awaiting development of Corporate Plan to determine workforce planning strategies to support future service delivery/strategic outcomes. - 'Culture Pillar' has now been removed for Council so is no longer applicable. Alwyndor has a separate Strategic Plan, therefore Council's 'Culture' Pillar is not applicable. - WFP strategies to be determined annually from strategic plan and workforce trends within a highly regulated industry. - Timeline for Corporate Plan to be established - approx Dec 2022 (as per SB 22/7/22) Comments September 2022 Corporate Plan underway - due for completion Dec 2022 - Workforce planning strategy to follow once Corporate Plan established. Comments March 2023 Will be completed to target due date **Comments June 2023** **- work progressing to target due date**
Workforce Planning	Feb-21	WFP03	**2.2 Opportunity to develop a strategic workforce plan that aligns with business objectives:** - Workforce planning activities are primarily conducted at a team level with the Manager assuming key responsibility. The General Manager and People and Culture provide input and support. - All Managers interviewed demonstrated an understanding of their team's operational workforce requirements and strategic challenges and identified further the need for strategic and holistic workforce planning across Council. - Specific workforce planning approaches are informal, operational, and teams based. There is opportunity to document critical workforce knowledge. - Alwyndor's Managers have demonstrated awareness of WFP recommendations arising from the Royal Commission into Aged Care Quality and Safety (the Royal Commission) and a desire to ensure compliance. Alwyndor have commenced preliminary planning for a strategic WFP.9	We recommend that: **Rec: 3** - Complete the planned CHB (not Alwyndor) skills/capability and gap analysis and use this to inform plans to obtain and develop critical skills necessary for delivery of its strategic plan. Example required skills gaps identified may include: - service design capability - data analytics	Low	In Progress	Manager People & Culture	~~30/06/2022~~ 30/06/2023	Comment June 2022; *** This recommendation does not apply to Alwyndor. - Skills/Capability Audit was undertaken for the Leadership Team, however, not completed for the rest of the organisation - Strategic Plan 2050 launched in January 2022. Awaiting development of Corporate Plan to determine workforce planning strategies to support future service delivery and strategic outcomes. - Timeline for Corporate Plan to be established - approx Dec 2022 (as per SB 22/7/22) Comments September 2022 Corporate Plan underway - due for completion Dec 2022 - Skills capability and gap analysis to follow once Corporate Plan established. Comments March 2023 Will be completed to target due date **Comments June 2023** **- work progressing to target due date**
Workforce Planning	Feb-21	WFP06	**2.4 Opportunity to ensure critical knowledge is formally documented:** - Knowledge of key workforce demand/supply gaps is informally held by Managers who are familiar with their operational requirements and market conditions. - Manager turnover may lead to inconsistent approaches to managing these risks and/or missed opportunities to more effectively plan for succession and knowledge documentation/transfer. - There is an opportunity to proactively review demand and supply requirements and associated workforce risks. This will strengthen Council's business continuity and knowledge transfer in the event of a General Manager or Manager leaving Council.	We recommend that: **Rec: 6** - Review whether staff in all positions identified as critical across Council have documented their knowledge/role requirements. Where required and to assist in case of staff turnover/ unexpected leave, ensure that this knowledge is formally documented. NOTE: Management will review the work instructions and procedures for all critical roles, in particular Corporate roles where there is real risk due to lean team structures.	Low	In Progress	Manager People & Culture	~~30/06/2022~~ ~~31/12/2022~~ 30/06/2023	Comments June 2022; Alwyndor Management will review the work instructions and procedures for all critical roles, in particular Corporate roles where there is a real risk due to lean team structures. Business Continuity Planning undertaken for Council, with a high focus during the pandemic. Critical roles have been identified as well as succession planning opportunities. Managers responsible for determine their business processes, as well as ensuring adequate records management processes (ECM introduced in 2020 with appropriate training for all staff) to ensure documentation available for Council. NOTE: Could incorporate reference to critical operational procedures via BCP matrices completed by Managers Feb/Mar 2022. Comments September 2022 Alwyndor/ Strategy & Governance to progress - no action required from Manager P&C perspective. Comments March 2023 Will be progressed/finally reviewed in line with current corporate Manager Finance recruitment. **Comments June 2023** **- work progressing to target due date**

Audit	Date Report Finalised	Ref	Findings	Recommendation	Risk Rating	Status	Action Owner	Target Completion Date	Action Owner Comments
Stakeholder Mgt	Dec-20	SM03	**2.2 Opportunity to improve planning for, conduct and reporting on engagements with the community;** - A review of consultation for four major projects against legislative compliance onbligations identified strong compliance with the Act. - Better practice opportunities were identified to improve the planning, conduct and reporting of engagements. - Attempts to test compliance with lower-level compliance obligations around tree plantings and road closures/access changes identified some lack of awareness of these requirements. In addition, AUdit were unable to obtain a sample to test compliance with these requirements.	**We recommend that:** **Rec: 3** - Review project management templates and workflows to incorporate the following opportunities for improvement: - A requirement that community engagement plans are completed for all engagements. - Community engagement template to: (i) require documentation of all risks (including over-representation by vocal minority) and how they will be managed; (ii) strengthen project documentation to assist in knowledge transfer/status updates in event of staff turnover; and (iii) support multi-stage projects/engagements, including documentation of plans to consult in stages. - Provide reminders/triggers for timely updates to stakeholders where projects are disrupted as a result of events (e.g. global pandemic) that are outside of Council's control. - Consider providing for multi-year projects in the Community Engagement Calendar and aiming to link these with the Annual Business Plan.	Low	In Progress	Manager Communications & Engagement	~~30/06/2021~~ ~~31/12/2022~~ 30/06/2023	Comments June 2022: Action 1: Manager Communications & Engagement - Once an organisational-wide project management plan template has been developed, Project Management templates can be reviewed to ensure community engagement elements are in place - TBC - once CHB have developed an organisational-wide PM template. Still awaiting project management template Action 2: Digital Engagement Partner to review the engagement template - 30 June 2021 - completed Comments September 2022 Project management templates review underway & will rollout to all project managers Comments March 2023 Project management templates review underway & will rollout to all project managers. Outstanding work linked to pending approval of project prioritisation framework. **Comments June 2023** **- project prioritisation framework in place - work progressing to target due date**
Stakeholder Mgt	Dec-20	SM04	**2.3 Opportunities to strengthen stakeholder management approach:** - Whilst the Council has policies and processes to engage wth the community on specific matters and comply with legislation, there is opportunity to develop a strategic stakeholder management framework. - The Council's Community Engagement Framework and Community Consultation and Engagement Policy do not identify how Council will engage with stakeholders from diverse cultures and those with diverse abilities.	**We recommend that:** **Rec: 4** - Develop a stakeholder engagement map, documenting allocated 'ownership' and back up 'ownership' of relationship with stakeholders for all stakeholders across Council, as well as targeted frequency of interaction, and opportunites for two-way communication. This will help to ensure ongoing consistency of messaging, assist with coordinating stakeholder communications, and position Council to respond strategically to emerging opportunites and stakeholder concerns.	Better Practice	In Progress	Manager Communications & Engagement	~~30/09/2021~~ 30/06/2022 & ~~30/06/2022~~ ~~31/12/2022~~ 30/06/2023	Comments June 2022; 'Action 1 - Manager Communications and Engagement to work with the Leadership Team to develop a stakeholder engagement map for key organisational - wide stakeholders. Not completed due to lack of resourcing. To be completed 22/23. Action 2 - Each Project Manager will be responsible for developing and managing a stakeholder management plan as part of thier project management plan. Organisation-wide project management plan templates still to be developed by Strategy and Governance team. However, a stakeholder section has been added to the Communications Plan for project managers to develop as part of their communications and stakeholder management planning for each project. Comments September 2022 Project management templates review underway & will rollout to all project managers Comments March 2023 Outstanding work linked to pending approval of project prioritisation framework **Comments June 2023** **- work progressing to target due date**
Budget Management	Mar-22	BM01	**2.2 Budget Maturity Assessment.** - The maturity of Council's budget management practices is majority 'advanced', however there are continuous improvement opportunities. - Opportunities for Council to strengthen its budget management include providing additional funding certainty for multi-year projects, use of indexation to improve the accuracy of depreciation in non-valuation years, and encouraging greater use of system functionality to file calculations, non-financial information and other documents supporting budget lines.	**We recommend that:** **Rec. 1** - Review the Maturity Model for Budget Management and consider implementation of improvement plans to further strengthen Council's budget management.	Better Practice	In Progress	Manager Finance	30/06/2023	Comment June 2022: To be reviewed once EFOY 2021/22 is completed. Comments September 2022 - Budget Maturity model will be reviewed - once 2021/22 is completed Comments March 2023 - Review on track for due date **Comments June 2023** **- work progressing to target due date**
		BM01.1		**We recommend that:** **Rec. 1.1** - Provide Managers with additional guidance / example calculations re use of non-financial data.	Better Practice	In Progress	Manager Strategy and Governance	~~30/11/2022~~ 30/06/2023	Comments June 2022 '- Exemplars/templates for how to identify and quantify social, environmental and other non-financial costs to be provided as part of the New Initiative Process. Comments September 2022 - Work underway to complete by Due Date 30/11/2022 Comments March 2023 - work still underway, to be completed as part of the Project Prioritisation Framework **Comments June 2023** **- work progressing to target due date**
		BM01.2		**We recommend that:** **Rec. 1.2** - Provide 3-4 year plan data to managers as an input into budget preparation (*once developed – see below*).	Better Practice	In Progress	Manager Strategy and Governance with Manager Finance	~~31/01/2023~~ 31/12/2023	Comments June 2022 '- Provide 4-year forward budget estimates to managers. Comments September 2022 - Work underway to complete by Due Date 31/01/2023 Comments March 2023 - work still underway, linked to the Corporate Plan **Comments June 2023** **- work progressing to target due date**
		BM01.5		**We recommend that:** **Rec. 1.5-** Develop medium term (e.g. 3-4 year) plans linked to the strategic plan, identifying proposed future capital projects / new initiatives and multi-year projects requiring funding.	Better Practice	In Progress	Manager Strategy and Governance	~~31/12/2022~~ 31/12/2023	Comments June 2022 '- Develop a rolling 4-year Corporate Plan and associated planning process for implementation, commencing with the new Council. Process should consider the State budget forecasting model, scaled to CHB. Comments September 2022 - Work underway to complete by Due Date 31/12/2022 Comments March 2023 - work still underway, linked to Corporate Planning **Comments June 2023** **- work progressing to target due date**
		BM01.6		**We recommend that;** **Rec 1.6** - Continue to develop the new initiatives prioritisation framework to: • provide greater assurance of funding for multi-year projects • provide guidance for decision criteria specific to in-flight initiatives • provide guidance for consideration of 'opportunistic' projects linked to State / Federal funding • clarify the timing of the prioritisation decision (e.g. for new initiatives at commencement of the idea vs concept stage). Seek endorsement of the framework from Elected Members.	Better Practice	In Progress	Manager Strategy and Governance	~~31/12/2022~~ 30/06/2023	Comments June 2022 '- Develop a prioritisation framework that:- provides principles by which projects are objectively assessed for value and priority, including but not limited to considerations such as: (i) alignment to the strategic plan and relevant strategies (ii) value to the community - quantitative and qualitative (iii) return on investment - quantitative and qualitative (iv) relative benefits to other scheduled investments (v) impacts on other scheduled investments (vi) organisational capacity to deliver (vii) opportunity costs; - appropriately addresses planning for multi-year commitments - provides criteria against which opportunist/ unplanned projects may be considered and assessed - considers the scheduling of investments across medium and long term time horizons - includes a process by which Audit Committee oversees or periodically reviews the application of the Framework. Comments September 2022 - Work underway to complete by revised Due Date 31/12/2022 Comments March 2023 - linked to Project Prioritisation work **Comments June 2023** **- work progressing to target due date**
		BM01.7		**We recommend that;** **Rec 1.7** - Investigate options for software to replace the existing Corporate Performance Management (CPM) system.	Better Practice	In Progress	Manager Strategy and Governance with Manager Innovation & Technology	~~30/06/2022~~ 31/12/2023	Comments June 2022 '- Investigate software options to replace the existing CPM module, in order to support the development of the Corporate Planning program and improve corporate and management reporting. Comments September 2022 - 07/07/2022 - IT-GSC approved prioritisation/scheduling Corp.Planning & Reporting - to start in Sept.2022 - 15/09/2022 - IT-GSC approved contractor for Corp.Planning & Reporting (Lack of resources delayed.) - Current start 30/11/2022 and completion 31/12/2022. Comments March 2023 - linked to the Biz Regs. **Comments June 2023** **- work progressing to target due date**

Audit	Date Report Finalised	Ref	Findings	Recommendation	Risk Rating	Status	Action Owner	Target Completion Date	Action Owner Comments
	Apr-22	CS02.03	2.1 A need to define required technology and security capabilities	We recommend that; Rec 3: Develop a process to ensure that all recommendations from reviews/audits in relation to information security capabilities are tracked and monitored. Note: the majority of these reviews are conducted *independent of the internal audit program* .	High	In Progress	Manager Innovation and Technology	~~31/12/2022~~ 30/09/2023	Comments September 2022 Work commenced and will then reviewed regularly in line with LGITSA Framework. Regular reporting to align with Comments March 2023 - LGITSA framework review in place, however remaining IT actions within this spreadsheet will be actively monitored by Risk Officer until completed. **Comments June 2023** **- work progressing to target due date**
		CS02.04	2.2 Lack of approved IT/Security policy framework	We recommend that; Rec 4: Develop an IT/Security Policy Framework that is tailored to Council's needs. This can include, for example, policies in relation to: - information security / mobile devices and teleworking / acceptable use of assets / human resource screening / asset management / information classification / supplier management / media handling (e.g. use of portable media) / access control. (Note: CHB rated High - Alwyndor rated Medium)	High	In Progress	Manager Innovation and Technology	~~31/12/2022~~ ~~14/02/2023~~ 31/12/2023	Comments March 2023 - Council Information Security policy endorsed as of 14/02/2023 alongside (i) Council Mobile Device Policy (ii) Council Acceptable Use Policy (iii) Organisational IT Asset Management Policy and (iv) Council Social Media Policy - The flow-on objective is to develop a Security Strategy based on the LGITSA and industry best practice security frameworks for CHB, encompassing Council and Alwyndor. - The strategy will provide a suite of documents, toolkits, templates and processes to guide CHB in implementing a framework based on our risk appetite, size, available resources and maturity level. - Developing a realistic implementation plan and effective security risk management requires implementing and ongoing management of a program of works endorsed by the Senior Leadership Team, Council Leadership Team and Alwyndor Executive Team, ensuring an ongoing commitment and approach towards managing security risk sustainably and pragmatically. The security program should/will aim to consider and document the following: • The security objectives of CHB and how these support the broader strategic objectives • The scope, boundaries and exclusions of the security program • The program requirements and success criteria • The security governance model and critical responsibilities and functions **Comments June 2023** **- engaged CyberCX to develop and implement a cyber security framework, the intent of which is to provide clear guidance for implementing strong cyber security practices. To be completed by Mid Sept 2023. Additionally, the engagement is to identify major cyber security control and process gaps and develop a security strategy to address these gaps in a structured and consistent manner.**
		CS02.05	2.3 Lack of technology/ information risk assessment	We recommend that; Rec 5: Conduct regular risk assessments within IT/information security functions. These should occur at least annually and when there is a significant change to the environment, for example with change of key suppliers.	Medium	In Progress	Manager Innovation and Technology	~~31/12/2022~~ 31/12/2023	- Information Security Risk Management Procedure submitted for final approval as at 4 March 2022. This includes an Annual Risk and Control Self Assessment (RCSA), and lists triggers for evaluation. Monitoring of risk response measures are intended to occur annually. - An IT risk assessment was conducted in September 2021. This is a positive start, however Audit note that the document is in draft and some elements in the assessment were not completed, including identification of treatment recommendations for the last three identified risks (one rated as catastrophic). Details around ownership/due dates of recommendations are also not completed within the document. - Strategic Risk around IT has been updated (2022). This is a high-level risk review around IT supporting service delivery and would not replace ongoing detailed IT risk assessments.(See section 2.2 in report) Comments September 2022 Work commenced and will then be reviewed regularly in line with LGITSA Framework. Comments March 2023 Risk assessments are linked to the work outlined above in Recommendation: 2.2 **Comments June 2023** **- engaged CyberCX to develop and implement a cyber security framework, the intent of which is to provide clear guidance for implementing strong cyber security practices. To be completed by Mid Sept 2023. Additionally, the engagement is to identify major cyber security control and process gaps and develop a security strategy to address these gaps in a structured and consistent manner.**
		CS02.06	2.4 Lack of escalation for security incidents within supplier relationships	We recommend that; Rec 6: Council to formalise its supplier relationship management. This can include: (i) developing principles to assess supplier risk prior to engagement (ii) defining escalation points for cases when security incidents occur (iii) developing expectations that suppliers agree to abide by relevant Council policies. In addition, CHB can work to formalise the arrangement in place with its existing technology provider (or re-approaching the market if appropriate and then formalising with the successful provider).	Medium	In Progress	Manager Innovation and Technology	~~31/12/2022~~ 31/03/2023	Comments September 2022 Work commenced and will then reviewed regularly in line with LGITSA Framework. Comments March 2023 Review of supplier relationship management underway. **Comments June 2023** **- engaged CyberCX to develop and implement a cyber security framework, the intent of which is to provide clear guidance for implementing strong cyber security practices. To be completed by Mid Sept 2023. Additionally, the engagement is to identify major cyber security control and process gaps and develop a security strategy to address these gaps in a structured and consistent manner.**
		CS02.11	2.6 Lack of information asset identification and classification	We recommend that; Rec 11: Develop an Information Identification and Classification process, and use this to classify and protect Council's data on a risk basis. For example, critical information can be subject to more rigorous protection than lower-value information.	High	In Progress	Manager Innovation and Technology	~~31/12/2022~~ ~~31/03/2023~~ 31/07/2023	Comments September 2022 Work commenced. Comments March 2023 As previously reported the Information Management Change Program has commenced. The objective is to improve access to information for all staff and the information and record-keeping environment at Council by: • enabling an agreed platform for improved collaboration of unofficial/active information • assessing, implementing and administering business information access and security across all storage repositories • implementing a definitive Business classification scheme and document naming standards • establishing responsibilities of business owners and ECM Champions • developing standards and procedures • awareness and education • regular information audits and performing internal usage audits • maintaining business information repositories • monitoring and controlling business information, including disposal schedule retention on electronic documents **Comments June 2023** **Phase 1 (Council only) expected to be completed by end of July 2023.**
Planning Review	Apr-22	PR09	2.5 Customer feedback and complaints monitoring. - Lack of clarity around monitoring and tracking of customer feedback and complaints - Development in progress and building sites were the key subjects of customer complaints in sample - Customer feedback – complaints demonstrated lack of awareness of planning reforms, in particular notification requirements	We recommedn that: Rec 9: Review and document CHB's complaint handling processes so that all staff are aware of and comply with the new planning system's complaint handling procedures. For example, document how complaints against the Assessment Manager which are lodged with the Chief Executive Officer will be investigated.	Medium	In Progress	Manager Development Services	~~30/06/2022~~ ~~31/12/2022~~ 30/06/2023	Comments September 2022 Awaiting implementation of Request Management System (RMS). Manager Development Services and Team Leader Development Administration are active on the reference group that will inform the RMS, with its implementation imminent. Comments March 2023 RMS has progressed, however awaiting final review phase as currently only with Elected Members - extend due date to June 2023. Comments May 2023 RMS training being rollout across Council following 'go live' date of 15/05/2023 - should be operating fully by end of June 2023. **Comments June 2023** **- work progressing to target due date**
		PR10		We recommend that; Rec 10: CHB to determine whether monitoring of trends of community feedback/complaints around planning would assist management and, if so, develop robust feedback and complaint capture and reporting frameworks. This may include: - capture of the details of phone call complaints - clarity around the expected location of customer complaints and feedback data and naming conventions around this information.	Medium	In Progress	Manager Development Services	~~30/06/2022~~ 30/06/2023	Comments September 2022 Awaiting implementation of Request Management System. Interim approach sees complaints captured through ECM and distributed and resolved accordingly. Comments March 2023 RMS has progressed, however awaiting final review phase as currently only with Elected Members - extend due date to June 2023. **Comments June 2023** **RMS training being rollout across Council following 'go live' date of 15/05/2023 - should be operating fully by end of June 2023.**
Transport Asset Management	May-22	AM01	2.1 Forward-planning processes and use of asset management information in strategic decision making - There is a clear link between long term financial forecasts included in the AMPs and the budget, annual business plan and long term financial plan (LTFP). - A key gap in the asset management framework for CHB is the absence of an Asset Management Strategy. - CHB has recently had a comprehensive condition assessment undertaken on road assets, which identified average conditions as lower than assumed in the current AMP, indicating a need to increase spending on renewals and maintenance. - There is a focus on increasing the level of proactive maintenance of assets. - Service levels are generally defined quite well, though there are improvement opportunities in	We recommend that; Rec 01: - Develop, and have endorsed by Elected Members, an overarching Asset Management Strategy to provide guidance for asset management principles and prioritisation of asset management improvement strategies across all asset classes in line with the strategy.	High	In Progress	GM Assets & Delivery	30/06/2023	Comments June 2022 Progress in line with audit report Comments September 2022 Will be progressed in line with Target Completion Dates Comments March 2023 Will be progressed in line with Target Completion Dates **Comments June 2023** **- work progressing to target due date**

Audit	Date Report Finalised	Ref	Findings	Recommendation	Risk Rating	Status	Action Owner	Target Completion Date	Action Owner Comments
		AM04	- Set has levels are generally defined quite well, though there are improvement opportunities in the ongoing measurement and tracking of service levels.	**We recommend that;** **Rec 4:** Asset replacement cost estimates within the AMPs are costed on the basis of the most likely actual replacement design (which may constitute an upgrade), rather than an assumption of like-for-like. **Note:** costings within the AMP for future planning purposes do not impact on asset revaluations or depreciation calculations for financial reporting purposes. These calculations continue to be based on modern equivalent, like-for-like replacement to ensure that depreciation expense captures the current value of consumption of existing services, not	**High**	**In Progress**	GM Assets & Delivery	31/07/2023	Comments June 2022 Progress in line with audit report Comments September 2022 Will be progressed in line with Target Completion Dates Comments March 2023 Will be progressed in line with Target Completion Dates **Comments June 2023** - **work progressing to target due date**
		AM05	**2.2 Methodology and mechanisms in place for managing key asset details.** - There are appropriate methodologies and mechanisms in place for determining useful life estimates, valuations, condition inspections, depreciation rates and management of significant assets. - There is an opportunity to consider the merits of a 1 July valuation date for financial reporting purposes to reduce workload pressures during the end of year process.	**We recommend that:** **Rec 5:** Consider revising the 'as at' date of future revaluations from 30 June to 1 July.	**Better Practice**	**In Progress**	GM Assets & Delivery	30/06/2023	Comments June 2022 Progress in line with audit report Comments September 2022 Will be progressed in line with Target Completion Dates Comments March 2023 Will be progressed in line with Target Completion Dates **Comments June 2023** - **work progressing to target due date**
2021/22 **EOFY** **Financial Controls** **CHB Council**	**May-22**	FC03	**Detailed Findings: 3. REV-USE-0002:** Fees and Charges register is maintained and made available to the public.	**Rec.Treatment Plan 3:** Undertake a stocktake of all fees and charges published online to identify any duplications, and establish protocols on how fees and charges information online will be maintained.	**Better Practice**	**In Progress**	Manager Communications & Engagement	30/06/2023	Comments June 2022 Leadership team personnel will review in conjunction with Communications & Engagement team to ensure all documents are current. Comments March 2023 Will be completed within target dates **Comments June 2023** - **work progressing to target due date**
2021/22 **EOFY** **Financial Controls** **Alwyndor**	**May-22**	FC01	**Detailed Findings: 1 ASS-DEB-0013** The organisation maintains a Debt Collection Policy and/or procedure.	**Rec.Treatment Plan 1:** Debt Collection Policy to be created.	**Better Practice**	**In Progress**	Manager Finance Alwyndor	~~1/11/2022~~ 31/12/2023	Comments September 2022 - Alwyndor does not have a policy or formal documented procedure for Debt Collection. - Outstanding debtors are checked regularly and any aged debtors are followed up. - Risk level considered low, the majority of billing is collected via direct debit. - rarely a need for debt collection procedures. - If debt collection is needed the procedure is determined on a case-by-case basis. Comments March 2023 - Due to low level of risk related to this actions and current workloads of Finance Team, it's agreed to reschedule this until Dec 2023. **Comments June 2023** - **work progressing to target due date**
		FC02	**Detailed Findings: 2 ASS-FIX-0003** Asset Management Plans are prepared and renewal expenditure and programmed maintenance required is reviewed periodically to reflect changing priorities, additional asset data and other relevant factors.	**Rec.Treatment Plan 2:** Complete Asset Management Plan	**Better Practice**	**In Progress**	Manager Finance Alwyndor	~~31/03/2023~~ 30/06/2023	Comments September 2022 - The development of the Asset Management Plan delayed due to resources - planned for 2022/23. - Scheduled maintenance systems in place to maintain/monitor assets against priorities. - Any damage is logged. - Management of assets is undertaken by a register. Comments March 2023 - Asset Management review commenced, review completion date to 30/06/23 **Comments June 2023** - **work progressing to target due date**
		FC03	**Detailed Findings: 3 ASS-FIX-0013** Relevant staff review useful lives, residuals, valuations, depreciation methodology and test for impairment as required by Accounting Standards and legislation to ensure that methods used are still appropriate and significant changes are incorporated into Asset Management Plans.	**Rec.Treatment Plan 3:** Fixed Assets, asset accounting policy to be reviewed	**Better Practice**	**In Progress**	Manager Finance Alwyndor	~~31/03/2023~~ 30/06/2023	Comments September 2022 Ref: 3 - Assets regularly maintained/serviced to a maintenance schedule. - The Financial Accountant provides assessment for new assets, reviewed by Finance Manager. - Finance Manager prepares high level review of useful lives/depreciation methodology every two years. - Independent valuations performed every 5 years. - Asset Management Plan to include review of communication between Finance & Maintenance, - To ensure assets effectively monitored and disposals are appropriately documented. Comments March 2023 - To be included in the Asset Management review which has now commenced, review completion date to 30/06/23 **Comments June 2023** - **work progressing to target due date**
		FC04	**Detailed Findings: 4 ASS-FIX-0014** There is a process in place for the verification of fixed assets which is reconciled to the FAR.	**Rec.Treatment Plan 4:** Fixed Assets, asset accounting policy to be reviewed	**Better Practice**	**In Progress**	Manager Finance Alwyndor	~~31/03/2023~~ 30/06/2023	Comments September 2022 Ref: 4 - Several methods of verification are in place. - Independent valuations every 5 years. - All capital acquisitions signed off to ensure asset received, and being treated as capital, - Entered into asset schedule with end of month checks ensure asset additions are accurate. - Most assets require regular (at least annual) maintenance recorded in maintenance schedule. - Acts as form of stocktake, assets in maintenance schedule have been reconciled against asset register. - Looking to consolidate the asset ID used in Finance with the asset ID used by Maintenance team. - This will ease monitoring however majority of the control is considered effective Comments March 2023 - To be included in the Asset Management review which has now commenced, review completion date to 30/06/23 **Comments June 2023** - **work progressing to target due date**

Attachment C - Internal Audit Not Yet Implemented Recommendations

Audit	Date Report Finalised	Ref	Findings	Recommendation	Risk Rating	Status	Action Owner	Target Completion Date	Action Owner Comments
Transport Asset Management	May-22	AM02	**2.1 Forward-planning processes and use of asset management information in strategic decision making** - There is a clear link between long term financial forecasts included in the AMPs and the budget, annual business plan and long term financial plan (LTFP). - A key gap in the asset management framework for CHB is the absence of an Asset Management Strategy. - CHB has recently had a comprehensive condition assessment undertaken of road assets, which identified average conditions as lower than assumed in the current AMP, indicating a need to increase spending on renewals and maintenance. - There is a focus on increasing the level of proactive maintenance of assets. - Service levels are generally defined quite well, though there are improvement opportunities in the ongoing measurement and tracking of service levels.	We recommend that: **Rec 02:** - Review and reconfirm / refine the KPIs in the AMPs to ensure they are measurable and provide useful insights to support decision making. Measure and monitor all selected KPIs, implementing any necessary data collection mechanisms (such as additional questions in the 'Quality of Life Community Survey').	High	Not Yet Implemented	GM Assets & Delivery	30/11/2024	Comments June 2022 Progress in line with audit report Comments September 2022 Will be progressed in line with Target Completion Dates Comments March 2023 Will be progressed in line with Target Completion Dates **Comments June 2023** **- work progressing to target due date**
		AM03		We recommend that; **Rec: 03** - A review timetable is introduced for all AMPs, scheduling: - annual updates to the 10-year replacement schedule, associated costings and financial summary based on current asset management data - annual updates to the tables within the Risk and Improvement Plan Appendices (including status of treatment plans) - 4-yearly comprehensive AMP updates within 2 years of each general election. **Note:** it may not be necessary to annually update all AMPs – the transport AMP is highly material and therefore the most beneficial to update. Updates for other asset classes should be considered on the basis of materiality / effort vs benefit.	High	Not Yet Implemented	GM Assets & Delivery	30/11/2024	Comments June 2022 Progress in line with audit report Comments September 2022 Will be progressed in line with Target Completion Dates Comments March 2023 Will be progressed in line with Target Completion Dates **Comments June 2023** **- work progressing to target due date**
		AM06	**2.3 Governance and risk management frameworks.** - The majority of effectiveness criteria per the IIMM standards have been met. - There is a need to develop an Asset Management Strategy to provide greater cohesiveness of asset management across asset classes, and improve transparency over the prioritisation of strategies for continuous improvement of asset management maturity at an organisational level. - Asset management risks captured within the AMPs would benefit from annual updates to implementation status of treatment plans.	We recommend that; **Rec 6:** Develop a costed delivery plan for asset management improvement initiatives identified within the Asset Management Plans. **Note:** the prioritisation of initiatives should be guided by the principals of the Asset Management Strategy.	High	Not Yet Implemented	GM Assets & Delivery	30/06/2024	Comments June 2022 Progress in line with Target Completion Dates Comments September 2022 Will be progressed in line with Target Completion Dates Comments March 2023 Will be progressed in line with Target Completion Dates **Comments June 2023** **- work progressing to target due date**
		AM07		We recommend that; **Rec 7:** Implement a 4-yearly Asset Management Maturity Self-Assessment process.	Better Practice	Not Yet Implemented	GM Assets & Delivery	30/06/2024	Comments June 2022 Progress in line with Target Completion Dates Comments September 2022 Will be progressed in line with Target Completion Dates Comments March 2023 Will be progressed in line with Target Completion Dates **Comments June 2023** **- work progressing to target due date**
		AM08	**2.4 Asset Management Systems.** - Asset management systems used are fit for purpose. - Opportunities exist to work towards use of advanced system functionality, including thematic GIS mapping and scenario / predictive modelling to guide future decision making.	We recommend that; **Rec 8:** Investigate the use of thematic GIS mapping to support decision making **Note:** This is considered a longer-term improvement opportunity, with priority to be considered in the context of other asset management improvement initiatives determined via recommendations 1 and 7.	Better Practice	Not Yet Implemented	GM Assets & Delivery	30/06/2024	Comments June 2022 Progress in line with Target Completion Dates Comments September 2022 Will be progressed in line with Target Completion Dates Comments March 2023 Will be progressed in line with Target Completion Dates **Comments June 2023** **- work progressing to target due date**
		AM09		We recommend that; **Rec 9:** Pursue the use of Predictive / Scenario modelling to support long term strategic asset management decisions. **Note:** This is considered a longer--term improvement opportunity, with priority to be considered in the context of other asset management improvement initiatives determined via recommendations 1 and 7.	Better Practice	Not Yet Implemented	GM Assets & Delivery	30/11/2024	Comments June 2022 Progress in line with Target Completion Dates Comments September 2022 Will be progressed in line with Target Completion Dates Comments March 2023 Will be progressed in line with Target Completion Dates **Comments June 2023** **- work progressing to target due date**
2022/23 Flood Mitigation	Feb-23	FM01	**2.1 Detailed Findings** A framework to manage flooding is in place, there's opportunity to review Stormwater Management Plan	We recommend that: **Rec. 1:** - After updated flood modelling/risk data is received from the State Government, review the Stormwater Management Plan. This can include updated action items/projects for achievement, based on the latest modelling data. Note – this recommendation will be dependent on agreement with the City of Marion and the Stormwater Management Authority.	Low	Not Yet Implemented	Manager Engineering	30/06/2026	**Comments June 2023** **- work not yet commenced**
		FM02	**2.2 Detailed Findings** A need to stocktake progress in implementing SMP actions	We recommend that: **Rec.2:** - Conduct a stocktake of progress in implementing projects identified in the Stormwater Management Plan Coastal Catchments between Glenelg and Marino 2014 (SMP) and identify whether: - (i) sufficient action taken against these compared to associated risk. - (ii) whether sufficient financial resources associated to achieve CHB's expected progress in delivering the projects. - (iii) an action plan to ensure more timely progress is required, or - (iv) each project (considering updated flood risk modelling) is still required/considered a risk area. Report results to the Senior Leadership Team.	Medium	Not Yet Implemented	Manager Engineering	31/12/2023	**Comments June 2023** **- work not yet commenced**
		FM03	**2.3 Detailed Findings** Further encouraging rainwater tank installation/stormwater compliance measures	We recommend that: **Re. 3:** - Develop a strategy to ensure existing and new rainwater and stormwater detention facilities are installed and maintained correctly. This is in line with the Planning, Development and Infrastructure (2016) Act's requirements (as applicable), and CHB's Stormwater Drainage Building and Construction Policy (2020). This may include but is not limited to: (i) - researching/understanding the extent of non-compliance with detention tank installation and risks of non-compliance on stormwater flooding (ii) - confirming that tanks that meet criteria set out in the Code are installed. (iii) - requiring builders to advise owners of their responsibility to install tanks (where applicable). (iv) - offering further incentives associated with tank installation on existing properties (v) - use of education on the importance of installing tanks. (vi) - regular inspection of tank installation and detention installation. (vii) - use of an enforcement/penalty-based approach when tanks / detention are not installed as per approved plans.	Low	Not Yet Implemented	Manager Engineering/ Manager Development Services	30/06/2024	**Comments June 2023** **- work not yet commenced - to be completed in time to inform the FY26/27 budget**

Audit	Date Report Finalised	Ref	Findings	Recommendation	Risk Rating	Status	Action Owner	Target Completion Date	Action Owner Comments
		FM04	**2.4 Detailed Findings** Coastal 'inundation' management is long term, some need to clarify asset ownership	We recommend that: **Rec.4:** -Pending confirmation of whether ownership of seawalls rests with CHB or the SA Government, review whether: (i) - seawall assets should be included in the Asset Management Plan. (ii) - ongoing monitoring and maintenance of seawall infrastructure is captured adequately in CHB's asset management system.	Low	Not Yet Implemented	Manager Engineering	30/06/2024	<u>Comments June 2023</u> - work not yet commenced - as part of the AMP update
		FM05	**2.5 Detailed findings** Opportunity for proactive condition assessments and oversight of third parties	We recommend that: **Rec.5:** - Identify the stormwater drains/assets identified as being at higher risk of failure and use this to prioritise proactive condition assessment of these assets. Captured information can then be used to inform proactive maintenance of stormwater infrastructure going forward.	Medium	Not Yet Implemented	Manager Engineering	30/06/2024	<u>Comments June 2023</u> - work not yet commenced subject to budget
				We recommend that: **Rec. 6**: - Develop an approach, for example via two-way liaison, to obtain assurance that Minda's current management of stormwater is effective. *Note: the intent of this recommendation is for CHB to have assurance that it will not be unexpectedly impacted by a failure in stormwater asset controls at Minda. Minda may also benefit from two-way discussion with CHB on this matter. If CHB attempt to open liaison and Minda is not forthcoming in engaging, then this recommendation will be considered closed.*		Not Yet Implemented	Manager Engineering/ Manager Development Services	30/06/2024	<u>Comments June 2023</u> - work not yet commenced
		FM06	**2.6 Detailed Findings** Operational maintenance of infrastructure occurs, some minor improvements identified	We recommend that: **Rec.7:** - Define the maintenance requirements for CHB's Water Sensitive Urban Design (WSUD) assets and plan an approach to ensure these are maintained in line with industry standards.	Low	Not Yet Implemented	Manager Field Services	30/06/2024	<u>Comments June 2023</u> - work not yet commenced - for implementation in FY 2024/25 budget
				We recommend that: **Rec. 8:** Review the Yarrum Grove maintenance schedule and ensure that Field Services have oversight of these requirements.		Not Yet Implemented	Manager Engineering	30/06/2024	<u>Comments June 2023</u> - work not yet commenced - connect to the BMS and provide alarms/training for field staff
				We recommend that: **Rec. 9:** - Work to increase clarity around cost management of Gross Pollutant Traps, in particular: (i) - ensure that ongoing maintenance costs are included as part of forward planning for new GPTs, and (ii) - work to clarify cost recovery arrangements for GPT cleaning with the City of Marion.		Not Yet Implemented	Manager Field Services	30/06/2024	<u>Comments June 2023</u> - work not yet commenced - noted as 'ongoing' - need to calrify

Item No: 8.4

Subject: **INFORMATION TECHNOLOGY POLICIES**

Date: 7 June 2023

Written By: Manager Strategy and Governance

General Manager: Strategy and Corporate, Ms P Jackson

SUMMARY

Following recommendations from an Internal Audit relating to Cyber Security, a number of information technology policies were developed. Due to an oversight, the policies were provided to Council for endorsement without first being referred to the Audit and Risk Committee for consideration.

On 14 February 2023, Council endorsed:

1.   Council Acceptable Use Policy
2.   Council Information Security Policy
3.   Council Mobile Device Policy
4.   Council Social Media Policy

The policies apply to both Council and Alwyndor and relate to the acceptable use of technologies, and information security. As they also apply to Elected Members, they were required to be adopted by Council.

RECOMMENDATION

That the Audit and Risk Committee notes the information technology policies adopted by Council on 14 February 2023.

STRATEGIC PLAN

In *Holdfast 2050+*, the innovation focus area includes aspirations to create conditions for early adoption and experimentation with beneficial technologies and using digital tools to create transparency and enable direct participation. These policies provide a framework for making wise use of available technologies.

COUNCIL POLICY

Elected Member Code of Conduct
Employee Code of Conduct
Fair Treatment Procedures
Managing Misconduct and Disciplinary Procedures
Workplace Relations Policy
Quality Working Culture Policy

STATUTORY PROVISIONS

Local Government Act 1999
State Records Act 1997

BACKGROUND

An Internal Audit relating to Cyber Security was undertaken in 2020, with a follow up report in 2022. Those internal audits recommended the review and/or development of a number of information technology policies and procedures.

A range of policies and procedures were drafted and/or adopted in response to the recommendations. Where a policy applies to Elected Members, it must be adopted by Council.

REPORT

A suite of new policies was developed relating to the use of technologies and information security. Due to an oversight, these were not first provided for the Audit and Risk Committee's consideration but were referred directly to Council for endorsement. They are now provided to the Audit and Risk Committee for noting.

This oversight has provided an opportunity to further improve the policy development and approval process, which is currently being finalised via the draft Strategy and Policy Framework. The Framework has just completed a second round of internal consultation with the Leadership Team and will be presented to the Audit and Risk Committee's next meeting.

Parallel to this, the Strategy and Governance team are currently evaluating how best to support policy owners in promulgating and implementing policies.

Council Acceptable Use Policy

The purpose is to define the parameters of acceptable use in relation to Council's information technology infrastructure and resources.

It applies to the use of any Council information technology infrastructure and resources by all Elected Members, staff (including work experience placements and trainees), volunteers, consultants and contractors across Council, including Alwyndor.

For personal devices used to access Council information, this policy also applies to the extent of Council-related business.

Refer Attachment 1

Council Information Security Policy

This policy describes the security requirements that Council must meet in order to meet its obligations and to manage the confidentiality, integrity, availability and privacy of both Council and external client-owned data and information.

This policy applies to all information that is generated, received, stored, printed, filmed, or keyed and to the information technology applications and systems that create, use, manage and store information and data.

Refer Attachment 2

Council Mobile Device Policy

This policy applies to the use of any Council information technology infrastructure and resources by all Elected Members, staff (including work experience placements and trainees), volunteers, and consultants and contractors across Council, including Alwyndor.

This policy applies to Council-issued devices and where personal devices are used to access Council information or infrastructure, this policy applies to the extent of Council-related business.

Refer Attachment 3

Council Social Media Policy

This policy relates to social media use and to encourage employees to be mindful of both their own and Council's reputation when using social media.

This policy defines Council's commitment to the use of social media and to creating a positive social media presence for Council. It also provides guidance regarding the use of social media for private versus professional use.

Refer Attachment 4

BUDGET

Not applicable

LIFE CYCLE COSTS

Not applicable

Attachment 1

ECM DSID:	4422661
First Issued / Approved:	14 February 2023
Last Reviewed:	
	C140223/7338
Next Review:	14 February 2026
Responsible Officer:	**Manager, Information and Technology**
Date Placed on Webpage/ Intranet:	20 February 2023

1. PREAMBLE

1.1 Background

IT equipment and resources can enable work to be done more efficiently and effectively, however, users need to be mindful of security and similar considerations.

This policy is written to be consistent with the Information Security Management Standards ISO/IEC 27001:2015 and ISO/IEC 27002:2015.

1.2 Purpose

The purpose of this policy is to define the parameters of acceptable use in relation to Council's IT infrastructure and resources.

1.3 Scope

This policy applies to the use of any Council IT infrastructure and resources by all Elected Members, staff (including work experience placements and trainees), volunteers, and consultants and contractors across Council, including Alwyndor.

Where personal devices are used to access Council information, this policy will apply to the extent of Council-related business.

1.4 Definitions

Approved Council channels and tools means Council approved or Council issued IT infrastructure and resources.

Classification means identification of information and data as Public, Restricted or Confidential.

IT infrastructure and resources refers to computing, collaboration and communications equipment and systems, examples of which include telephones, facsimiles, mobile telephones, computers, tablets, printers, photocopiers, email, internet access, software, applications, networks, web services, cloud services, remote services and similar resources.

Users refers to people using IT infrastructure and resources covered by this policy, namely Elected Members, staff, volunteers, consultants and contractors.

1.5 Strategic Reference

The innovation focus area includes aspirations of creating conditions for early adoption and experimentation with beneficial technologies, and using digital tools to create transparency and enable direct participation.

2. PRINCIPLES

2.1 Council embraces the value that IT infrastructure and resources can add to the workplace and will provide all relevant users with appropriate tools to undertake their work effectively.

2.2 Users are expected to use all IT infrastructure and resources responsibly, with reasonable standards of professional courtesy, ethical conduct, cyber security and information privacy, following Council's values, all relevant laws and policies.

2.3 Council's information, systems and devices are to be used primarily for business purposes to further the interests of the community and the organisation. Nevertheless, users may use IT infrastructure and resources for incidental, limited personal use. This does not include for the purposes of carrying out private business/commercial activities (whether or not approved by the Chief Executive). Where personal use is deemed excessive, users may be requested to reimburse costs incurred.

2.4 Only approved Council channels and tools can be used. Where a user wishes to use IT infrastructure or resources that are not supplied by Council, permission must be sought via an IT request. This includes the use of personal devices for receiving/sending Council emails or other examples of Council information storage on personal devices.

2.5 Acceptable Use of Information

2.5.1 In addition to general responsibilities, when using Council information, users must:

- only use Council information for the purposes of Council business, in accordance with the classification of the information
- ensure appropriate classification of data
- use channels and tools appropriate to the classification
- exchange and store information only through approved Council channels and tools
- not disclose any information on the internet that is not classified as public
- notify IT of any suspected or known losses, thefts or breaches relating to information and data
- consider intellectual property rights and copyright when using information (including images) not created or owned by Council.

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2.6   Acceptable Use of Systems

2.6.1   In addition to general responsibilities, when using Council systems, users must:

- keep their usernames and passwords confidential and not written down or saved anywhere in plain text
- log out or lock systems when not in use or unattended
- report suspected system breaches, including stolen or compromised passwords, and authorised system access
- requesting system access for new users and decommissioning of access for departing users is the responsibility of the relevant manager.

2.6.2   Users must not perform any activity that adversely affects the confidentiality, integrity or available of Council's information systems, networks and devices.

2.7   Acceptable Use of Devices

2.7.1   In addition to general responsibilities, when using Council issued devices, users must:

- store equipment in a safe environment
- inform IT if any malfunction or damage occurs
- immediately inform IT and their supervisor/ manager if a device is stolen or lost.

2.8   Acceptable Use of Messaging tools (Email, Teams, Sharepoint etc.)

2.8.1   Messaging tools are provided to Council employees for obtaining, sending and storing of information. Users of Council's messaging systems must ensure that all material made available, in any form whatsoever, appropriately represents Council. This includes but is not limited to:

- all users must use the messaging applications with respect and courtesy for others and in a responsible and professional manner and in accordance with the organisational values
- messaging tools are provided for work-related activities and the use of these for private use must be minimal
- work emails must not be forwarded to personal email addresses
- non-work related email addresses and telephone numbers must not be included in work related correspondence (with the exception of personal mobile phone numbers if approved for official use).
- users must ensure that any communication messages containing personal opinions on any subject are not sent to groups. Unsolicited messages containing personal opinions may have the potential to be misconstrued and can potentially offend
- all communications sent or received from Council's systems remain the property of Council

- consideration should be given to the appropriateness of email where other Council systems are better placed, particularly if communicating with large numbers of recipients or attachments are included.

2.8.2   Users are responsible for registering Council emails in the records management system for future reference.

2.9   Acceptable Use of the Internet

2.9.1   In addition to general responsibilities, when using Council systems, users must:

- take all reasonable care when downloading, accessing or executing files on or from internet services
- never disclose any usernames or passwords associated with Council on the internet. If accessing a site that requires a username and password, create a separate username and password that is completely different to your Council username and password
- carefully consider the type and nature of information requested when completing on-line application forms to ensure Council's information and network security are not compromised.

2.10   Other Security Considerations

2.10.1   Users must take reasonable care when downloading, accessing or opening files on or from internet destinations. This includes due care in completing on-line application forms. If in doubt about the security of a website, users should consult with IT.

2.10.2   Release of Council information into the public realm must be considered in the context of the Information Security Policy and the Social Media Policy.

2.10.3   Council may choose to block access to some sites, as well as record internet usage and sites visited. Access to these log files will be restricted to persons designated to perform relevant reporting and/or security controls.

2.10.4   Notwithstanding that emails may contain Council information, confidential information or material in which third parties own or claim copyright, Council may access, review, monitor, and disclose the contents of all messages created, sent or received using Council infrastructure (whether solely or in part) for the purpose of monitoring compliance with this policy or compliance with any terms and conditions of employment or engagement.

2.10.5   All reasonable care is taken to protect user privacy. However, the content of personal electronic communications, documents and data may be inspected with the authorisation of a General Manager where a valid business reason exists.

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2.11   Unacceptable Use

        2.11.1   Acceptable use expressly excludes use that is contrary to policy or legislation, excessive downloading and access to, and/or distribution/sharing of:

- sexually explicit material
- hate speech or offensive material
- material regarding violence, criminal and/or illegal activities
- material that aims to defame, discriminate or harass
- political lobbying
- operating a business
- peer to peer file sharing services
- sites or tools designed to scan for or exploit IT vulnerabilities
- material that violates copyright, trade secret, patent or other intellectual property rights
- material that infringes on the privacy of others
- material that may bring Council into disrepute.

3.   REFERENCES

3.1   Legislation

Local Government Act 1999
State Records Act 1997

3.2   Other References

Information Security Policy
Social Media Policy
Mobile Device Policy
Elected Member Code of Conduct
Employee Code of Conduct
AS ISO/IEC 27001:2015
AS ISO/IEC 27002:2015
Fair Treatment Procedures
Managing Misconduct & Disciplinary Procedures
Workplace Relations Policy
Quality Working Culture Policy

Attachment 2

ECM DSID:	4422673
First Issued / Approved:	14 February 2023
Last Reviewed:	**Date of last review**
	C140223/7338
Next Review:	14 February 2026
Responsible Officer:	**Manager, Innovation and Technology**
Date Placed on Webpage/ Intranet:	20 February 2023

1. PREAMBLE

1.1 Background

Data, information and the systems that hold and operate it are essential assets and consequently, need to be suitably protected. Information security is achieved by implementing controls (based on risk profile) such as policies, processes, procedures, organisational structures and software and hardware functions. These controls need to be established, implemented, monitored, reviewed and improved continuously to ensure that security objectives are met.

1.2 Purpose

This policy articulates the security requirements that Council must meet in order to meet its obligations and to manage the confidentiality, integrity, availability and privacy of both Council and external client-owned data and information.

This policy has the following objectives:
- **Access Control Objective:** To limit access to information and information processing facilities in support of business requirements.
- **Digital Messaging Objective:** To establish and maintain the protocol for using digital messaging in all its forms, including the security aspects of information transfer within Council and with any external entities.
- **Communications and Operation Management Objective:** To ensure the protection of information and the secure operations of networks and supporting processing facilities.
- **Physical and Environmental Security Objective:** To prevent unauthorised physical access, damage and interference to Council's information and information processing facilities.
- **Supplier Relationships Objective:** To ensure the protection of Council's information assets that are accessible by service providers if/as required.
- **Information Security Incident Management Objective:** To ensure a consistent and effective approach to the management of information security incidents, including security events and vulnerabilities.
- **Information Security aspects of Business Continuity Management Objective:** ensure information security continuity is embedded in business continuity plans and management processes.
- **Compliance Management Objective:** To avoid breaches of legal, statutory, regulatory or contractual obligations related to information security.

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1.3   Scope

This policy applies to all information that is generated, received, stored, printed, filmed, or keyed and to the IT applications and systems that create, use, manage and store information and data, including:

- information in any form, including print, electronic, audio, video, and backup and archived data
- computer systems, peripheral devices, software applications, databases, middleware and operating systems
- physical premises occupied by the personnel and equipment
- operational environments including power supply and related equipment
- processes and procedures
- transmission pathways for communications.

This policy applies to Elected Members, staff (including work experience placements and trainees), volunteers, and consultants and contractors across Council, including Alwyndor.

1.4   Definitions

Users – refers to any person using or accessing Council's data, systems, tools or infrastructure.

1.5   Strategic Reference

The innovation focus area includes aspirations of creating conditions for early adoption and experimentation with beneficial technologies, and using digital tools to create transparency and enable direct participation.

2.   PRINCIPLES

2.1   Council is committed to providing a secure environment that protects the integrity and confidentiality of information without compromising access and availability.

2.2   To ensure the information environment and information resources are safeguarded against security threats, Council will:
- define roles and responsibilities to establish clear lines of accountability
- enable the protection of information assets against internal and external threats
- enable the identification and treatment of security risks to Council's information environment through appropriate physical, technical and administrative channels
- enable the development of best practices for effective information security.

2.3   Users are required to:
- take responsibility for developing information security awareness, education and training to safeguard Council's assets
- only access information needed to perform their authorised duties

- understand/determine the classification of the information they are using and producing
- protect the confidentiality, integrity and availability of Council's information in accordance with the relevant information classification level
- safeguard any physical key, ID card or computer/network account that enables access to Council or external Client information
- maintain appropriate password creation and protection measures as set out in the Council's password requirements
- report any activities likely to compromise sensitive information to the relevant Manager, General Manager or Chief Executive Officer
- maintain confidentiality even after separation from Council and not in any way divulge, copy, release, sell, loan, alter or destroy any information, except as specifically authorised by a General Manager or Chief Executive Officer.

2.4   In addition to complying with general user requirements, managers and supervisors must:
- ensure that team processes support the objectives of confidentiality, integrity and availability and that those procedures are followed
- ensure that any relevant restrictions are effectively communicated to those who use, administer, capture, store, process or transfer information in any form.

2.5   The Information and Technology Team is responsible for:
- ensuring adequate security for computing and network environments that capture, store, process and/or transmit information
- ensuring that the requirements for confidentiality, integrity and availability are being appropriately managed within their respective environments
- understanding the classification level of the information that will be captured by, stored within, processed by, and/or transmitted through Council technologies and providing an appropriately enabling and supportive environment
- developing, implementing, operating and maintaining a secure information environment that includes:
  - a cohesive architecture
  - system implementation and configuration standards
  - procedures and guidelines for administering network and system accounts and access privileges in a manner that satisfies the security requirements
  - an effective strategy for protecting information against generic threats posed by computer hackers that adheres to industry-accepted information management best practices for the system or service.

2.6   Security requirements are identified by a methodical assessment of security risks. Expenditure on controls needs to be balanced against the operational damage likely to result from security failures. The results of the risk assessment help to guide and determine the appropriate management action and priorities for managing

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information security risks, and for implementing controls to protect against these risks.

2.7   No corporate information is to be stored and retained in non-authorised online file sharing solutions (for example, DropBox, iCloud, Google Drive and MS SkyDrive).

2.8   Mobile devices are not to be used as the sole repository for Council information. All Council information stored on mobile devices is to be backed up to an appropriate network location and ECM as appropriate.

3.   REFERENCES

3.1   Legislation

Local Government Act 1999
State Records Act 1997

3.2   Other References

Acceptable Use Policy
Mobile Device Policy
Risk Management Policy
Elected Member Code of Conduct
Employee Code of Conduct
AS ISO/IEC 27001:2015
AS ISO/IEC 27002:2015
Fair Treatment Procedures
Managing Misconduct & Disciplinary Procedures
Workplace Relations Policy
Quality Working Culture Policy

Attachment 3

ECM DSID:	4422668
First Issued / Approved:	14 February 2023
Last Reviewed:	Date of last review
	C140223/7338
Next Review:	14 February 2026
Responsible Officer:	**Manager, Innovation and Technology**
Date Placed on Webpage/ Intranet:	20 February 2023

1.   PREAMBLE

Mobile devices are a common and cost-effective tool for doing business. Users are also increasingly requesting the option of connecting their own mobile devices (Bring Your Own Device – BYOD) to Council equipment and networks.

1.1   Background

Council is responsible for maintaining effective security of all equipment and information within its environment.

Due to the portable nature of mobile devices, higher order security is required for these devices and for any information stored or transmitted via them.

1.2   Purpose

This policy provides direction on the deployment, use, maintenance and disposal of mobile devices within the Council.

1.3   Scope

This policy applies to the use of any Council IT infrastructure and resources by all Elected Members, staff (including work experience placements and trainees), volunteers, and consultants and contractors across Council, including Alwyndor.

Where personal devices are used to access Council information or infrastructure, this policy will apply to the extent of Council-related business.

Mobile devices covered by this policy include both Council owned devices and approved non-Council owned devices of the following types:
* notebook, laptop and tablet computer equipment
* smartphone devices used for data storage, calendars, contacts and task lists
* mobile phones where mobile internet technology is used for email correspondence
* smartphone devices capable of running third-party or downloadable applications (for example, iPhone, Android, Blackberry, Windows Mobile)
* all removable media including CD/DVD, USB devices or any other type of removable media.

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1.4   Definitions

Jail break – refers to a process of removing the limitations on Apple devices running the iOS operating system through the use of software and hardware exploits.

Mobile Device Management (MDM) – refers to software that provides the following functions: software distribution, policy management, inventory management, security management and service management for smartphones and media tablets.

Rooting – refers to a process of allowing users of smartphones, tablets, and other devices running the Android mobile operating system to attain privileged control (known as "root access") within Android's subsystem.

Users refers to people using IT infrastructure and resources covered by this policy, namely Elected Members, staff, volunteers, consultants and contractors.

1.5   Strategic Reference

The innovation focus area includes aspirations of creating conditions for early adoption and experimentation with beneficial technologies and using digital tools to create transparency and enable direct participation.

2.   PRINCIPLES

2.1   Council embraces the value that IT infrastructure and resources can add to the workplace and will provide all relevant users with appropriate tools to undertake their work effectively.

2.2   All mobile device use must comply with the Acceptable Use Policy. Additionally, mobile devices are subject to the following:
- only mobile devices owned and operated by Council may be used to connect to Council's infrastructure or services without obtaining prior approval from the Manager IT
- any installed management software, such as mobile device management and anti-virus software, must not be removed and must be kept up to date as directed by IT
- Council owned mobile devices remain the property of Council, unless they are disposed of in line with asset disposal schedules
- USB sticks from an unknown or un-trusted source are not to be connected to Council equipment
- Council owned devices are locked Council's chosen network provider
- users are responsible for ensuring mobile devices are not accessed by unauthorised persons
- users may be held responsible for damage to mobile devices if they do not take due care
- to prevent opportunistic theft, mobile devices must never be left unattended in a public place, in unsecured conditions or visible in vehicles. Where possible, devices should be securely locked away, or

special cable locking devices should be used to secure the equipment to a non-removable fixture
- mobile devices should be carried as hand luggage when travelling by aircraft
- every reasonable effort should be made to ensure that Council information is not compromised through the use of mobile equipment in public places. Screens displaying sensitive or critical information should not be seen by unauthorised persons.

2.3   At the end of a mobile devices useful life, it is to be provided to IT who will ensure it is disposed of in a manner that maximises the potential for reuse or recycling with minimal associated environmental impact.

2.4   In some circumstances, users may be permitted to connect non-Council owned mobile devices to Council systems and infrastructure for the purpose of multi factor authentication, receiving email, contact and calendar information and remote desktop access. Permission must be granted by the Manager IT.

2.5   Where a non-Council owned mobile device is connected to Council systems, users accept the following conditions:
- installation of the City of Holdfast Bay mobile device management (MDM) on the device, which will enforce:
  o a timer lock with a mandatory, unique and instantly changeable 6 digit passcode
  o after 6 failed login attempts, all Council data and settings will be automatically deleted
  o limits to the number of days of corporate mail and calendar items stored on the device
  o enables remote selective wipe of all Council data.
- users will notify IT immediately upon loss, theft or suspected loss/theft of the device to enable data to be remotely erased and services disabled
- users agree to protect Council information from unauthorised use
- non-Council owned devices will not be supported by IT with the exception of connectivity to Council services
- Council is not responsible for the functionality, serviceability or performance associated with non Council-owned devices, and accepts no responsibility for communication charges incurred while performing Council business
- Council accepts no responsibility for loss of data from non-Council owned devices, or any loss or damage of the device
- device operating systems must be kept up to date and users agree to not jail break or perform rooting of their device.

3.   **REFERENCES**

3.1   **Legislation**

Local Government Act 1999
State Records Act 1997

3.2   Other References

Information Security Policy
Social Media Policy
Acceptable Use Policy
Elected Member Code of Conduct
Employee Code of Conduct
AS ISO/IEC 27001:2015
AS ISO/IEC 27002:2015
Fair Treatment Procedures
Managing Misconduct & Disciplinary Procedures
Workplace Relations Policy
Quality Working Culture Policy

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Attachment 4

ECM DSID:	4422674
First Issued / Approved:	14 February 2023
Last Reviewed:	
	C140223/7338
Next Review:	14 February 2026
Responsible Officer:	**Manager Innovation and Technology**
Date Placed on Webpage/ Intranet:	20 February 2023

1.   PREAMBLE

1.1   Background

Web-based and mobile technologies such as social media can transform communication into an interactive dialogue. Social media tools provide an opportunity to enhance the level of two-way conversation with our communities, build more meaningful relationships with our key stakeholders and inform them about activities, initiatives and projects being considered and undertaken by Council.

Social Media can also assist Council in understanding, responding to and attracting audiences.

1.2   Purpose

The intent of this policy is to provide a culture of openness, honesty and respect relating to social media use and to encourage employees to be mindful of both their own and Council's reputation when using social media.

This policy defines Council's commitment to the use of social media and to creating a positive social media presence for Council. It also provides guidance regarding the use of social media for private versus professional use.

1.3   Scope

This policy applies to the use of any forms of social media by all Elected Members, staff (including work experience placements and trainees), volunteers, and consultants and contractors across Council, including Alwyndor.

1.4   Definitions

Social media refers to the various web based technology tools that enable individuals and organisations to connect, socialise and participate in communities online. It may include social network sites (such as Facebook, LinkedIn, Yammer, Google+), video, photo and file sharing websites (such as Instragram, TikTok, YouTube, Flickr), blogs and micro-blogs (such as Twitter), wikis, forums, discussion boards and groups, podcasting and webcasting, instant messaging and push marketing, geo-tagging (such as Foursquare, Gowalla) and other similar technologies that may be developed in the future.

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Public forum or discussion refers to participation in social media that is known to be open to, or could be made open to, a public or broad-scale audience.

Users refers to people using social media covered by this policy, namely Elected Members, staff, volunteers, consultants and contractors.

1.5 Strategic Reference

Wellbeing objective: increase participation rates in community engagements across all age groups, particularly under-represented demographics such as children and young people by using methods that are appealing and appropriate.

2. PRINCIPLES

2.1 Professional Use of Social Media

2.1.1 Council embraces social media as a useful engagement tool and recognises that it provides a valuable and cost-effective method for Council to connect, engage and involve our community.

2.1.2 Council will establish and operate a variety of social media channels as part of its on-going commitment to engagement with the broader community.

2.1.3 The use of social media will complement other relevant processes and strategies to support engagement, communications, marketing and promotional initiatives.

2.1.4 Council has both a duty of care and an obligation to provide a safe environment for people to participate, converse and exchange ideas. To meet this obligation, nominated Council staff will regularly monitor relevant social media platforms and provide moderation to ensure discussions stay on topic and are respectful. Any comment considered offensive, including defamatory remarks, name calling, racist, sexist and any other derogatory comments, threatening, abusive or offensive language, heated arguments which become personal or off topic and links to other websites or promotion, and/or not aligned with Council's values, Code of Conduct or policies will be removed. Moderation and comments on behalf of Council are managed by nominated Council staff, with comments published through the City of Holdfast Bay social media account.

2.1.5 Staff are permitted to use social media for professional and work related purposes including research and analysis, industry networking and participating in professional forums and discussions pertinent to their work. However, where they are participating in a public forum or discussion, the employee must not present their views as being representative of Council. Where relevant, a disclaimer along the lines of "these views are not representative of the City of Holdfast Bay" may be appropriate to include on comments made in a public forum or

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discussion. Any engagement undertaken in a professional capacity should align with Council's values, Code of Conduct and relevant policies.

2.1.6 Elected Members may use social media for professional purposes including research and analysis, industry networking and participating in public forums and discussions pertinent to their roles. In line with the Code of Conduct and relevant policies, Elected Members must make it clear if they are participating in an official or personal capacity.

2.1.7 Volunteers are not permitted to represent Council on social media, or present themselves in a public forum or discussion as operating in a professional capacity for Council.

2.1.8 Contractors, consultants and similar third parties must not use Council owned or Council related information on their social media without prior approval.

2.1.9 Social Media forms part of official records as defined by the *State Records Act 1997*, and as such all employees responsible for social media channels must ensure that appropriate records are kept.

2.2 Personal Use of Social Media

2.2.1 Council recognises that people use social media in their personal time and this policy does not intend to discourage nor unduly limit personal expression or online activities. However, users must be cognisant of potential reputational impacts (either direct or indirect) on Council in circumstances where they can be clearly associated with Council and act to minimise such risks. Matters that may cause damage to Council or bring it into disrepute may include (but are not limited to) material or comments that are offensive, obscene, defamatory, threatening, harassing, bullying, discriminatory, hateful, racist, sexist, infringes copyright, constitutes a contempt of court, breaches a court order or is otherwise unlawful.

2.2.2 Where social media is being used in a personal or private capacity, users must not imply either directly or through omission, that are authorised to speak as a representative of Council or that the views expressed are in any way the views of Council. Items such as Council email addresses, logos or other information or material belonging to Council should not be used when engaging on social media for personal or private use. For clarity, this does not apply to:
- sharing employment opportunities
- sharing council event information or networking opportunities, or similar.

2.2.3 For staff, limited personal use of social media during work hours is permitted, but must be undertaken in a manner that does not interfere with their work program.

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3. **REFERENCES**

3.1 **Legislation**

Local Government Act 1999
State Records Act 1997

3.2 **Other References**

Mobile Device Policy
Elected Member Code of Conduct
Employee Code of Conduct

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Item No:	8.5
Subject:	**DRAFT 2023-24 ANNUAL BUSINESS PLAN AND BUDGET**
Date:	7 June 2023
Written By:	Manager Finance
General Manager:	Strategy and Corporate, Ms P Jackson

SUMMARY

The draft 2023-24 Annual Business Plan and Budget (ABP&B) was developed on the assumptions and parameters discussed at Council workshops held in February, March and April 2023. The draft budget meets Council's financial sustainability and performance measures.

The Audit and Risk Committee at its meeting on 15 March 2023 received an update on the draft 2023-24 ABP&B and Municipal Long Term Financial Plan (LTFP). Subsequent to this meeting a draft ABP&B document was prepared and presented to the Audit and Risk Committee for their consideration on 3 May 2023.

Council approved the ABP&B for community consultation on 9 May 2023 and will receive a formal report covering the outcomes on 13 June 2023.

The draft 2023-24 ABP&B with summary consultation outcomes and an updated Municipal LTFP, are presented to the Audit and Risk Committee for further comment and support, noting that it satisfies Council's financial sustainability and performance measures.

RECOMMENDATION

That the Audit and Risk Committee notes that the draft 2023-24 Annual Business Plan and Budget satisfies Council's financial sustainability and performance measures and supports its presentation to Council for adoption.

STRATEGIC PLAN

Statutory Requirement

COUNCIL POLICY

Not applicable

STATUTORY PROVISIONS

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

BACKGROUND

The Audit and Risk Committee at its meeting on 15 March 2023, received an update on the draft 2023-24 ABP&B and Municipal LTFP. Subsequent to this meeting a draft ABP&B document was prepared and presented to the Audit and Risk Committee for their consideration on 3 May 2023. Members were advised that the assumptions on municipal activities were unchanged, apart from the proposed rate increase of 6.7% which was increased to 6.9% to correspond with the annual change in the December 2022 Local Government Price Index (LGPI) and an additional provision for employment costs due to ongoing Enterprise Bargaining discussions.

Council approved the ABP&B for community consultation on 9 May 2023. The consultation period commenced on 11 May 2023 and concluded on 2 June 2023. Council will consider the consultation outcomes at a workshop on 6 June 2023 and will receive a formal report covering the outcomes on 13 June 2023. The consultation outcomes are summarised within this report for the benefit of members.

REPORT

Development and consultation of the Draft 2023–24 Annual Business Plan and Budget

Council received and endorsed the Draft Annual Business plan on 9 May 2023 and made no financial amendments. Minor wording and design alterations were made and the document was released and published for community consultation up to 2 June 2023.

Refer Attachment 1

The draft plan included the following key parameters, considerations and projects.

Key Parameters

• Target of an operating surplus.

• 6.9% rate revenue increase (excluding Regional Landscape Levy).

• 0.5% rate revenue increase for new development growth.

• LGPI (6.9%) applied where applicable to revenue and expenditure.

• 5% employment cost increase, plus provision for 0.5% superannuation increase.

• Alwyndor and Jetty Road Mainstreet budgets to be self-funding.

Other considerations/inclusions

• The Regional Landscape Levy has been forecast to increase by a capped 8.4%. The Levy is collected by Council on behalf of Regional Landscape Board.

• Jetty Road Mainstreet budget increased by 6.9% ($42,615) and is cost neutral.

• Marina separate rate increased by 6.9%.

- Roads to Recovery Grant ($372,000) included being the third estimated allocation for the 1/7/19 - 30/6/24 program.

- Depreciation is based on existing asset valuations and has increased by 4.2% ($440,000) to allow for new and revalued assets including Open Spaces and IT assets.

- Fees and charges have been reviewed and assessed in accordance with a user pays principle, taking LGPI into account.

- Eleven proposed operational new initiatives based on business cases totaling $542,000.

  o $30,000 – Local music festival
  o $60,000 – Climate change adaption governance assessment
  o $33,000 – Wall mural at Esplanade/Farrell Street
  o $10,000 – Glenelg Community Centre, painting of entrance
  o $4,000 – Brighton North community gardens upgrade
  o $80,000 – Visitor information support at Glenelg Town Hall
  o $50,000 – Asset Management Plans, improvement plan
  o $25,000 – Community Wellbeing strategy
  o $30,000 – Economic Development Strategy implementation
  o $100,000 – Stormwater data collection (year two of three)
  o $120,000 – Arborist support

- Capital renewal program based on current Asset Management Plans totaling $7.1 million.

- Project management costs applicable to capital project management and delivery ($999,000).

- Proposed capital new initiatives based on business cases totaling $7.6 million.

  o $1,000,000 – Stormwater implementation plan
  o $1,847,000 – Glenelg Oval stages 3 & 4 (includes $464,000 of grant funding)
  o $673,000 – Brighton Caravan Park
  o $220,000 – Public toilets at Patawalonga Lake
  o $500,000 – Seacliff-Brighton Yacht Club, change room upgrade
  o $60,000 – Traffic improvements
  o $70,000 – DDA pram ramps and bus stop improvements
  o $200,000 – Glenelg Library interior improvements
  o $800,000 – IT innovation projects
  o $2,200,000 – Buffalo site amenity improvements
  o $60,000 – Sturt Creek biodiversity corridor: Shannon Avenue

Draft Budget Financial Performance and Position

The municipal draft budget features:

- an operating surplus of $515,345 for Council's municipal activities;

- gross capital expenditure of $15.7m comprising $7.1m on renewal and replacement of existing assets, $7.6m for new and upgraded assets and $999,000 for employee costs capitalised;
- Council's Net Financial Liabilities Ratio ceiling is 75%. The ratio is expected to be 74%. The projected Interest Cover Ratio of 1.7%, which measures the affordability of its indebtedness, shows that Council can manage debt without adversely affecting the sustainability of its long-term financial position.

Measure – Municipal Activities	Target	6.9% Rate Increase	Comments
Operating Result – after proposed new initiatives *Operating revenue less operating expenditure*	≥ 0	$515,345 surplus	☑ Draft result
Net Financial Liabilities Ratio – after allowing for proposed new initiatives. *Total liabilities less financial assets as a percentage of operating revenue*	≤ 75%	74%	☑ Current (22/23 forecast) ratio is 69%. Increase in ratio due to new borrowings ($4.7m) required to fund proposed (23/24) capital new initiatives.
Interest Cover Ratio *Net interest expense as a percentage of operating revenue*	≤ 5%	1.7%	☑ Historically low interest rates have risen – currently 5.8%.

For Alwyndor activities the financial measures as published were as follows:

Measure – Alwyndor Activities	Target	Forecast	Comments
Operating Result	≥ 0	$670,068 surplus	☑ Draft result
Net Financial Liabilities Ratio	≤ 75%	39%	☑ Current (22/23 forecast) ratio is 57%. This ratio includes Aged Care Facility deposits which are recorded as current liabilities.
Interest Cover Ratio	≤ 5%	0.4%	☑ Draft result

Consultation submissions

Council will have considered the consultation submissions at a workshop on 6 June 2022. Council will then receive a formal report covering the outcomes on 13 June 2023.

The engagement has been promoted through the following digital and non-digital channels:

- Email to YourHoldfast database
- Social Media
- Direct contact with resident groups
- Holdfast News e-newsletter – 2,437 current subscribers. Printed copies of the newsletter are also available in the Brighton Civic Centre, our libraries, community centres, Bay Discovery Centre and Alwyndor
- Posters displayed in our libraries, community centres, and the Brighton Civic Centre, along with LED screens in the libraries

- Home pages of the City of Holdfast Bay and YourHoldfast websites
- Inclusion in EDMs to the business database and to the Jetty Road traders' database
- Media opportunities – including the Mayor's interview on CoastFM (on 18 May)

Participation in engagements, along with registration to the YourHoldfast database, subscriptions to the Holdfast News e-newsletter and following CHB on social media, is open to everyone and is not limited to City of Holdfast Bay ratepayers.

At the time of writing (1 June 2023), the YourHoldfast webpage had been visited by 374 visitors with 529 views. The Draft 2023-24 Annual Business Plan has been downloaded on 284 occasions. Eleven responses, eight via YourHoldfast and three via email, have been received.
Refer Attachment 2

The items raised within the submissions included:
- Sustainability - Climate Change
  o Two responses commend Council for its efforts in this area although one comment was critical of the minor amount ($60,000) listed as addressing climate change.
  o One response said Council should not be wasting money on climate change.
  o One comment suggested installing green and recycling bins along the Esplanade.
- Footpath Maintenance, especially at Diagonal Road and Cliff Street Glenelg East.

- Question on why the rate comparison figures are from 2020/21.

- A concern about the amount of funds allocated to sporting clubs.

- A concern about the nature of infill development and its effect on the wellbeing of residents.

- Criticism of the cost of the Former Buffalo Site remediation and amenity improvements.

- Opposition to a proposed mural on the South Esplanade and Farrell Street corner.

- Requests for powerlines to be placed underground, reduction of speed limits, Jetty Road (Glenelg) upgrade, more markets and street parties and a kayak launch site near the Former Buffalo Site redevelopment.

- Concern that the stated increase in rates does not take account of increased property values and that actual impact of increase is likely to be 7.64% rather than 6.9%.

- A concern about the level of Council debt and therefore whether some proposed expenditure is warranted at the level that is proposed:
  o Major Projects
    ▪ Former Buffalo Site Amenity Improvement
    ▪ Glenelg Oval Upgrade
    ▪ Mural Esplanade Farrell St
    ▪ Kauri Parade Sports Centre

       ○ Operational
- City Activity – noting increase in cost for several events
- Elected Member costs
- Glenelg Football Club

- A question as to whether the Council will increase support for the Holdfast Bay Community Centre.

- An opinion that Council staffing appears to be top heavy and suggested that a proactive review of a structure be completed.

- A question as to the impact of Alwyndor on its negative position to ratepayers.

- Questioning of a number of cost increases across many business units – see Attachment 2 for details.

Amendments to 2023-24 draft budget

Since the publication of the draft budget Council has received one notification as follows:

- SRWRA 2023-24 draft budget forecasts an operating surplus of $604,000. Council's 15% equity share of this surplus equates to $90,600 - the draft budget had forecast $220,000. The SRWRA budget is yet to be finalised and will be considered and adopted by the SRWRA Board on 26 June 2023.

The above variation totals $129,400 in an equity movement which will impact Council's operating surplus reducing it from $515,345 to $385,945, but will have no impact on Council's cash position and requirement to borrow. Council's forecast Operating Surplus Ratio will reduce from 0.96% to 0.72% while all other financial indicators and measures will remain unchanged.

There are a number of changes to the draft 2023-24 Alwyndor budget as published in the ABP&B. This has resulted in a decrease in the operating surplus from $670,068 to $509,117, combined with a decrease in capital expenditure from $1,912,733 to $1,902,620. This has resulted in a reduction in the Alwyndor funding surplus from $950,683 to $805,036. The main reasons for the changes are itemised below.

- Additional $108,000 in investment income following a closer review of the 2023 actual performance, the expected effects of rising rates on 2023/24 and the assumption that excess funds will be invested.

- Additional corporate wages to Support at Home growth ($257,000).

- Revised Agency costs to increase Provider Assist hours ($56,000).

- Decrease in Software Licence costs following a more detailed review of the budget ($97,000).

- Additional IT Support costs submitted by SIMM IT to reflect increase in users ($53,000).

- Decrease in capital expenditure due to vehicle quotes being less than originally estimated ($10,000).

This has resulted in a consolidated operating surplus result of $895,062.

Long-Term Financial Plan (LTFP)

The Municipal LTFP was presented to the Audit and Risk Committee in March 2023 and updated financial indicator charts were presented at subsequent Council budget workshops. The key financial indicators of the LTFP were then updated for the final draft 2023-24 budget and 31 March 2023 budget update.

The LTFP parameters have also been updated for the latest (May 2023) CPI forecasts as published by the Reserve Bank of Australia (RBA). The comparative effect of the changes are shown in the table below. Forecast employment costs have also increased as a result of recent negotiations and have been reforecast.

Year	Previous LGPI LTFP Forecast	Updated LGPI LTFP Forecast
2024/25	2.53%	4.5%
2025/26	2.47%	3.2%
2026/27	2.51%	2.8%
	Previous Employment Cost Forecast	**Updated Employment Cost Forecast**
2024/25	3%	4%
2025/26	3%	4%
Thereafter – unchanged from previous LTFP forecasts		

The plan also includes Council's current approved capital commitments as well as annual provisions of $1,000,000 for new capital initiatives and $500,000 for new operational initiatives.

These updates have been modelled in the Municipal LTFP resulting in updated forecasts and charts.

Operating Surplus Ratio - General Fund

Net Financial Liabilities Ratio - General Fund

Interest Cover Ratio - General Fund
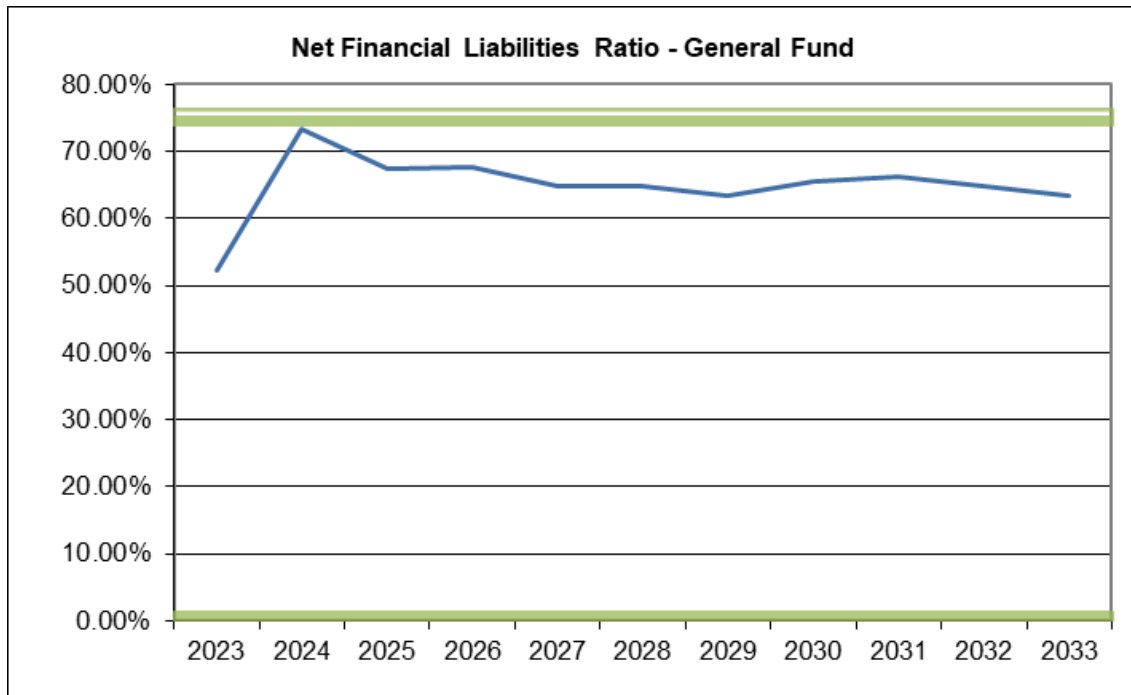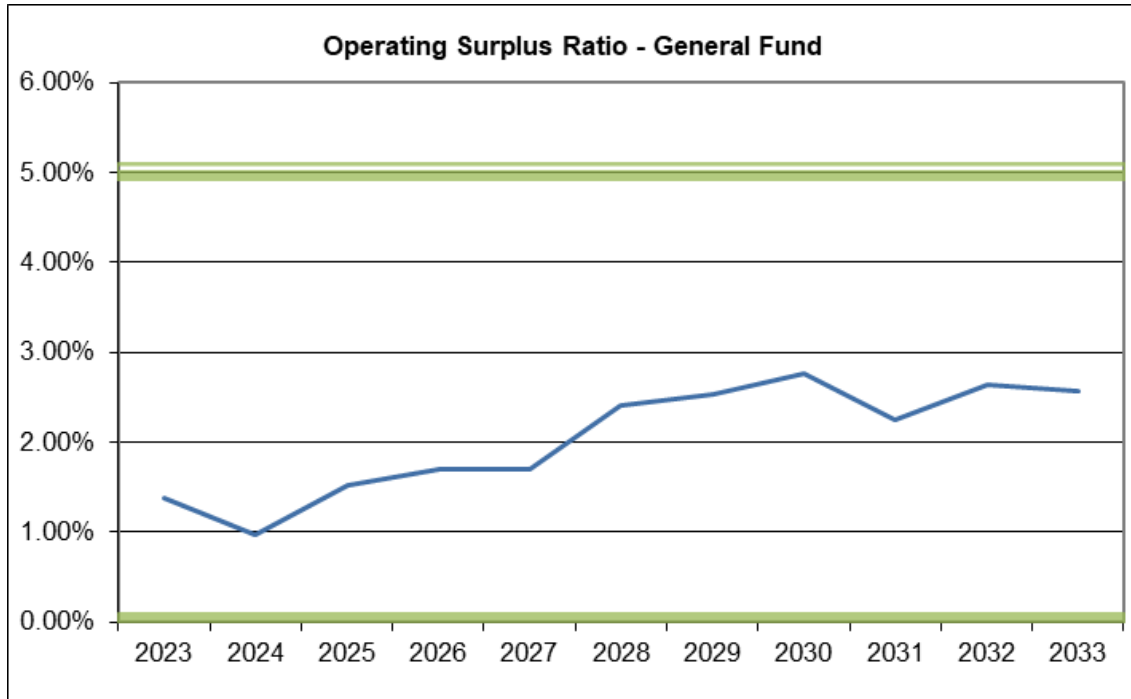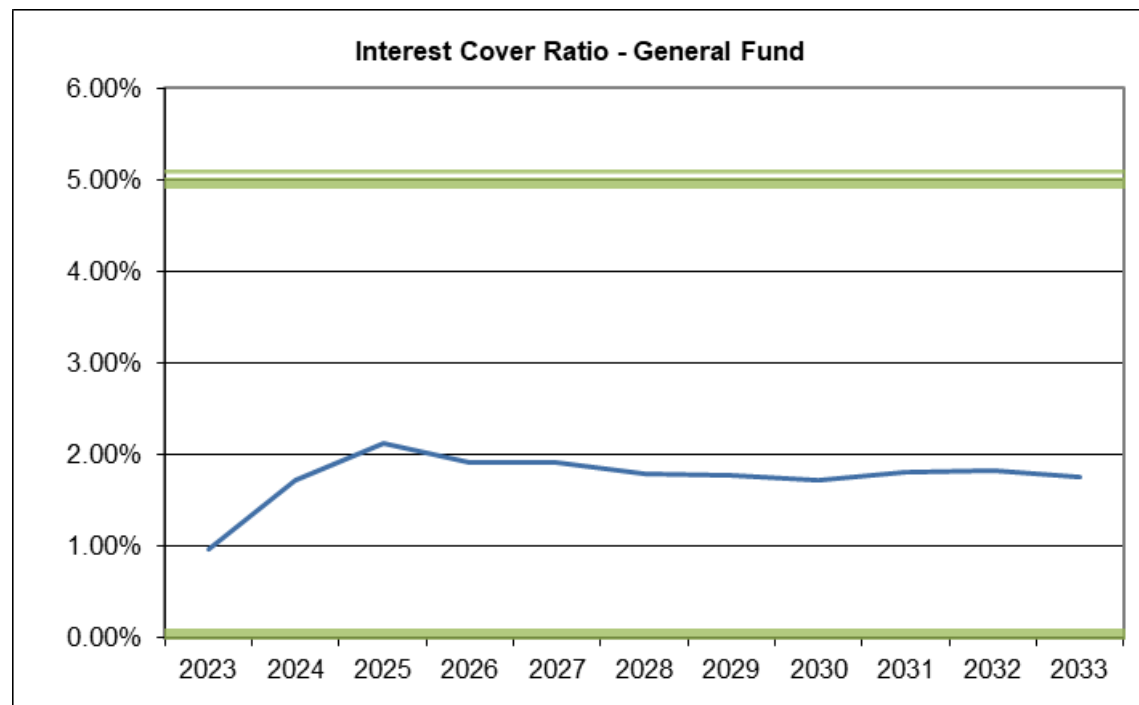
They indicate that over a ten-year forecast period Council will:

•   achieve an operating surplus;
•   achieve a net financial liabilities ratio of less than 75%;
•   achieve an interest cover ratio of less than 5%.

While the current base case satisfies Council's performance targets and measures, future major projects will require careful consideration as to their priority, timing and funding.

Budget and Annual Business Plan Timeline

A number of further meetings are scheduled in 2023 to meet the requirements of the budget timetable as follows:

•   13 June: Council receives Audit and Risk Committee recommendations and Annual Business Plan consultation outcomes.
•   27 June: Council endorses final 2023-24 Budget and Annual Business Plan and declares rates.

Audit and Risk Committee response

After receiving the above information and outcomes the Audit and Risk Committee has an opportunity 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 2023–24 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.

Attachment 1

CITY OF HOLDFAST BAY

OUR PLAN FOR OUR PLACE

OUR PLAN FOR OUR PLACE

CITY OF HOLDFAST BAY SHARE YOUR VIEW ON OUR DRAFT 2023–24 ANNUAL BUSINESS PLAN

About this *Draft 2023–24 Annual Business Plan*

The City of Holdfast Bay's *Annual Business Plan* outlines Council's priorities and program of works for the next 12 months. It allocates funding for key projects and services and shows how your rates are invested.

We welcome your feedback on this draft version, which Council will consider before the *2023–24 Annual Business Plan* is finalised in June 2023.

You can access additional copies of the *Draft 2023–24 Annual Business Plan* from Thursday 11 May 2023 at:

› **yourholdfast.com/DABP23-24**

› **Brighton Civic Centre, 24 Jetty Road, Brighton.**

Feedback must be received by 5pm Friday 2 June to be considered by Council. You can provide comments by:

› **visiting yourholdfast.com/DABP23-24**

› **writing to the Corporate and Service Planning Lead, PO Box 19, Brighton SA 5048**

› **emailing the Corporate and Service Planning Lead at mail@holdfast.sa.gov.au**

› **telephoning Council on 8229 9999 during office hours**

› **Making a representation to Council at its meeting on Tuesday 23 May (commences 7pm, Glenelg Town Hall, Moseley Square, Glenelg). Please contact the Corporate and Service Planning Lead, Stuart Boyd, on 8229 9999 by 5pm Tuesday 16 May if you wish to make a representation.**

For more information, please visit yourholdfast.com/DABP23-24 or call us on 8229 9999.

f /CityofHoldfastBay
yourholdfast.com/DABP23-24

CONTENTS

TRADITIONAL CUSTODIANS

The City of Holdfast Bay acknowledges the Kaurna People as the traditional owners and custodians of the land. We respect their spiritual relationship with country that has developed over thousands of years and the cultural heritage and beliefs that remain important to the Kaurna people today.

MAYOR'S WELCOME

On behalf of the City of Holdfast Bay, I'm pleased to present the *Draft 2023–24 Annual Business Plan*, outlining our program and budget for the upcoming financial year.

As always, our continued focus as a council is providing great services and facilities for our community along with looking after our people, our environment, our business community and our tourism operators.

The upkeep and maintenance of our city's assets, facilities and infrastructure is also a core component of this year's budget.

We have allocated $18.61 million to continue maintenance and upgrades of our footpaths, roads, kerbs, water table and stormwater drainage system. This money will also be used for ongoing maintenance of other important community assets like playgrounds, street furniture and council buildings.

Having set our sights on completing existing projects and renewals, we have limited the number of new capital projects for 2023–24, to keep our level of borrowings to a manageable level.

This is a very sensible approach given the impact of higher inflation and increasing interest rates. While we are keen to keep progressing major developments in our city, we're also striving to ensure we don't create an undue burden on future generations.

That being said, we have allocated funds to initiatives which we've deemed priorities for our community, including continuing to implement actions listed in our *Environment Strategy.*

We want to ensure that our environment and community thrive together, with water sensitive urban design projects, remediating our three gullies, improving our biodiversity and maintaining our prized and precious beaches.

As a coastal council, we are already proven leaders in environmental stewardship. We were the first coastal council in South Australia to recognise that the world is in a climate emergency and because of this, we've allocated $60,000 for Climate Change Adaptation in the coming financial year.

Another major project is the stormwater upgrades at Tarlton Street, Somerton Park, which will help decrease the likelihood of flooding in a high-risk flood zone.

It has been identified as a priority from the *Stormwater Management Plan* and *Stormwater Implementation Plan* and is part-funded by the Federal Government.

Other projects we are committed to funding in 2023–24 include:

› Glenelg Oval Masterplan Stages 3 and 4 – $1.847 million

› Brighton Holiday Park capital improvements – $673,000

› Public toilet for the Patawalonga Lake – $220,000

› Seacliff Brighton Yacht Club change rooms upgrade – $500,000

› Site remediation and amenity improvements at the former Buffalo site – $2.2 million

› Sturt Creek biodiversity corridor – $60,000

› Traffic management improvements – $60,000.

In addition, construction of the Kingston Park Kiosk and the Seacliff Plaza amenity block and beach access, which were both approved in 2022–23, will continue this financial year.

Likewise, the concept design for Jetty Road Glenelg Stage 2 will commence in 2022–23 and continue into 2023–24.

We've also allocated $200,000 for an upgrade of the Glenelg Library, which is among one of our most important assets that is accessible to everyone in the community.

The funds will allow the ground floor of the Glenelg Library to be refreshed into an innovative and creative community space with accessible meeting rooms, learning and maker spaces, attractive collections and updated staff workspaces.

Accessibility and inclusion for all in our community continues to be a focus for our council and rightly so. Therefore, we have allocated $70,000 to continue the installation of new pedestrian *Disability Discrimination Act* (DDA) compliant footpaths and bus stop ramps across the city.

As part of the upcoming budget and for the purposes of this draft *Annual Business Plan*, rates have been provisionally raised by 6.9% – well below the Adelaide Consumer Price Index (CPI) of 8.6% as at December 2022. Based on the average residential property value, the rate increase equates to approximately $28 per quarter.

I look forward to your feedback on our draft plan.

Amanda Wilson

Mayor
City of Holdfast Bay

OUR CITY

Kaurna people lived sustainably and nurtured the land and waters for some 60,000 years as one of the world's longest living cultures.

The coastal environment with its fresh water lagoons and abundant food sources was used for millennia as a meeting place for cultural celebrations, ceremony and trade by Kaurna people, and continues to be a place of significant Kaurna cultural heritage.

In 1836, Colonel William Light arrived on the Rapid on a mission to survey the South Australian coast in search of a place for settlement. While the Rapid stood off-shore near the mouth of the Patawalonga, a storm blew in and the anchor held. Colonel Light consequently named the bay 'Holdfast Bay'.

The Province of South Australia was proclaimed at Pathawilyangga in 1836, which became the municipality of Glenelg in 1855. Wituwartingga became the municipality of Brighton in 1858.

The City of Holdfast Bay was formed in 1997 through the amalgamation of the City councils of Glenelg and Brighton. Located just 11 kilometres from the Adelaide city centre and five minutes from Adelaide Airport, our city is now home to close to 38,000 people and one of the most celebrated places to live, work and visit in the Adelaide metropolitan area. It boasts a beautiful natural environment, high quality recreation and community facilities, superior education and health services, a vibrant tourism sector, thriving retail precincts and a small light industrial area.

OUR COMMUNITY

TOTAL POPULATION

(2021)
37,543
52.3% females
47.7% males

VEHICLE USAGE

Private car is the most common travel method for journeys to work (80%). Public transport accounts for 8.5% and active travel (walking and cycling) 5%. Others worked from home.

SNAPSHOT

HIGH
- Average Income
- Education
- Housing Mortgages

LOW
- Unemployment for those in the workforce, but the cohort with the greatest number is not in the labour force.

MEDIAN AGE

48

MOST COMMON AGE GROUP

60–69yrs
5,633 people (15%)
Older population

HOUSEHOLD TYPES

Lone person households
34%

Group households
3%
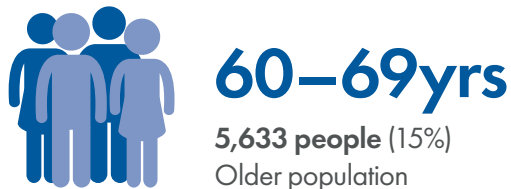
Family households
60%
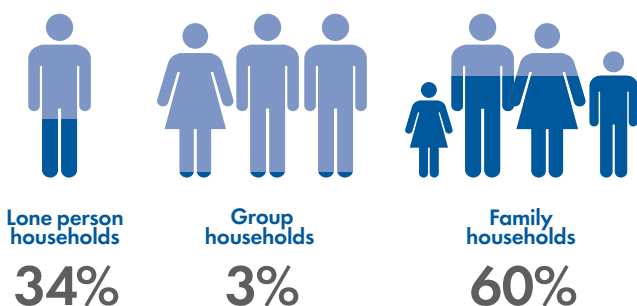
OF THE 60% FAMILY HOUSEHOLDS

Couples with children
37%

Couples without children
48%

One parent families
13%
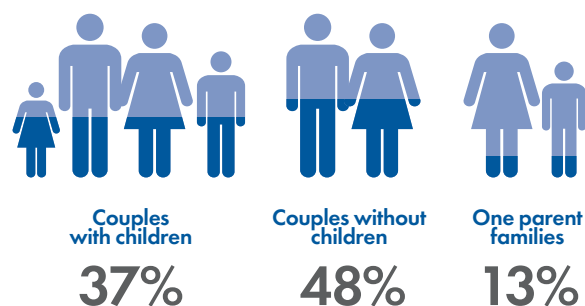
Source: ABS 2021

A DAY IN THE LIFE

Did you know that on a normal day in the City of Holdfast Bay:

Nearly **1,500** items are borrowed from our libraries at Glenelg and Brighton

More than **300** people attend our four Community Centres

747 people visit the libraries
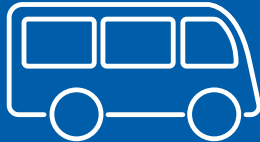
20 trips on the Community Wellbeing bus

Everyday, maintenance and other works are carried out at Glenelg Oval by our Open Spaces team

7,200 bin lifts for residential and business waste collection

206sq metres of roads resealed

60 separate cleaning services are conducted at council buildings

Each of our **31** public toilet facilities are serviced and cleaned

Our two Jetty Roads at Glenelg and Brighton are serviced by street sweepers

2.3 linear metres of kerb replaced

170 phone calls & **100** emails are responded to by our Customer Service team

4 Development Applications processed

3,246 page views on our website

8sq metres of footpath replaced

26sq metres of footpaths repaired

52 requests completed by our Field Services team

OUR VISION

In November 2021 Council adopted a new Strategic Plan titled *Our Holdfast 2050+*.
This Plan came into effect on 1 January 2022. The vision in this Plan is:

Protecting our heritage and beautiful coast, while creating a welcoming and healthy place for all in South Australia's most sustainable city.

To achieve this Vision, we have identified three focus areas:

WELLBEING

Good health and economic success in an environment and a community that supports wellbeing.

SUSTAINABILITY

A city, economy and community that is resilient and sustainable.

INNOVATION

A thriving economy and community that values life-long education, research, creativity and entrepreneurialism.

This *Annual Business Plan* is designed to help deliver *Our Holdfast 2050+* within these focus areas.

QUALITY OF LIFE SURVEY RESULTS (2022)

How you rated your council out of 10

COMMUNITY

8.6
Providing library services

8.1
Providing sporting facilities

7.5
Delivering services for the elderly and people with a disability

7.65
Providing programs and services that encourage an active lifestyle

7.5
Providing arts & cultural experiences

PLACEMAKING

7.3
Maintaining roads and kerbing

7.2
Maintaining cycle networks

8.7
Access to shops, services and open space

ENVIRONMENT

8.0
Maintaining beaches and coastal areas

8.0
Providing adequate waste management services

8.7
Overall rating of Holdfast Bay as a place to live

8.3
Maintaining well laid out parks and reserves

7.8
Providing programs that foster social interaction and community wellbeing

8.2
Providing a sense of safety in neighbourhoods

ECONOMY

8.1
Encouraging a diverse range of businesses and services in the area

7.6
Supporting and promoting tourism and events

CULTURE

6.8
Council provides good financial management and value for rates

6.9
Overall satisfaction with the quality of service and performance of the council

Council would like to express their appreciation and thanks to those who participated in this survey.

HIGHLIGHTS

Major projects

In 2023–24, council will fund and undertake several major projects to support the vision and objectives outlined in its strategic plan, *Our Holdfast 2050+*.

These include:

Stormwater upgrades – Tarlton Street – $1.0 million

This stormwater infrastructure upgrade will decrease the likelihood of flooding in high-risk flood zone. It was identified as priority from the *Stormwater Management Plan* and *Stormwater Implementation Plan* and is part funded by the Federal Government.

Glenelg Oval upgrade Stages 3 and 4 – $1.84 million

Continuing the upgrade of this important community asset the work for 2023–24 includes upgrades to the spectator mound including playspace, elevated *Disability Discrimination Act* (DDA) viewing area and tiered seating. Other improvements will include rebuilding cricket practice pitches and netting, as well as upgrading the caretaker's building and adjoining public toilet block.

Brighton Holiday Park – $673,000

Works will continue with capital improvements to the Brighton Holiday Park in line with the masterplan for the site. This includes installation of a new maintenance and storage shed, stage 2 retaining wall construction and improvements for guest experience including upgrades to powered sites and cabin accommodation.

Former Buffalo Site – Amenity Improvements – $2.2 million

Undertake important remediation work and amenity improvements at the former Buffalo site.

Public Toilets, Patawalonga Lake – $220,000

Install a public toilet around the Patawalonga Lake for existing users and to help attract more people to use the facilities in the area.

Seacliff–Brighton Yacht Club to upgrade change rooms – $500,000

Subject to Club, grant or other partner funding, this amount would cover improvements to the showers, toilets, change rooms and *Disability Discrimination Act* (DDA) compliant toilets, enabling better quality facilities that are appropriate for mixed ages as well as the public.

Glenelg Library upgrade – $200,000

Refresh the Glenelg library ground floor as an innovative and creative community space with accessible meeting rooms, learning and maker spaces, attractive collections and updated staff workspaces.

Economic Development Strategy Implementation – $30,000

The Economic Development Strategy (EDS) is currently under development. This is an indicative allocation to fund initiatives in this Strategy. Allocation of funding this financial year will enable prompt implementation of actions and outcomes from the Economic Development Strategy in an agile way.

Community Wellbeing Strategy – $25,000

Development of a Community Wellbeing Strategy and action plans for focus areas, in partnership with the Holdfast Bay community. The Wellbeing Strategy will guide the efficient and effective development of multiple council strategies and action plans within the Community Wellbeing space that are due to expire in 2023 (e.g., *Volunteering Strategy 2018–2023*; *Youth Action Plan 2018–2023*).

Climate Change Adaptation – $60,000

As a result of a recent Climate Change Adaption Governance Assessment, this will provide an additional position who will work across Council in such areas as climate, adaption, and climate neutral planning.

Innovation Projects – $800,000

Delivery of request management, contractor management, corporate planning and reporting, data and information knowledge management and asset management systems. These system upgrades will increase efficiency and improve service delivery.

FINANCIAL OVERVIEW

Projections for the 2023–24 financial year indicate that council will be working with a municipal operating surplus of $515,345. For the same period Alwyndor is projected to work with an operating surplus of $603,250.

In the 2023–24 financial year we will invest $56.70 million in municipal operations (excluding Alwyndor) to provide services, implement programs and build and maintain essential assets. Our main areas of investment include:

› $40.42 million to provide services to our community.

› $8.08 million to upgrade and maintain community assets.

› $8.20 million for new capital infrastructure and service improvements.

MUNICIPAL FINANCIAL SUMMARY

2023–24 MUNICIPAL OPERATING REVENUE $53.51 MILLION

Council receives $53.51 million (excluding Alwyndor) to provide services and infrastructure to the community.

MUNICIPAL OPERATING REVENUE

Rate Revenue	Million
Rates: General	$41.28
Rates: Jetty Road Glenelg	$0.66
Rates: Patawalonga Marina	$0.08
Rates: Regional Landscape Levy	$1.45
Total Rate Revenue	$43.47

Operational Revenue	
Statutory Charges	$2.64
User Charges (including but not limited to revenue from commercial operations)	$3.50
Investment Income	$0.07
Reimbursements	$0.71
Other	$0.85
Total Operational Revenue	$7.77

External Revenue	
Operating Grants and Subsidies	$2.05
SRWRA – Equity gain	$0.22
Total External Revenue	$2.27
TOTAL MUNICIPAL REVENUE	**$53.51**

2023−24 MUNICIPAL OPERATING REVENUE
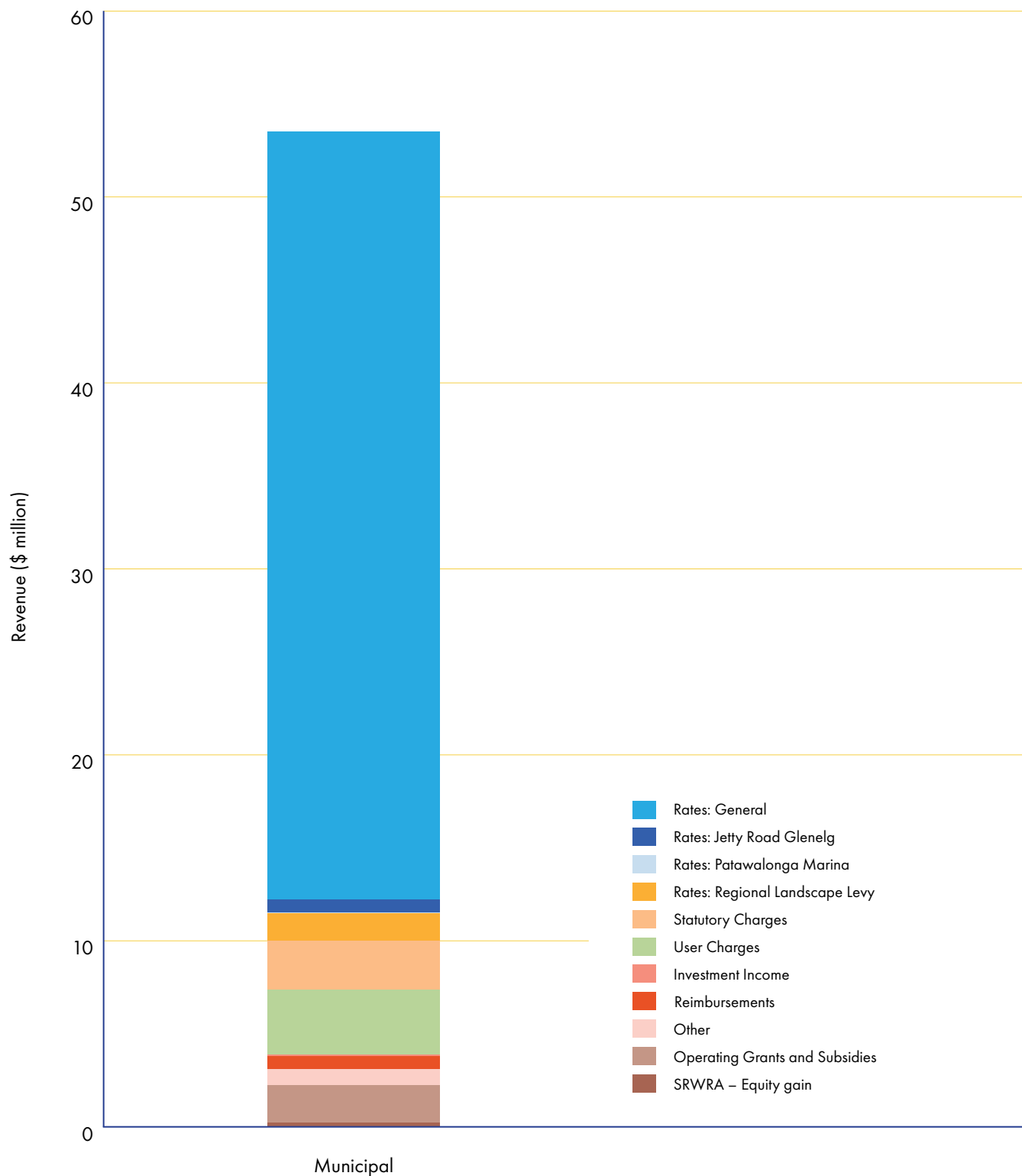
2023–24 MUNICIPAL OPERATIONAL EXPENDITURE $52.99 MILLION

Council will spend $52.99 million (excluding Alwyndor) to deliver services to the community.

MUNICIPAL OPERATIONAL EXPENDITURE

Services	Million
Development Services	$1.40
Property Management	$2.38
Community Wellbeing	$0.87
Community Safety	$2.22
Communications and Engagement	$0.58
Public Realm and Urban Design	$0.57
Environmental Services	$1.02
Field Services and Depot	$8.53
Street Lighting	$0.73
Engineering	$1.78
Waste Management	$4.53
Library Services	$1.73
City Activation	$1.47
Tourism and Events	$1.61
Jetty Road Mainstreet Glenelg	$0.68
Commercial and Economic Enterprises	$0.39
Corporate Services	$4.19
Financial Services	$3.43
Innovation and Technology Services	$2.99
Total expenditure on services	$41.10

Other Operational Expenditure	
Financial Services – Depreciation	$10.91
Operational New Initiatives	$0.54
Regional Landscape Levy	$1.44
Project Management Costs Capitalised	-$1.00
Total expenditure on other operational	$11.89
Total municipal operational expenditure	**$52.99**

2023–24 MUNICIPAL OPERATIONAL EXPENDITURE

Expenditure ($ million)

Municipal

Legend:
- Development Services
- Property Management
- Community Wellbeing
- Community Safety
- Communications and Engagement
- Public Realm and Urban Design
- Environmental Services
- Field Services and Depot
- Street Lighting
- Engineering
- Waste Management
- Library Services
- City Activation
- Tourism and Events
- Jetty Road Mainstreet (Glenelg)
- Commercial and Economic Enterprises
- Corporate Services
- Financial Services
- Innovation and Technology Services
- Financial Services – Depreciation
- Operational New Initiatives
- Regional Landscape Levy
- Project Management Costs Capitalised

2023–24 MUNICIPAL CAPITAL PROGRAM $15.71 MILLION

Council will spend $15.71 million (excluding Alwyndor) on a capital program to update and maintain community assets in 2023–24.

MUNICIPAL CAPITAL PROGRAM

	Million
Transport	$3.66
Open Space and Coastal	$1.33
Buildings	$1.11
Plant, Equipment and IT	$0.78
Stormwater (a further $1m provided under New Initiatives)	$0.11
Library Services	$0.09
Capital New Initiatives	$7.63
Project Management Capitalised	$1.00
TOTAL MUNICIPAL CAPITAL EXPENDITURE	**$15.71**

2023–24 MUNICIPAL CAPITAL PROGRAM

Capital ($ million)

Legend:
- Transport
- Open Space and Coastal
- Buildings
- Plant, Equipment and IT
- Stormwater (a further $1m provided under New Initiatives)
- Library Services
- Capital New Initiatives
- Project Management Capitalised

Municipal
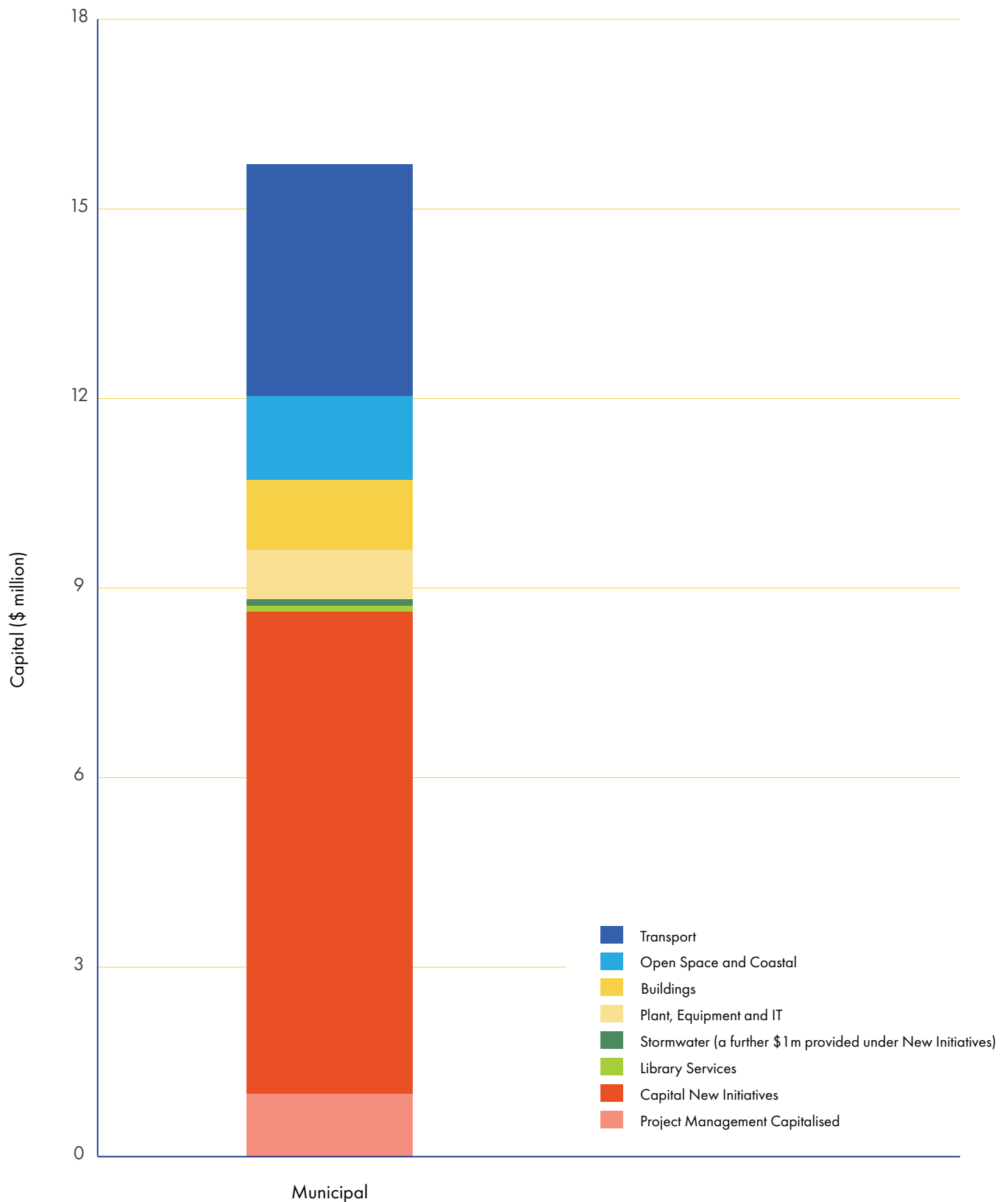
OUR FINANCIAL GOVERNANCE

Council's long-term financial performance and position are sustainable where planned long-term service and infrastructure levels and standards are met without unplanned increases in rates or disruptive cuts to services.

**CITY OF HOLDFAST BAY
LONG-TERM FINANCIAL PLAN**

ENSURING FINANCIAL SUSTAINABILITY

Policies and practices

As in previous years, Council adopts prudent financial governance policies and practices to enable the consistent delivery of cost-effective services to our community. Our policies and practices are based on three goals:

1. **Program sustainability**
   To ensure the maintenance of our high-priority programs including the renewal and replacement of infrastructure.

2. **Rate stability**
   To ensure a reasonable degree of stability and predictability in the overall rates.

3. **Intergenerational equity**
   To ensure a fair sharing of the distribution of resources and their attendant financial burden between current and future users of services and infrastructure.

FINANCIAL PRINCIPLES

The following key financial principles were adopted in the preparation of this Plan:

› **Presenting a balanced budget**
   We aim to fully fund the cost of services, including the depreciation of infrastructure and assets (i.e., wear and tear), in order to share the costs of services fairly between current and future users.

Insufficient funding would shift the costs burden of today's assets and services on to future users in the form of higher rates or reduced services.

› **Maintaining infrastructure and managing assets**
   We aim to maintain infrastructure (e.g., buildings and bridges) and assets (e.g., roads, kerbs, paving, machinery, irrigation systems and playground equipment) to high standards. This involves developing and using long-term infrastructure and asset management plans to manage our asset portfolio efficiently and continuing to invest in renewing and replacing our assets as they wear out.

› **Providing predictable rates**
   We aim to provide our community with a reasonable degree of predictability for rates. We will keep ratepayers fully informed about future rates and the corresponding services provided.

› **Prudent debt management**
   We aim to keep our debt as low as practicable. We borrow funds to invest in new long-term assets or to replace and renew existing assets and thereby spread that cost over the longer term, consistent with the typical long lives of assets.

SIGNIFICANT INFLUENCES

BROAD TRENDS AND EMERGING ISSUES

A range of global, national, state and local trends were considered when developing the *2023–24 Annual Business Plan*.

Economic Impacts – Inflation and Interest Rates

According to the Committee for Economic Development of Australia (CEDA) "economists have entered 2023 seesawing on their predictions for the global economy. The uncertainty that pervaded 2022 was driven by geopolitical tensions and the ongoing COVID-19 pandemic. These factors remain but have been overtaken by rising inflation. Now, the primary driver of uncertainty is how far central banks still must go to tame price pressures, and the pace at which consumer and business activity cools in response to higher interest rates." (CEDA Committee for Economic Development of Australia, 2023, p. 5)

There are well documented issues in global and local supply chains. The shortages of supplies are impacting on prices and the ability to complete works in a timely manner.

At the end of 2022 headline annual inflation was still rising to reach 7.8 per cent (CEDA Committee for Economic Development of Australia, 2023, p. 8). Inflation has impacted unequally across Australia with Adelaide recording inflation of 8.6 per cent as at the end of December 2022 (CEDA Committee for Economic Development of Australia, 2023, p. 10). As the Reserve Bank of Australia continues to use interest rates as the main lever to curb inflation this is having impacts on the housing market and business confidence.

In the local economy, Holdfast Bay contributes 9.8 per cent of the Southern Adelaide economic output of $29.63 billion. Compared to the regional and state economies, "the council area has still experienced growth despite significant reductions to the Accommodation and Food Service Industries, which were experiencing growth up until 2020 (REMPLAN, 2023, p. 8).

Of the estimated 14,340 jobs, the largest employment sector in the council area is Health Care and Social Assistance Services (25.3 per cent), followed by Accommodation and Food Services (15.5 per cent) and Retail Trade (12.1 per cent) (REMPLAN, 2023, p. 8). Tourism output (primarily driven by Accommodation and Food Services) has decreased in recent years and is estimated at $196 million, employing 1,499 people. With decreased COVID-19 restrictions and opening up of travel this can be expected to rise through 2023 and beyond (REMPLAN, 2023, pp. 8–9).

New State and Federal Governments

State and Federal elections have been held in March 2022 and May 2022 respectively, resulting in changes of Government at both levels. The agendas for both Governments is becoming more evident as time goes on. Federally there has been a focus on economic management to deal with the inflation and cost of living pressures being felt by households and businesses. This has been alongside attention being given to housing, aged care, childcare and employment.

The new State Government has focused on health, housing and education. Importantly for a tourism destination like Holdfast Bay there had been a budget boost for tourism and festivals of $45 million over 4 years (CPA Australia, 2022).

30 Year Plan for Greater Adelaide

One of the key priorities in the *State Planning Commission's Strategic Plan 2022–23* is to plan for growth and change by leading the development of Regional Plans across South Australia including a new *30 Year Plan for Greater Adelaide*.

This is intended to set the direction for future planning and development of South Australia and fulfil the vision of the State Planning Policies. It will be regionally based and its purpose is to:

› Define the long-term spatial vision for growth and change in the region.

› Reflect whole of government plans.

› Focus on land-uses and integration of critical transport, employment, infrastructure and public realm.

› Identify sufficient land supply to support housing diversity, affordable living and employment growth.

› Aligns with principles of Good Planning and State Planning Policies.

A Greater Adelaide Regional Plan Discussion Paper is anticipated in May 2023 with consultation taking place throughout 2023–24. Given the potential impacts of infill development on the urban landscape, infrastructure and local environment, as well as the opportunities created by higher density neighbourhoods, Council will engage with all available consultation opportunities to represent our community's interests.

Environmental Sustainability

Climate change is the most pressing issue impacting our environment and way of life. "The impacts of a changing climate are already being felt across southern Adelaide. Even if we achieve a substantial reduction in greenhouse gas emissions (mitigation), some changes to our climate are already locked in. This means that we also need to prepare and respond to the impacts from a changing climate (adaptation).

The most recent Intergovernmental Panel on Climate Change (IPCC) Assessment Report makes it clear that catastrophic changes will require rapidly decarbonising the entire global economy" (Resilient South, 2023).

As a coastal council, the City of Holdfast Bay is planning for the effects of climate change. Through its strategic plan, Council committed to being "South Australia's most sustainable city" and is investing in this vision each year.

Housing and homelessness

Housing affordability has been severely impacted by rising interest rates and lack of supply. "With rising interest rates, soaring rental prices and a shortage of rental stock impacting housing markets throughout the country, housing affordability and availability will be front of mind in 2023" (CEDA Committee for Economic Development of Australia, 2023, p. 36).

To boost supply, it is expected that there will be considerable pressure for higher density developments in the greater Adelaide region. This is a consideration in the *30 Year Plan for Greater Adelaide* discussed earlier.

More acutely, the stresses on the overall housing market (amongst other issues) are impacting on low-income households and increasing the number of people experiencing unstable housing or homelessness (Australian Government Department of Social Services, 2023).

While the Australian Government has recently announced a range of initiatives to improve matters, housing affordability and homelessness are issues even in affluent areas. Local Government is increasingly required to provide or connect people with services and manage the consequences of macro-economic forces or planning policies beyond its influence. Council's investment in 2023–24 in the development of a Wellbeing Strategy is, in part, a response to these growing issues.

Cybersecurity

According to the Australian Parliament, the 'cybersecurity environment is a constantly evolving and complex issue that affects numerous sectors. Strategic level policies and programs are struggling to keep up with threats as technology rapidly advances' (Parliament of Australia, 2023).

In Australia one cybersecurity incident is reported on average every seven minutes with over 76,000 cybercrime reports in 2021–22 (Australian Government, 2023). The Australian Government has set an ambitious target of becoming the most cyber secure nation by 2030 (Australian Government, 2023). Achieving such a target will require significant advances in regulation, technology and people behaviour.

There are impacts for the City of Holdfast Bay as an organisation if we are to maintain public confidence in our systems and processes to protect information which we retain. Likewise Local Government may develop a role in disseminating information for community and business education to support greater levels of cybersecurity.

Aged Care Reform Agenda

The Reform Agenda will continue to impact Alwyndor in 2023–24 and forms an integral element of our business planning in both residential and support at home services.

Alwyndor Residential Care has achieved four stars in the five star rating system which was introduced in December 2022, an achievement met by only 30 per cent of aged care providers nationally, noting only 1 per cent achieved 5 stars. This reflects our achievement of quality care, hours of nursing and compliance as well as resident satisfaction and our net promoter score across the business remains high at +81. Our focus in the coming year is to maintain this rating through further increasing registered nurse minutes of care, continuous improvement of quality clinical care and ongoing compliance with mandated activities and reporting.

We have completed Stage 1 of reform in Support at Home services through capping our fees and charges, revising our services fee structures and introducing the new reporting requirements of the Aged Care Quality and Safety Commission. We look forward to the further expansion of our services through an additional $200,000 of Commonwealth government funding for our social support services commencing 1 July 2023. Stage 2 of Support at Home reform will be introduced from 1 July 2024. We will develop new systems to respond to the emerging service delivery model, as well as continuing to meet the increasingly complex reporting regimes across all services.

Alwyndor is well placed to meet new governance requirements by 1 October 2023, ensuring we will have enhanced clinical and client advisory systems and structures in place as well as maintaining the skill mix we have in the membership of Alwyndor Management Committee.

Alwyndor continues to be able to respond positively to these reforms and deliver our services to our home-based clients, residents and their loved ones and aspire to be the preferred provider in the City of Holdfast Bay and surrounding areas.

THE 2023–24 OPERATING ENVIRONMENT

In addition to the broad trends and issues described earlier there are more pointed matters that have an influence on how council is able to operate.

Inflation and Interest Rates

In line with the broad trends described earlier, inflation and interest rates have a direct bearing on council operations. Local Government purchases a unique range of goods and services such as fuel and construction trades to deliver renewal and maintenance works, and inflation for these is measured separately from general inflation. This Local Government Price Index (LGPI) for the year until December 2022 was 6.9% which is below the general CPI for Adelaide which is 8.6%.

The LGPI is used to assist in costing of council services and projects for the coming year. With this in mind, rates are intended to grow more in line with the lower LGPI of 6.9% rather the general Adelaide CPI of 8.6%.

The borrowing capacity of Council is also impacted by the increasing interest rates. Mindful of this and the LGPI driven increases to the cost of delivering our ongoing services, Council has put together a prudent draft budget and business plan. This plan keeps the rate rise to a minimum whilst meeting new legislative requirements and continuing to provide the high level of service our community expects.

We have limited the number of new capital projects, and are focussed on completing existing projects and renewals to keep our level of borrowings to a manageable level.

Local Business Confidence

Council commissions a biennial Business Confidence Survey to Holdfast Bay businesses, with the last one conducted late 2021. Consistent with broader concerns of the impact of COVID-19 and reduced tourism, a "lack of tourists to the City of Holdfast Bay was cited as one of the key issues impacting on business profitability" (Intuito, 2022, p. 7).

At that time businesses were expecting the national, state and local economies would all be stronger over the coming year (Intuito, 2022, p. 7). Indeed Holdfast Bay is now experiencing a return of interstate visitors (particularly from Victoria, New South Wales and Queensland) and the re-emergence of international visitors.

Notably businesses were asked to "rate their level of satisfaction with various council business initiatives. All scores in 2021 are statistically significant and vastly improved on the ratings given in 2019. This is particularly rewarding and is no doubt a reflection of the focus on delivery and communication of the support council provides" (Intuito, 2022, p. 10).

Environmental Stewardship

As a coastal council, the City of Holdfast Bay has been a leader in environmental stewardship. We were the first coastal council in South Australia to recognise that the world is in a climate emergency.

The City of Holdfast Bay partners with the Cities of Marion, Mitcham and Onkaparinga and the South Australian Government in a partnership called Resilient South. Together we aim to increase climate change adaptation and emissions reduction action in the southern Adelaide region (Resilient South, 2023). Resilient South is developing a Regional Climate Action Plan that is expected to be adopted by each of the partners in 2023. This Plan will assist in achieving carbon neutral/net zero emissions targets that the partners have endorsed. In August 2022, Council adopted a Carbon Neutral Plan with the aim of eliminating, reducing and offsetting emissions generated by council by the year 2030.

Council is developing its inaugural Urban Forest Plan in support of its ambitious target to increase tree canopy cover in the City of Holdfast Bay by 10 per cent from 15.3 per cent to 16.8 per cent by 2030. This Plan will take into account the pressures of further development and the loss of trees on private property in the city. Council recognises the importance of more trees to improve wellbeing and amenity while reducing the impacts of climate change.

In response to climate change, council is taking steps to protect the natural environment, focusing on biodiversity and protecting our unique coastal environs. We will be reducing our reliance on fossil fuels by replacing council vehicles with electric (and other low emissions) vehicles where possible. We also commenced a 100 per cent renewable electricity contract in January 2023 for electrical needs including council operated street lighting and buildings. We are continuing our water sensitive urban design projects, remediating our three gullies, improving our biodiversity and maintaining the city's prized beaches. In this financial year, Council continues implementation of its Environment Strategy to ensure that our environment and community thrive together.

There is a growing realisation that, when acquired from renewable sources, electricity is the cleanest and healthiest energy source. Rewiring Australia is promoting their Electrify Everything campaign to encourage a change to renewably powered electric items in households and businesses (Rewiring Australia, 2023). To this end, Council has recently added some new elements to the Green Living rebates to include home electric vehicle chargers and changing from gas to electric appliances.

There is growing momentum around re-connecting with nature. By growing, enhancing and deepening the human relationship with the rest of nature, research shows that this will bring about a strong desire to protect nature as well as enhancing the wellbeing of people and nature (Nature-based Solutions Initiative, 2023). Holdfast Bay contributes to this in many ways including via the Holdfast Habitat Heroes, through plant giveaways, community planting and beach cleaning days, through hosting nature-based events during the SA Nature Festival and we will continue to explore novel ways to increase nature connection within our community.

Reducing Waste to Landfill

Resource consumption and waste generation go hand-in-hand. In Australia, we have generally relied on landfill to take care of our waste. However, as the population increases, so too does the volume of waste produced and resources consumed. There are concerted efforts in Adelaide and across South Australia to dramatically reduce the amount of waste going to landfill.

Council has already reached the target in the *Environment Strategy 2020–2025* to increase waste diverted from landfill from 59% to 70% between 2020 and 2025. In February 2023, the Holdfast Bay community reduced waste going to landfill by 20% compared to the same time last year. This was largely achieved when we led a state-first change to weekly household bin collections where the default bin collection model for households switched to weekly green Food Organics Garden Organics (FOGO) and fortnightly landfill bin collections.

An initial year-long trial proved so successful, with more than 1,000 households taking part, that it was extended for an additional six months with an opt-out model across 300 households. This helped to inform the city-wide move to weekly FOGO bin collections, which was announced in June 2022 and implemented at the start of July 2022.

Holdfast Bay's weekly green FOGO model has been recognised as best practice by the South Australian State Government. A kerbside bin best practice guide has been developed by Green Industries SA. This guide, which is based on the Holdfast Bay model, aims to encourage other local governments to adopt a similar model to reach state landfill diversion targets.

In addition, the opening of the Southern Materials Recovery Facility (SMRF) late in 2021 has improved recycling efforts. The facility can process 60,000 tonnes of yellow bin recyclables every year. It is Australia's first major materials recycling facility designed to meet the Council of Australian Government's Export Ban requirements, to facilitate the processing and reuse of waste in Australia rather than being shipped overseas. The SMRF is recognised as a national leader in resource recovery having won the "Outstanding Facility Award" at the 2022 National Waste Innovation and Recycling Awards.

External Funding sources

Council's 2023–24 budget relies heavily on property rate revenue, forecasting rates to comprise 81 per cent of revenue, excluding Alwyndor and the Landscape Levy. While the City of Holdfast Bay is a leader in South Australia for non-rate revenue, Council continues to pursue options to reduce the community's rate burden by increasing revenue from other sources. This includes rent from commercial leases, off-street car parking fees, income from the Brighton Beachfront Holiday Park and Partridge House and grant funding from the Federal Government and State Government.
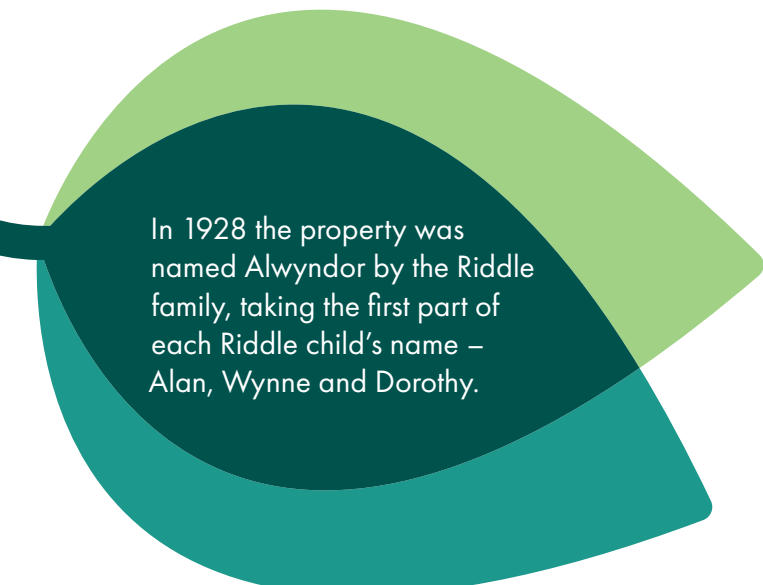
ACHIEVEMENTS, PROJECTS AND SERVICE DELIVERY
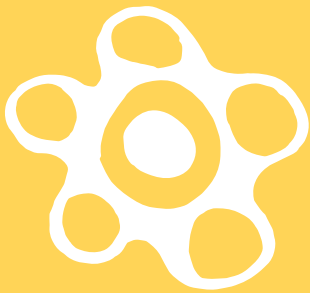
ALWYNDOR AGED CARE

ALWYNDOR AND THE CITY OF HOLDFAST BAY

Alwyndor began as the family home of the Riddles, built on Dunrobin Road, Hove, in 1901. Dorothy Cheater (nee Riddle), the youngest child, cared for her parents at Alwyndor until they died in 1942 and then converted Alwyndor into a convalescent and rest home for returning World War II servicemen and the aged. Dorothy married widower Stephen Cheater who created a beautiful garden for her at Alwyndor. In 1976 the then Brighton Council bought part of the landholding to build a hostel, nursing home and rehabilitation centre. Dorothy later donated the remaining land in the creation of the Dorothy Cheater Trust. The Trust binds the council (or others) to the ongoing provision of aged care accommodation and services in perpetuity on the parcel of land. As one of South Australia's few remaining local government-owned aged care facilities, it is proudly regarded by Council as an important part of what local government can do for its community.

In 1928 the property was named Alwyndor by the Riddle family, taking the first part of each Riddle child's name – Alan, Wynne and Dorothy.

ACHIEVEMENTS

In 2022–23, Alwyndor's achievements and initiatives included:

› Implementation of AlayaCare, a new database for our Support at Home and Therapy and Wellbeing services which streamlines our rostering and billing as well as offering clients online access to request services and to view their scheduled services.

› A review of our food and nutrition in Residential Care. We have redeveloped our dining areas and catering services have been brought in-house. Satisfaction with all elements of our food experience has risen to 90%. We have also automated our systems for recipes, menus and resident meal preferences and selection.

› Reviewing our End-of-Life Care, working with Palliative Care SA we trained both residential and community clinical nurses in contemporary end-of-life care approaches. This aimed to offer the best possible end-of-life experience for residents, clients and their loved ones

› Installation of an outdoor gym in our garden area with an entrance from Cecelia Street, the outdoor gym is open to all and is used by our allied health staff to expand our services, combining indoor and outdoor wellness experiences.

› Expanding our Home Care Packages beyond our growth targets, we now have more than 500 clients with packages in our Support at Home services and more than 3,000 Home and Social Support clients.

› Installation of a new phone system in response to the demand our growth has created. This new system will improve efficiencies in our Customer Care team as well as ensuring calls are managed with a customer focus.

› Continued work to restore our garden to its original glory with the reinstatement of the pond which is managed through a recycled water system. We have also restored and replaced the original plaque commemorating Stephen Cheater's Garden creation and the much-loved frog fountain.

› Tots at Dots, Alwyndor's intergenerational playgroup recommenced after the restrictions of COVID-19 were reduced, offering a fun and enriching experience for residents and community members with their babies and toddlers.

SERVICE DELIVERY

Alwyndor provides integrated services for older people in our communities. A continuum of care is offered from home support through to end-of-life care, all in an inclusive and vibrant community.

Alwyndor provides 144 residential care beds for permanent, respite and transitional care. Residential services include a café, hairdresser and gym, as well as access to podiatry, speech therapy, physiotherapy, occupational therapy and dental services. A day respite service commenced in April 2020 and is a now available Monday to Friday each week. The Alwyndor Community Connections teams work with people in their own homes, offering a suite of services including gardening, maintenance, cleaning, shopping and laundry through to complex personal and clinical care. We receive funding for these services from a variety of sources which include:

› Commonwealth Home Support Program.

› Home Care Packages (Federal Government funding).

› Department of Veterans Affairs.

› Private health refunds and private client payments.

› Medicare (via GP referral for service packages).

› National Disability Insurance Scheme.

In 2023–24, Alwyndor will continue to promote and enable independence, active health and wellbeing for older people in the City of Holdfast Bay and surrounding areas.

WELLBEING

In 2023–24, Council will allocate $10 million to good health and economic success in an environment and a community that supports wellbeing.

OBJECTIVES: 2020–2030	MEASURES
› Apply the principles of universal design and social inclusion to all council activities	All project plans and policies address universal design and social inclusion
› Assist the city's mainstreet precincts in becoming dementia-friendly	The number of businesses recognised as dementia-friendly increases year on year
› Increase participation rates in community engagements across all age groups, particularly under-represented demographics such as children and young people by using methods that are appealing and appropriate	The number of participants in formal engagements increases year on year
› Support businesses to operate in mixed use neighbourhoods to improve local access to goods and services and reduce supply transport distances	The proportion of mixed-use developments increases
› Establish community hubs that integrate community support, recreational, and commercial services in multi-purposes spaces that include frequently excluded demographics such as children and young people, people with disabilities, Aboriginal and Torres Strait Islander people and people from culturally and linguistically diverse backgrounds	Utilisation of council owned buildings increases

Geraldton Wax
Chamelaucium uncinatum

2022–23 ACHIEVEMENTS

In 2022–23, we delivered many projects that build good health and economic success in an environment and a community that supports wellbeing. Some of these include:

› The Christmas Pageant returned to Glenelg for the first time since 2019, with an estimated 25,000 people lining Jetty Road to view the parade of 50+ floats featuring more than 1,800 participants.

› Developing a concept design for the Buffalo site.

› Continuing the improvements for *Disability Discrimination Act* (DDA) compliant kerb ramps.

› Continuing the development of the Movement and Transport Strategy.

2023–24 CAPITAL PROJECTS $2.6 million

Including:

Glenelg Oval upgrade Stages 3 and 4 – $1.84 million

Continuing the upgrade of this important community asset, the work for 2023–24 includes upgrades to the spectator mound including playspace, elevated *Disability Discrimination Act* (DDA) viewing area and tiered seating. Other improvements will include rebuilding cricket practice pitches and netting, as well as upgrading the caretaker's building and adjoining public toilet block.

Public Toilets, Patawalonga Lake – $220,000

Additional toilet facilities to be placed around the Patawalonga Lake for existing users and to help attract more people to use the facilities in the area.

Seacliff–Brighton Yacht Club to upgrade change rooms – $500,000

Subject to Club, grant or other partner funding – improvements to the showers, toilets, change rooms and DDA compliant toilets, enabling better quality facilities that are appropriate for mixed ages as well as the public.

DDA Pram Ramps and bus stop improvement – $70,000

Install new pedestrian (DDA) compliant ramps to improve access and inclusion throughout the city.

Glenelg Community Centre Painting entrance statement – $10,000

An inviting and vibrant new entrance statement for the Community Centre.

Brighton North Community Garden upgrades – $4,000

Improvements to the Brighton North Community Garden including a new irrigation system, and other equipment.

2023–24 NEW PROJECTS $102,000

Including:

Community Wellbeing Strategy – $25,000

Development of a Community Wellbeing Strategy and action plans for focus areas, in partnership with the Holdfast Bay community. The Wellbeing Strategy will guide the efficient and effective development of multiple Council strategies and action plans within the Community Wellbeing space that are due to expire in 2023 (e.g., *Volunteering Strategy 2018–2023*; *Youth Action Plan 2018–2023*).

Local Music Festival – $30,000

Local bands to play a concert, on the Glenelg foreshore incorporating features of the 2020 and 2021 events.

Mural on the Esplanade at the end of Farrell Street – $33,000

A mural on The Esplanade at the end of Farrell Street to address the increasing foot traffic of the coast path with the need for more public art.

2023–24 SERVICE DELIVERY $7.45 million (excluding Alwyndor)

Development Services – $1.40 million

Council's development assessment, development advice and building compliance services work to recognise opportunities while protecting the character and amenity of our suburbs. In the 2022–23 financial year, up to 15 April 2023, we have processed 744 developments with a total value of $287 million.

Council will continue with a grant scheme to support the conservation of our City's heritage premises and the character of our retail precincts. Aimed at encouraging people who own heritage listed and retail precinct properties to invest in maintaining, restoring, and preserving them, the grants replaced a previous rates rebate for heritage listed properties.

Property Management – $2.38 million

We will manage and maintain community assets and infrastructure in an environmentally and financially sustainable way. This includes maintenance and operational support for the City of Holdfast Bay's buildings assets. As part of the building portfolio, we operate 31 public toilet facilities available 17 hours every day of the year, with each toilet serviced daily. A key component of this is the cleaning contracts which annually deliver 21,400 cleaning services across a range of buildings and council assets.

There is also a range of renewal and new works on a suite of assets within the Council's buildings, open space and coastal portfolio.

Community Wellbeing – $870,000

In addition to the services delivered by Alwyndor's Community Connections team, council provides activities that promote wellbeing and resilience and enable people to remain at home with an enhanced quality of life, including social support and a kerb-to-kerb community transport service.

Our community development programs, services and events aim to promote interaction and minimise social isolation and disadvantage. This includes providing places, infrastructure and funding for people of all ages and abilities to meet, mix and build constructive connections by participating in a wide range of sporting, recreational and cultural activities. This year, council will continue to support:

› Sports and recreation, including local sporting clubs and recreational and open space planning and development.

› Community development programs, including community gardens and community and youth sponsorship grants.

› Volunteer services.

› Community centres, including the Holdfast Bay Community Centre, Glenelg Community Centre, Glenelg North Community Centre, Brighton Community Centre and Partridge House.

› Aboriginal reconciliation through consultation and engagement.

Community Safety – $2.22 million

Council recognises that the community's health and safety are affected by many fields of regulatory activity. We will use contemporary approaches to respond to public health and safety threats to deal with a range of existing and emerging issues, including:

› Supporting our community to minimise their environmental and local nuisance impacts.

› Encouraging responsible dog and cat ownership.

› Supporting food businesses to achieve high standards of food safety and hygiene.

› Working collaboratively with supported residential care facilities to ensure that they meet the required standards of care and accommodation and that residents' rights are protected.

› Effective delivery of an immunisation program.

› Responding to and mitigating public health risks.

› Delivering education and compliance activities and responding to customer requests.

› Encouraging and supporting businesses to provide outdoor dining and display goods to support the economy and improve the ambience of our streetscapes.

› Monitoring public safety and security to ensure that our community can safely move around the city's public places and spaces.

› Improving road safety and access to adequate parking for residents and visitors.

Communications and Engagement – $580,000

We are committed to clear and open communication with our community. We provide many ways for people to get in contact, including telephone, mail, email, social media and via our websites. People can directly engage with council staff at the Brighton Civic Centre and in our libraries. Information is provided on our website (holdfast.sa.gov.au) and through a range of Council publications. *Our Place* was launched in July 2020. It features the latest council news, project updates and upcoming events. Council's quarterly, printed magazine, *Our Place*, is distributed to all ratepayers with a digital copy shared via social media and emailed to 1,920 subscribers.

SUSTAINABILITY

In 2023–24, Council will allocate
$21.5 million to developing a city, economy
and community that is resilient and sustainable.

OBJECTIVES: 2020–2030	MEASURES
› Become a carbon-neutral council by 2030	Emissions from council operations decrease each year or are offset
› Prioritise sustainable and active transport (such as walking and cycling) across the city, including by reclaiming streets for play and nature and improving walkability to support healthy ageing	Number of kilometres of street prioritised for active transport increases, measured every five years
› Support the creation of safer places by improving the public realm and collaborating with transport providers to increase transport options	Programs supporting community safety are developed and implemented
› Support mixed use neighbourhood development while honouring heritage values to encourage walking and cycling and support healthy ageing	Walkability score increases in all Holdfast Bay suburbs, measured using a 'citizen science' approach every three years
› Encourage more community gardening, including biodiversity sensitive urban design, in public spaces, applying the long-held knowledge of Kaurna people as well as innovation	Number of community gardening spaces increases each year

2022–23 ACHIEVEMENTS

In 2022–23, Council delivered projects and services that supported the goal of developing a city, economy and community that is resilient and sustainable.

Activities included:

› **Flood Management**
Major upgrades to the city's stormwater drainage in line with our Stormwater Management Plan. We also completed year one of three for a comprehensive data collection of the city's underground stormwater network.

› **Coastal Works**
Replacement of showers, drinking fountains and dog bowls and improving access along the coast and renewed essential infrastructure at the Patawalonga.

› **Roads – Including Kerb and Water Table Reconstruction**
Systematic repair and replacement of the city's streets, kerbs and water table. With 6,815 linear metres of road reseal and 3,842 linear metres of kerb renewal. This included 112 kerb ramp upgrades.

› **Footpaths**
Ongoing maintenance and improvements of footpaths and cycleways to ensure they are safe with accelerated program to attend to more sites.

› **Bus Stops**
Council upgraded 15 bus stops to comply with the requirements of the *Disability Discrimination Act* (DDA).

› **Carbon Neutral Plan**
In 2019, Council recognised that the world is in a state of climate emergency and as part of its commitment to becoming a carbon neutral organisation by 2030, Council subsequently endorsed the *City of Holdfast Bay Carbon Neutral Plan.*

› **Gullies Masterplans – Implementation**
Work continued on implementing the masterplans for Gilbertson, Pine and Barton Gullies to re-establish these small gullies as examples of local remnant vegetation with high biodiversity value. Pine Gully was a substantial program including infrastructure and landscaping, completed with funding from Green Adelaide.

› **Weekly FOGO Pilot – Phase 2**
The City of Holdfast Bay has become the first council in South Australia to change its bin collection frequencies so that red landfill bins are only collected fortnightly and green FOGO bins are collected weekly. This has enabled our community to reach an outstanding 70% diversion of waste away from landfill.

› **Solar installation and energy reduction works**
To reduce energy consumption and costs, solar systems were installed at the Glenelg Library, Brighton Library, Brighton Tennis Club, and the William Kirby Veteran Shed in Glenelg North.

2023−24 CAPITAL PROJECTS $3.99 million

Former Buffalo Site – Amenity Improvements – $2.2 million

Undertake important site remediation work and amenity improvements at the former Buffalo site.

Sturt Creek Biodiversity Corridor: Shannon Avenue – $60,000

As one of the highest priorities in our Environment Strategy, this project will transform a small portion of this reserve into biodiverse corridors to improve biodiversity both in Glenelg North (where it is very low) and along the Sturt Creek.

Traffic Management Improvements – $60,000

This will allow for several improvements to traffic management on council roads in high priority areas.

2023−24 NEW PROJECTS $380,000

Support for Visitor Information at Glenelg Town Hall – $80,000

Additional staffing to ensure there is coverage of the Bay Discovery Centre and Visitor Information outlet across all hours of opening, especially in a time of post COVID-19 restrictions.

Economic Development Strategy Implementation – $30,000

The Economic Development Strategy (EDS) is currently under development, and this is likely to identify initiatives and actions that will require funding. This will enable prompt implementation of actions and outcomes from the Strategy in an agile way.

Stormwater Data Collection (pit and pipe survey) Year 2 of 3 – $100,000

This project was identified in the Stormwater internal audit and is important to ensure data on stormwater assets is current.

Arborist Support – $120,000

This additional position will support the Senior Arborist in building capacity and risk mitigation through the monitoring, assessment and actioning of works to council's trees.

2023−24 SERVICE DELIVERY $17.16 million

Public Realm and Urban Design – $570,000

Council is committed to developing and maintaining high quality urban and open spaces through master planning, project management and delivery including:

› Sports and recreation facility planning and activation.

› Playspace renewals and redevelopments including planning and consultation.

› Urban design projects such as main street master planning and project delivery.

› Securing grant funding for major projects through State and Federal Government grant programs.

› Sport and recreation club development.

Environmental Services – $1.02 million

Council is pursuing an Environment Strategy (2020–25) with a detailed roadmap of initiatives, to guide our decision making until 2025 and beyond. The strategy incorporates five themes:

› Climate change resilience and working towards a carbon-neutral community.

› Managing our coastal ecosystem.

› Managing and improving biodiversity.

› Waste and resource management.

› Working together as a community.

A number of projects and initiatives from the Environment Strategy are included in this *Annual Business Plan*.

Field Services & Depot – $8.53 million

Council will manage and maintain the community's assets in an environmentally and financially sustainable manner for the benefit of residents and the wider community.

We will achieve this by:

› Maintaining our many high profile and highly used open spaces and reserves.

› Planning and implementing environmental management programs.

› Planting and caring for trees in our streets and reserves.

› Cleaning our streets and foreshore.

› Maintaining the North Brighton and St Jude's cemeteries.

› Managing and maintaining our coastal zones and foreshore.

› Removing graffiti.

› Maintaining gross pollutant traps to ensure that pollutants do not enter our waterways.

› Maintaining our roads, kerbs and footpaths.

Street Lighting – $730,000

Council partners with SA Power Networks to deliver street lighting for our community. Over the past three years, Council has been replacing the 2,550 street lights with energy efficient LED lights across the city.

The new lights being installed are up to 82% more energy efficient than existing mercury vapour lamps, require less maintenance and generate a warm to white light similar to existing lighting.

LED lighting is a much improved light than the old technology and the changeover will lower councils' greenhouse gas emissions by approximately 517 tonnes a year.

Engineering and Traffic – $1.78 million

Council is committed to a high level of amenity and safety with our street, footpath and kerb renewal and maintenance program. We continue to work with the stormwater management authority in the development and implementation of a storm water management plan. Our team monitors issues and improves traffic management in our city.

Waste management – $4.53 million

Council partners with the City of Marion and Onkaparinga to provide waste management services through the Southern Regional Waste Resource Authority. Council collects waste and recyclables through weekly waste services. Council also provides free presentations and workshops to promote recycling and ethical waste management practices for residents, community groups and schools.

To receive updates or to share your views on major projects register at **yourholdfast.com**

INNOVATION

In 2023–24, Council will allocate $5 million to developing a thriving economy and community that values life-long education, research, creativity and entrepreneurialism.

OBJECTIVES: 2020–2030	MEASURES
› Facilitate growth in the number of home-based businesses where practical to reduce transit distances	The number of home-based businesses increases as reported via Census data
› Maximise the value of public buildings, including libraries, to support innovation by creating co-working spaces and technology/ prototyping/maker spaces and hubs	Utilisation of council buildings increases
› Partner to establish an innovator/entrepreneur in residence program that includes local schools and encourages life-long learning across the population	Program participation rates trend upwards
› Partner to develop a centre of excellence in hospice care and dying well	Amount of support attracted is sufficient to establish a centre
› Partner to facilitate the provision of technology infrastructure to support creative and emerging industries, including mobility as a service, startups and other entrepreneurial activities	Number of start-ups, creative and technology-related businesses in the city increases

2022–23 ACHIEVEMENTS

In 2022–23, Council delivered projects and services that supported the goal of developing a thriving economy and community that values life-long education, research, creativity and entrepreneurialism. Activities included:

› **Plant and Equipment Replacement**
A significant program of work to meet our operational needs and enable the safe, effective delivery of services.

› **Enterprise Technology**
The implementation of the Enterprise Technology 2020–2023 Roadmap continued. This Roadmap identified projects to deliver people, process and technology improvements that enable the realisation of key business objectives for Council. The significant achievements include Request Management (focusing on Elected Member and general Council requests), Information Management, Cyber Security and Asset Management.

› **Information Technology Equipment Replacement**
This enabled the replacement of back-up infrastructure and continue our transition to a mobile workforce.

› **Implementation of the Jetty Road Brighton Lighting Masterplan**
The installation of solar lighting bollards and upgrade of energy efficient pedestrian and street lighting along Jetty Road, Brighton.

› **Brighton Caravan Park – Stage 2 Redevelopment**
The replacement of timeworn facilities with new sites, cabins and administration building. The upgrades improve visitor appeal, grow the Park's commercial revenue, and enhance the city's tourism offering.

› **CCTV upgrades Glenelg**
The Glenelg CCTV expansion project involved upgrading and expanding the precinct-based CCTV infrastructure in the area. The main areas of focus for the project were improving coverage of Jetty Road, Glenelg, and the Glenelg foreshore from Broadway Kiosk to the Breakwater.

2023–24 CAPITAL PROJECTS $1.0 million

Glenelg Library upgrade – $200,000

This will include a refresh the Glenelg library ground floor as an innovative and creative community space with accessible meeting rooms, learning and maker spaces, attractive collections and updated staff workspaces. Glenelg Library is a high-profile council building last upgraded in 2003.

Innovation Projects – Various Information Technology Management improvements – $800,000

This range of business improvement projects will impact across all of council operations. These will improve efficiency and result in better service delivery.

2023–24 NEW PROJECTS $60,000

Climate Change Adaptation – $60,000

As a result of a recent Climate Change Adaption Governance Assessment, these funds are for an additional position that works across Council in such areas as climate adaption, and climate neutral planning.

2023–24 SERVICE DELIVERY $15.81 million

Library Services – $1.73 million

The City of Holdfast Bay provides accessible and progressive library services that meet our community's informational and recreational reading needs while fostering a love of lifelong learning. In 2023–24, we will continue to deliver events, programs, services and activities through our two branches at Brighton and Glenelg.

City Activation – $1.47 million

In July 2018, council endorsed the *Economic Activation Plan 2018–2023*, focusing on five strategic directions. These strategic directions form the basis of a five-year action plan for the delivery of collaborative economic development programs and initiatives, resulting in ongoing economic prosperity for the city:

› Business capacity building.

› Investment attraction and growth.

› Innovation and digital evolution.

› Regional collaboration.

› Adelaide's premier seaside destination.

Council will continue to develop an environment that assists the future viability of local businesses and creates opportunities to attract innovative industries.

Tourism and Events – $1.61 million

Our visitor and business services include:

› Planning, implementing and supporting a wide range of community events to increase visitation and length of stay.

› Consulting and communicating with our community through our community engagement program.

› Preserving and stabilising the Holdfast history collection while developing opportunities to make it more accessible to the community.

› Providing targeted tourism and marketing services aligned with the community's desires and needs.

› Providing a voice for business and property owners in the Glenelg precinct through the Jetty Road Mainstreet Committee.

Commercial and Economic Enterprises – $390,000

We ensure that our commercial activities, commercial leases, Partridge House and the Brighton Holiday Park provide the best possible return on the community's investment.

Corporate Services – $4.19 million

Council delivers services to the community in a responsible, transparent way that meets legislative requirements and provides the best value for money. The broad business areas providing corporate services include:

› Customer service.

› Strategy and Governance.

› Human resources.

› Risk management.

› Work health and safety.

› Elected member and CEO support.

› Records management.

Financial and Rating Services – $3.43 million

We ensure Council remains financially sustainable and accountable by providing sound financial management, including rating, investment and treasury management, grants administration and auditing services.

Information and Technology Services – $2.99 million

Up-to-date information and technology services enable the delivery of effective and efficient services to the community and provide a range of easy options for customers to contact and do business with Council.

DEVELOPING OUR ORGANISATION

We will serve the community through services and programs that meet and exceed its needs by doing things right the first time and doing them well; by having the right people with the right skills; and by managing our resources to meet the expectations of our community.

**CITY OF HOLDFAST BAY
LONG-TERM FINANCIAL PLAN**

ARISE

Council is committed to a set of core values (ARISE):

› **A**chievement.

› **R**espect.

› **I**nnovation.

› **S**implicity.

› **E**ngagement.

The objectives for each area of our business aim to provide the best value to the community.

Finance

We will develop and maintain a long-term financial position that ensures our financial health and sustainability.

Assets

We will drive a systematic approach to the development, maintenance and replacement of our assets and ensure that they meet the needs of our community.

People

We will attract and maintain the right mix of people with the skills and experience to deliver our services and achieve our goals.

Systems and Processes

We will ensure that our organisation is appropriately governed, operates in a planned environment and continually works to improve services and programs.

Service Delivery

We will maintain and improve our service delivery, quality, efficiency and cost-effectiveness.

FUNDING OUR CITY

OPERATING RESULT

In 2023–24, council is proposing an extensive program of services and projects. To achieve this, we expect to raise $53.5 million in operating income and spend $53 million in operating expenditure (excluding Alwyndor). The funds come from a variety of sources. While our income is predominantly from rates, it also includes grants from the State and Commonwealth governments and income from statutory and user charges. In 2023–24, 81 per cent of the revenue to fund municipal operations will come from rates.

The municipal operating surplus for 2034–24 is projected to be $515,345. For 2023–24, Alwyndor is projected to have an operating surplus of $670,068. The consolidated surplus for 2023–24 is budgeted to be $1,185,413.

OUR FINANCIAL STATEMENTS

We have included a summary of our projected financial statements for the municipal and the Alwyndor operating budgets for the 2023–24 financial year in this document.

A net sum of $42 million (excluding the Landscape Levy) will be raised from rates in 2023–24.

Council owns infrastructure and assets (such as roads, drains, footpaths and buildings) with a current value of approximately $359 million (excluding land). These assets deteriorate over time through wear and tear and must be replaced or renewed at appropriate intervals to prolong their useful lives and continue delivering services to the community. We are mindful of the impact on ratepayers and committed to developing options that ease the rate burden by increasing other revenue sources.

FINANCIAL MANAGEMENT

Council's financial principles include a commitment to prudent debt management. Our treasury policy recognises the use of borrowings to spread the investment in community assets over time, supporting the principle of intergenerational equity. Any funds that are not immediately required to meet approved expenditure or minimum liquidity are applied to reduce existing borrowings or defer the timing of new borrowings, or are invested in interest-bearing deposits. We regularly consider the financial environment, prevailing interest rates and the life of community assets, to ascertain a treasury position that provides an optimum balance of long and short-term loans, and fixed and floating interest rates.

The Holdfast Bay community has high service expectations due in part to its coastal proximity and tourism focus. The *2023–24 Annual Business Plan* forecasts a projected borrowing requirement of $4.72 million to fund the proposed program of capital works and projects. We believe it is prudent to borrow to renew and replace infrastructure and assets for the community's benefit. As outlined in our *Long-Term Financial Plan* and *Asset Management Plan*, council aims to deliver high service levels at low overall life-cycle cost. Running down the value of assets or not replacing them is short-sighted and can lead to a lack of community and business confidence and increased expenditure in future years.

Council's risk management framework and Audit and Risk Committee provide strategic and operational risk management guidance. This is done holistically, having regard for all aspects of financial and risk management. Guided by our *Long-Term Financial Plan*, our financial management takes a long-term view that ensures we maintain a sustainable financial and asset management position.

Rate Comparisons

Comparing our rates with those of other councils is a complex issue. Each council has different characteristics (such as size, demographics, residential base and growth) and provides either different services or similar services at different standards. Councils provide a broad range and level of services to the community. Although some of these are statutory requirements, the majority are determined by the expectations of local ratepayers. The cost of providing and maintaining services is spread across the community in the form of rates. Council determines a rate in the dollar based on the amount of revenue required to meet the ongoing cost of providing services to the community for the coming year.

The amount of rates that property owners pay is determined by multiplying a property's value by the rate in the dollar. For example, if the property value is $500,000, and the rate in the dollar is 0.002033 cents, the rates payable will be $1,016.50.

The charts on the following page show a comparison of the average residential rate for Adelaide metropolitan councils for 2020–21.

The average (mean) residential rate for the City of Holdfast Bay in 2022–23 was $1,669. This represented a rate of 0.002033 cents in the dollar. This residential rate compares favourably to other South Australian councils.

For 2023–24 the proposed revenue from general rates is $41,428,000 compared to $38,593,000 for 2022–23. This is a 7.3% change in total proposed revenue from general rates compared to previous year. This comprises the increase in rates plus new development.

The average (mean) increase for other land use categories is outlined below:

Land Use Category	2023–24 Increase
Commercial – Shop	$212
Commercial – Office	$150
Commercial – Other	$225
Industry – Light	$133
Industry – Other	$195
Vacant Land	$150
Other	$147

2021–22 Average (mean) residential rate comparison ($)
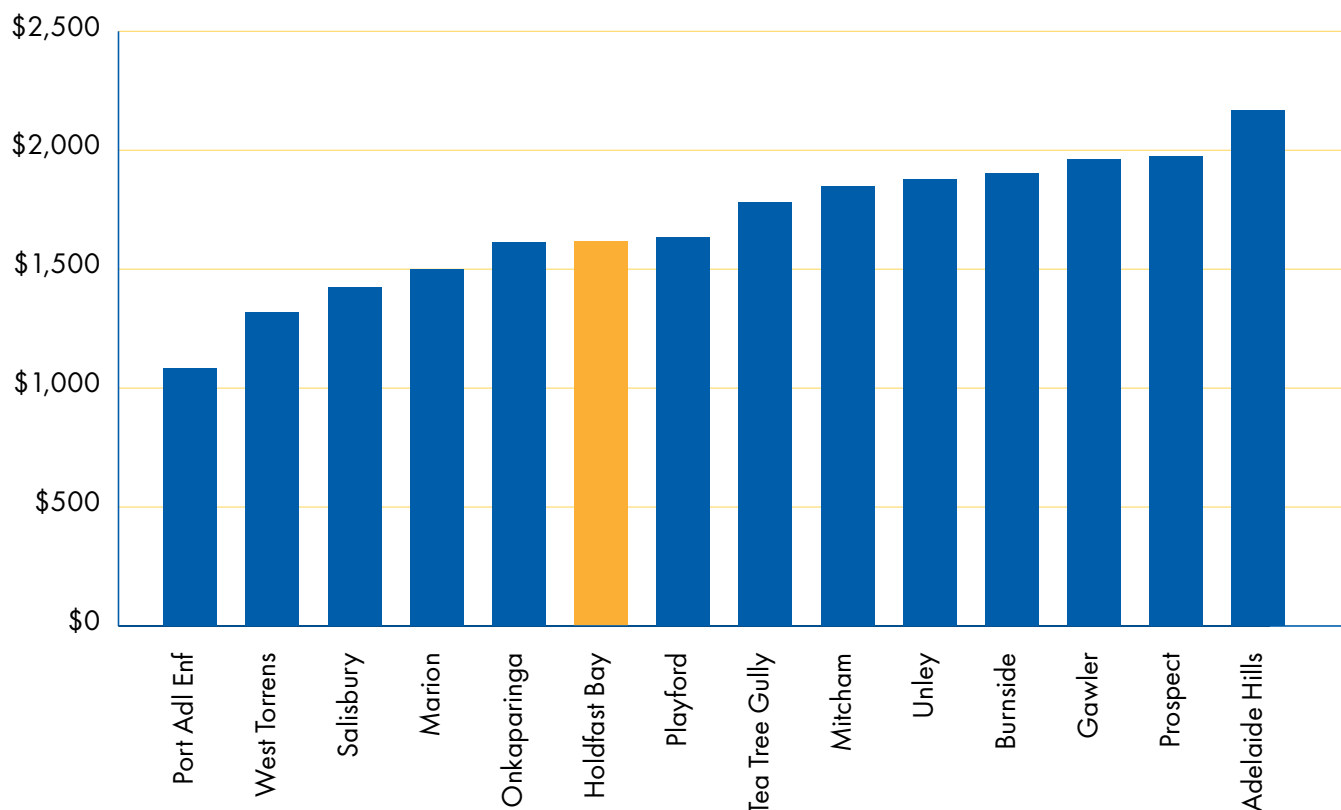
What Will You Pay in Rates?

The amount you pay is determined by your property's valuation and how we apportion rates across the community. We endeavour to apportion rates across the community in an equitable fashion. Property valuation modelling has yet to be provided. However, based on the average (mean) for 2022–23 residential property value, the rate increase for the average (mean) residential premises will be approximately $115 or $28 per quarter. This is $2.20 per week.

Rating Policy

Section 147 of the *Local Government Act 1999* provides council with the power to rate all land within the City of Holdfast Bay – except for land specifically exempted, such as Crown land and land occupied by council. We continually review our rating policy to ensure that it is fair and equitable. Our current rating policy, last reviewed in June 2022, is available at the Brighton Civic Centre and can be downloaded at holdfast.sa.gov.au.

Land Valuation Method

Council uses the capital value determined by the State Valuation Office as the basis for valuing land and calculating rates, as we feel this method provides the fairest and most efficient method of distributing the rate burden across all ratepayers. If you are dissatisfied with your valuation, you can object to the State Valuation Office in writing within 60 days of receiving the notice of valuation, explaining why you object. The Valuer General may extend the 60-day objection period where it is shown there is reasonable cause to do so.

Residential Rates

The residential rate for 2023–24 has yet to be determined. Our *Draft 2023–24 Annual Business Plan* and financial statements are based on a rate revenue increase of 6.9 per cent, excluding new building construction and separate rates. The average (mean) value of properties in the City of Holdfast Bay in 2022–23 was $821,000, with an average (mean) rate of $1,669.

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## 2021–22 Residential rate-in-the-dollar comparison (cents)
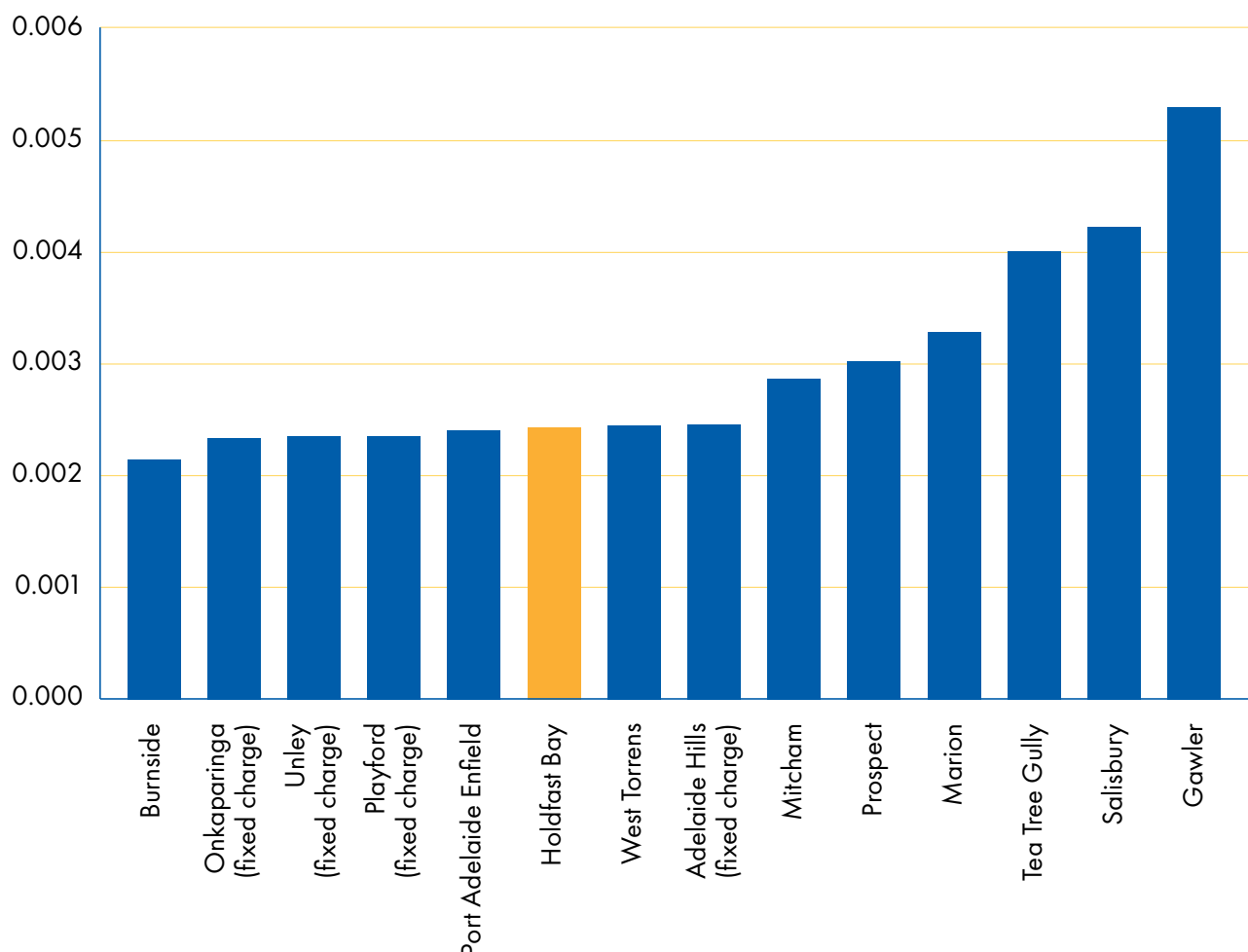
Industrial, Commercial Property and Vacant Land Rates

Council applies a differential rate to industrial, commercial properties and vacant land. This applies a premium based on the principle that industrial and commercial properties place a greater burden on infrastructure and achieve direct benefits from council parking and health regulations, events, tourism, etc. For vacant land, the differential rate provides an incentive to encourage property development.

In 2022–23 a differential premium of 62 per cent above the residential rate was applied, equating to 12 per cent of total rate revenue ($4.7 million) being paid by this sector. This premium compares favourably with the 2020–21 metropolitan average of 97 per cent, as shown on the following page.

In 2023–24 it is proposed to maintain the rate revenue from commercial, industrial and vacant properties at 12 per cent of our overall general rate. The premium to apply has yet to be determined.

2020–21 Metropolitan differential rate premium comparison
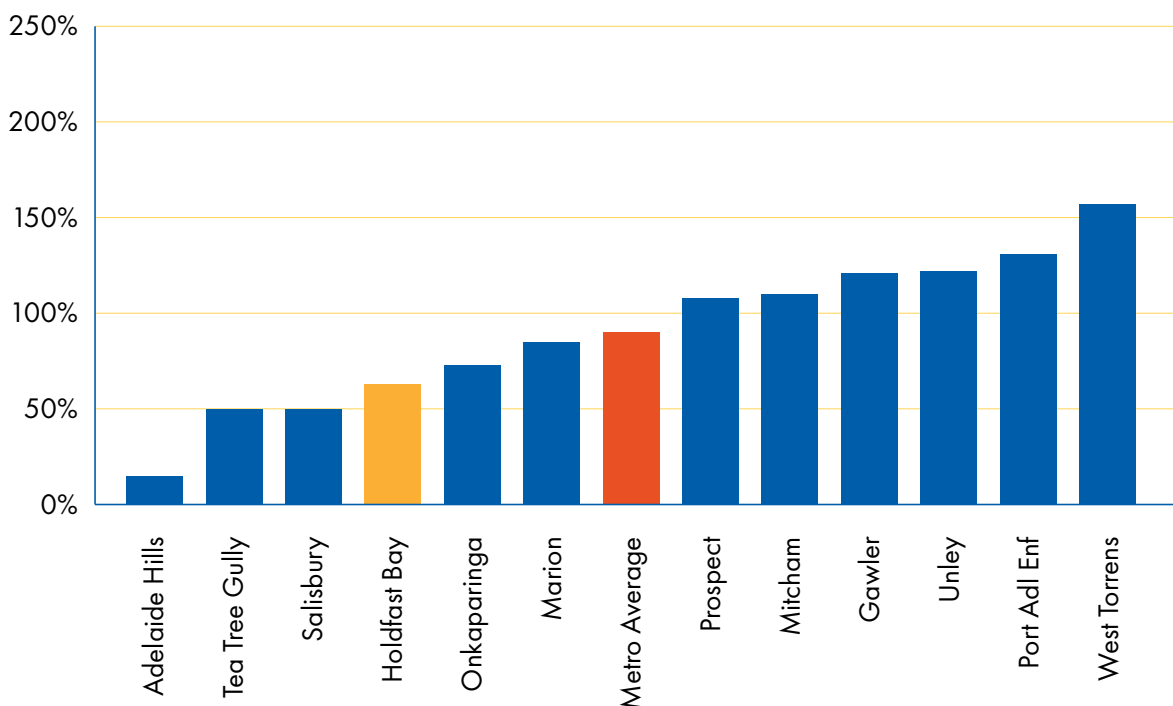
Separate Rate

Council levies two separate rates on specific ratepayers to provide funding for activities and services related to those ratepayers. They are as follows:

1. The Jetty Road Mainstreet Separate Rate is applied to properties within the Jetty Road Mainstreet precinct to promote and enhance business viability and trade. Revenue from this separate rate is expected to raise $660,245 in 2023–24, representing an increase of 6.9 per cent on the rate levied in 2022–23.

2. The Patawalonga Marina Separate Rate is applied to properties within the basin of the Patawalonga, bounded by the high-water mark and comprised of marina berths. This separate rate provides funding for the ongoing maintenance of the Patawalonga lock. Because the lock is also widely used by the general public, this rate is reduced by 50 per cent. The Patawalonga Marina Separate Rate for 2023–24 is expected to raise $82,460. We will continue to calculate this rate using this method, adjusting slightly to account for the actual maintenance costs incurred each year because it offers the greatest level of certainty for ratepayers.

Landscape Levy

Formerly called the Natural Resource Management (NRM) Levy, councils are required under the *Landscape South Australia Act 2019* to collect the Landscape Levy on behalf of the State Government. For 2023–24 the Landscape Levy for properties in the City of Holdfast Bay will increase by $122,000 to $1.44 million.

Rebates

Council is required to provide mandatory rebates under Sections 160 to 165 of the *Local Government Act 1999* for properties:

› Predominantly used for service delivery or administration by a hospital or health centre (Section 160).

› Predominantly used for service delivery or administration by a community service organisation (Section 161).

› Containing a church or other building used for public worship or used solely for religious purposes (Section 162).

› Being used for the purpose of a public cemetery (Section 163).

› Occupied by a government school under a lease or licence or a non-government school being used for educational purposes (Section 165).

In addition, Council may provide discretionary rebates under Section 166 where:

› The rebate is desirable for the purpose of securing the proper development of the area or assisting or supporting a business.

› The land is being used for educational purposes, agricultural, horticultural or floricultural exhibitions, a hospital or health centre, to provide facilities or services for children or young people, to provide accommodation for the aged or

disabled, for a residential aged care facility or a day therapy centre, or by an organisation which, in the opinion of council, provides a benefit or service to the local community.

› The rebate relates to common property or land vested in a community corporation over which the public has a free and unrestricted right of access and enjoyment.

› The rebate is considered by council to be appropriate to provide relief against what would otherwise amount to a substantial charge in rates payable due to a change in the basis of valuation.

Minimum rate

We impose a minimum amount payable by way of rates. In 2022–23 this rate was set at $1,079. The minimum rate for 2023–24 has not been set at this time.

Rate relief

Support is available for people experiencing difficulty in paying their rates. A residential rate cap may be applied to provide relief to ratepayers who own properties that have been subject to increases in valuations that are deemed excessive. In 2022–23, Council determined that residential ratepayers could apply for a reduction in their rates where they could demonstrate an increase in their annual rate bill in excess of 6 per cent. No decision about the residential rate cap for 2023–24 has been made at this time. Council offers a range of hardship provisions. Visit holdfast.sa.gov.au or contact us on 8229 9999 to find out more.

FINANCIAL TARGETS

1. **To achieve an operating ratio of 0–10 per cent over a five-year period.**

2. **To achieve a net financial liabilities ratio of less than 75 per cent.**

3. **To improve council's asset sustainability ratio to be within the range of 90–110 per cent over a five-year period.**

1. To achieve an operating ratio of 0–10 per cent over a five-year period

In 2023–24, Council will raise $42.0 million in rate revenue (including separate rates but excluding the Landscape Levy), and this will yield an operating surplus ratio of 0.96 per cent. Currently, our operating ratio measure over the five years from 2017–2018 to 2021–2022 is 3.8 per cent. The operating ratio is the operating result expressed as a percentage of total operating revenue. The operating result is the difference between recurrent income and recurrent operating expenditure.

Recurrent income is made up of revenue received each year in the ordinary course of activities, such as rate revenue, user and statutory charges and operating grants, but excluding capital grants. Recurrent operating expenditure is incurred in the ordinary course of providing services, including a charge for depreciation of infrastructure and assets. Depreciation can be regarded as the cost of wear and tear. The operating result is expressed as a surplus (where income exceeds expenditure) or a deficit (where expenditure exceeds income).

While we strive to maintain a balanced budget or small surplus each year, we recognise that current cost movements, particularly in areas where we have little control, will increase the possibility of an operational deficit being forecast in future years. An operating deficit indicates that the cost of services provided is not being adequately funded, and current users are not paying enough for the use of services and infrastructure. Continued operational deficits would indicate that we were not able to maintain a financially sustainable outcome into the future. As a result, we continue to review our revenue and expenditure to supply services that are efficient and effective in meeting the needs of the community.

Council is committed to a balanced budget or modest operating surplus. To achieve this, we continuously review the services provided to the community and our business processes to provide the most cost-effective and efficient service delivery. In 2023–24, we will continue to monitor and review council's operations to ensure that we can continue to meet the community's expectations in a financially sustainable way.

2. To achieve a net financial liabilities ratio of less than 75 per cent

Council's current ceiling for the net financial liabilities ratio is 75 per cent. The net liabilities ratio is a measure of the size of our net financial liabilities (which is what we owe others, minus what others owe us) as a percentage of total operating revenue.

However, it is acceptable to exceed this ceiling from time to time, particularly when low interest rates offer the opportunity to develop infrastructure and facilities that will provide long-term benefit to the community. In 2023–24, the net financial liabilities ratio is forecast to increase from 72 per cent to 74 per cent (excluding Alwyndor Aged Care). The ratio is expected to decline in subsequent years as our fixed-term debt is reduced.

An additional, and arguably more relevant, indicator of council's ability to manage and service debt is its interest cover ratio which is measured by calculating our net financial interest as a percentage of the overall operating revenue. Council has set a ceiling of five per cent for this ratio. A ratio of five per cent indicates that, for every $100 of revenue, $5 is spent on net interest payments. In 2023–24, our interest cover ratio is forecast to be 1.7 per cent (excluding Alwyndor Aged Care). Our net financial liabilities and interest cover ratio indicate that Council remains in a strong and sustainable financial position to manage its debt levels.

3. **To improve Council's asset sustainability ratio to be within the range of 90–110 per cent over a five-year period**

The asset sustainability ratio measures the level of capital expenditure on the renewal and replacement of existing infrastructure and assets. It is measured against the level proposed in the *Asset Management Plan*. For 2023–24 this is forecast to be 100 per cent.

MEASURING OUR PERFORMANCE

Council appoints an Audit and Risk Committee, which includes three independent members with relevant qualifications and experience, to provide advice and recommendations on financial and governance matters.

Performance is measured using:

› A range of financial reports, including monthly financial statements, budget updates, four annual comprehensive budget reviews and the presentation of audited financial statements as required under the *Local Government Act 1999*.

› Strategic plan measures, which gauge how we are working towards achieving the strategic objectives outlined in *Our Holdfast 2050+*.

› Corporate measures, which track internal operations that aim to improve the way we deliver services.

To this end, on a quarterly basis, Council receives reports that track the health of the organisation and its fitness and ability to deliver the objectives expressed in *Our Holdfast 2050+*. These include:

› Capital and operating projects – progress on each of these projects as expressed in the *Annual Business Plan*.

› Financial management – reviewing the budget position and *Long-Term Financial Plan*.

› Workplace health and safety – reviewing health and safety compliance and key performance indicators.

› Human resources – reviewing internal resources and training.

› External grants – reviewing the position of current grants.

FINANCIAL STATEMENTS – MUNICIPAL

CITY OF HOLDFAST BAY
BUDGET FUNDING STATEMENT - MUNICIPAL FUNDS

Municipal 22/23 Original BUDGET $		Municipal 23/24 BUDGET $
38,348,000	Rates - General	41,281,000
617,630	Rates - Jetty Road Glenelg	660,245
77,140	Rates - Patawalonga Marina	82,460
1,351,000	Rates - Regional Landscape Levy	1,452,167
2,582,060	Statutory Charges	2,641,300
3,191,115	User Charges	3,498,000
2,381,546	Operating Grants & Subsidies	2,045,863
20,000	Investment Income	72,000
749,070	Reimbursements	711,264
650,410	Other	843,743
101,250	Net Equity Gain - Joint Ventures	220,000
50,069,221	*Operating Revenue*	53,508,042
19,105,389	Employee Costs	20,244,443
19,861,358	Materials, contracts and other expenses	21,301,562
834,830	Finance Charges	992,692
10,468,000	Depreciation	10,911,000
(944,000)	Less full cost attribution - % admin costs capitalised	(999,000)
354,000	New Initiatives - Operating	542,000
49,679,577	*Less Operating Expenditure*	52,992,697
389,644	**= Operating Surplus/(Deficit)**	515,345
10,468,000	Depreciation	10,911,000
165,847	Other non-cash provisions	60,452
10,633,847	*Plus Non-Cash items in Operating Surplus/Deficit*	10,971,452
11,023,491	**= Funds Generated from Operating Activities**	11,486,797
1,483,500	Capital (External Contributions)	483,500
474,250	Proceeds from disposal of assets	201,000
1,957,750	*Plus funds sourced from Capital Activities*	684,500
(7,933,700)	Capital Expenditure-Asset Renewal and Replacement	(7,081,166)
(944,000)	Capital Expenditure-Full Cost Attribution	(999,000)
(5,937,000)	New Initiatives - Capital (Gross Expenditure)	(7,629,944)
(14,814,700)	*Less total capital expenditure*	(15,710,110)
253,000	Plus: Repayments of loan principal by sporting groups	217,000
253,000	*Plus/(less) funds provided (used) by Investing Activities*	217,000
(1,580,459)	**= FUNDING SURPLUS/(REQUIREMENT)**	(3,321,813)
	Funded by:	
(2,959,459)	Less: Proceeds from new borrowings	(4,717,575)
1,379,000	Plus: Principal repayments of borrowings	1,395,762
(1,580,459)		(3,321,813)

CITY OF HOLDFAST BAY
PROJECTED INCOME STATEMENT- MUNICIPAL FUNDS
FOR THE YEAR ENDED 30TH JUNE 2024

Municipal 22/23 Original BUDGET $		Municipal 23/24 BUDGET $
	REVENUES	
38,348,000	Rates - General	41,281,000
617,630	Rates - Jetty Road Glenelg	660,245
77,140	Rates - Patawalonga Marina	82,460
1,351,000	Rates - Regional Landscape Levy	1,452,167
2,582,060	Statutory Charges	2,641,300
3,191,115	User Charges	3,498,000
2,381,546	Operating Grants & Subsidies	2,045,863
20,000	Investment Income	72,000
749,070	Reimbursements	711,264
650,410	Other	843,743
101,250	Net Equity Gain - Joint Ventures	220,000
50,069,221	**TOTAL REVENUES**	53,508,042
	EXPENSES	
19,105,389	Employee Costs	20,244,443
19,861,358	Materials, contracts and other expenses	21,301,562
834,830	Finance Charges	992,692
10,468,000	Depreciation	10,911,000
(944,000)	Less full cost attribution	(999,000)
354,000	New Initiatives - Operating	542,000
49,679,577	**TOTAL EXPENSES**	52,992,697
389,644	Operating Surplus/(Deficit) - Before Capital Revenue	515,345
1,483,500	Amounts specifically for new or upgraded assets	483,500
1,873,144	**NET SURPLUS/(DEFICIT)**	998,845

CITY OF HOLDFAST BAY
PROJECTED BALANCE SHEET - MUNICIPAL FUNDS
AS AT 30TH JUNE 2024

Municipal 22/23 Original BUDGET		Municipal 23/24 BUDGET
$		$
	CURRENT ASSETS	
443,183	Cash and cash equivalents	842,279
2,422,226	Trade and Other Receivables	2,964,725
-	Inventory	-
2,865,409	**TOTAL CURRENT ASSETS**	3,807,004
	NON-CURRENT ASSETS	
632,816	Financial Assets	643,769
3,414,876	Equity accounted investments-Council businesses	4,249,000
718,138,802	Land, Infrastructure, Property, Plant & Equipment	879,334,217
722,186,494	**TOTAL NON-CURRENT ASSETS**	884,226,986
725,051,903	**TOTAL ASSETS**	888,033,990
	CURRENT LIABILITIES	
5,866,943	Trade and Other Payables	8,794,848
1,379,000	Borrowings	1,395,762
3,277,750	Short-term Provisions	3,859,081
10,523,693	**TOTAL CURRENT LIABILITIES**	14,049,691
	NON-CURRENT LIABILITIES	
28,879,136	Long-term Borrowings	29,545,924
291,538	Long-term Provisions	281,897
29,170,674	**TOTAL NON-CURRENT LIABILITIES**	29,827,821
39,694,367	**TOTAL LIABILITIES**	43,877,512
685,357,536	**NET ASSETS**	844,156,478
	EQUITY	
184,787,536	Accumulated Surplus	189,102,071
500,570,000	Asset Revaluation Reserve	655,054,407
685,357,536	**TOTAL EQUITY**	844,156,478

CITY OF HOLDFAST BAY
PROJECTED STATEMENT OF CHANGES IN EQUITY - MUNICIPAL FUNDS
FOR THE YEAR ENDED 30TH JUNE 2024

Municipal 22/23 Original BUDGET		Municipal 23/24 BUDGET
$	**ACCUMULATED SURPLUS**	$
182,914,392	Balance at beginning of period	188,103,226
1,873,144	Net Surplus/(Deficit)	998,845
184,787,536	Balance at end of period	189,102,071
500,570,000	**ASSET REVALUATION RESERVE**	655,054,407
500,570,000	**TOTAL RESERVES CLOSING BALANCE**	655,054,407
685,357,536	**TOTAL EQUITY**	844,156,478

CITY OF HOLDFAST BAY
PROJECTED BUDGETED STATEMENT OF CASH FLOWS - MUNICIPAL FUNDS
FOR THE YEAR ENDED 30TH JUNE 2024

Municipal 22/23 Original BUDGET $ (OUTFLOWS)		Municipal 23/24 BUDGET $ (OUTFLOWS)
	CASH FLOWS FROM OPERATING ACTIVITIES	
	Receipts	
50,187,271	Operating Receipts	53,288,042
	Payments	
(38,328,950)	Operating payments to suppliers and employees	(40,808,553)
(834,830)	Finance Payments	(992,692)
11,023,491	**NET CASH PROVIDED BY OPERATING ACTIVITIES**	11,486,797
	CASH FLOWS FROM INVESTING ACTIVITIES	
	Receipts	
1,483,500	Grants specifically for new or upgraded assets	483,500
474,250	Sale of replaced assets	201,000
253,000	Repayments of loans (principal) by community groups	217,000
	Payments	
(8,877,700)	Expenditure on renewal/replacement of assets	(8,080,166)
(5,937,000)	Expenditure on new/upgraded assets	(7,629,944)
(12,603,950)	**NET CASH (USED IN) INVESTING ACTIVITIES**	(14,808,610)
	CASH FLOWS FROM FINANCING ACTIVITIES	
	Receipts	
2,959,459	Proceeds from Borrowings - External	4,717,575
	Payments	
(1,379,000)	Repayments of Borrowings - External	(1,395,762)
1,580,459	**NET CASH PROVIDED BY FINANCING ACTIVITIES**	3,321,813
-	**NET INCREASE (DECREASE) IN CASH HELD**	-
443,183	**CASH AND CASH EQUIVALENTS AT BEGINNING OF REPORTING PERIOD**	842,279
443,183	**CASH AND CASH EQUIVALENTS AT END OF REPORTING PERIOD**	842,279

RECONCILATION OF INCOME STATEMENT TO BUDGETED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2024

1,873,144	**SURPLUS FROM INCOME STATEMENT**	998,845
	NON-CASH ITEMS IN INCOME STATEMENT	
10,468,000	Depreciation	10,911,000
165,847	Movements in provisions	60,452
10,633,847	**TOTAL NON-CASH ITEMS**	10,971,452
	CASH ITEMS NOT IN INCOME STATEMENT	
(14,814,700)	Capital Expenditure	(15,710,110)
(1,379,000)	Loan Repayments - External	(1,395,762)
2,959,459	Proceeds from Borrowings - External	4,717,575
253,000	Repayments of loans (principal) by community groups	217,000
474,250	Proceeds from Disposal of Assets	201,000
(12,506,991)	**TOTAL CASH ITEMS**	(11,970,297)
-	**NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS**	-

CITY OF HOLDFAST BAY
PROJECTED SUMMARY OF OPERATING AND CAPITAL INVESTMENT ACTIVITIES
FOR THE YEAR ENDED 30TH JUNE 2024

Municipal 22/23 Original BUDGET $		Municipal 23/24 BUDGET $
50,069,221	Operating Revenues	53,508,042
(49,679,577)	less Operating Expenses	(52,992,697)
389,644	Operating Surplus/(Deficit) before Capital Amounts	515,345
	Less net outlays on Existing Assets	
8,877,700	Capital Expenditure on renewal & replacement of existing assets	8,080,166
(10,468,000)	Less Depreciation	(10,911,000)
(1,590,300)		(2,830,834)
	Less outlays on New and Upgraded Assets	
5,937,000	Capital Expenditure on new & upgraded assets	7,629,944
(1,483,500)	Less amounts received for for new & upgraded assets	(483,500)
4,453,500		7,146,444
(2,473,556)	**Net lending/(borrowing) for financial year**	(3,800,265)

PROJECTED FINANCIAL INDICATORS - MUNICIPAL FUNDS
FOR THE YEAR ENDED 30TH JUNE 2024

Municipal 22/23 Original BUDGET $		Municipal 23/24 BUDGET $
	OPERATING SURPLUS/(DEFICIT) - BEFORE CAPITAL AMOUNTS	
$389,644		$515,345
	OPERATING SURPLUS RATIO	
	(Operating surplus/(deficit) before capital amounts as % of total operating revenue)	
0.78%		0.96%
	NET FINANCIAL LIABILITIES - (Total liabilities less financial assets)	
$36,196,142		$39,426,739
	NET FINANCIAL LIABILITIES RATIO	
	(Total liabilities less financial assets as % of total operating revenue)	
72%		74%
	INTEREST COVER RATIO	
	(Net interest expense as % of total operating revenue less investment income)	
1.6%		1.7%
	ASSET SUSTAINABILITY RATIO	
	(Capital expenditure on renewal/replacement of existing assets, excluding new capital expenditure as % of asset management plan)	
100%		100%

FINANCIAL STATEMENTS – ALWYNDOR

CITY OF HOLDFAST BAY
PROJECTED FINANCIAL STATEMENTS
BUDGET FUNDING STATEMENT - ALWYNDOR FUNDS

Alwyndor 22/23 Original BUDGET $		Alwyndor 23/24 BUDGET $
5,575,565	User Charges	9,457,995
13,653,029	Operating Grants & Subsidies	15,909,148
445,000	Investment Income	748,889
5,360,638	Reimbursements	8,028,770
3,992,579	Other	7,361,163
29,026,811	*Operating Revenue*	41,505,965
20,916,284	Employee Costs - Salaries & Wages	27,983,305
6,966,053	Materials, contracts and other expenses	11,091,002
68,000	Finance Charges	142,800
1,357,889	Depreciation	1,618,790
29,308,226	*Less Operating Expenditure*	40,835,897
(281,415)	**= Operating Surplus/(Deficit)**	670,068
1,357,889	Depreciation	1,618,790
192,771	Other non-cash provisions	574,558
1,550,660	*Plus Non-Cash items in Operating Surplus/Deficit*	2,193,348
1,269,245	**= Funds Generated from Operating Activities**	2,863,416
(523,971)	Capital Expenditure-Asset Renewal and Replacement	(1,912,733)
(523,971)	*Less total capital expenditure*	(1,912,733)
745,274	**= FUNDING SURPLUS**	950,683
	Funded by:	
745,274	Increase/(Decrease) in cash and cash equivalents	950,683
745,274		950,683

CITY OF HOLDFAST BAY
PROJECTED INCOME STATEMENT - ALWYNDOR FUNDS
FOR THE YEAR ENDED 30TH JUNE 2024

Alwyndor 22/23 BUDGET $		Alwyndor 23/24 BUDGET $
	REVENUES	
5,575,565	User Charges	9,457,995
13,653,029	Operating Grants & Subsidies	15,909,148
445,000	Investment Income	748,889
5,360,638	Reimbursements	8,028,770
3,992,579	Other	7,361,163
29,026,811	**TOTAL REVENUES**	41,505,965
	EXPENSES	
20,916,284	Employee Costs	27,983,305
6,966,053	Materials, contracts and other expenses	11,091,002
68,000	Finance Charges	142,800
1,357,889	Depreciation	1,618,790
29,308,226	**TOTAL EXPENSES**	40,835,897
(281,415)	Operating Surplus/(Deficit) - Before Capital Revenue	670,068
(281,415)	**NET SURPLUS/(DEFICIT)**	670,068

CITY OF HOLDFAST BAY
PROJECTED BALANCE SHEET - ALWYNDOR FUNDS
FOR THE YEAR ENDED 30TH JUNE 2024

Alwyndor 22/23 BUDGET $		Alwyndor 23/24 BUDGET $
	CURRENT ASSETS	
3,200,000	Cash and cash equivalents	3,165,495
1,425,102	Trade and Other Receivables	4,085,000
4,625,102	**TOTAL CURRENT ASSETS**	7,250,495
	NON-CURRENT ASSETS	
17,034,904	Financial Assets	12,500,000
36,576,260	Land, Infrastructure, Property, Plant & Equipment	40,669,443
53,611,164	**TOTAL NON-CURRENT ASSETS**	53,169,443
58,236,266	**TOTAL ASSETS**	60,419,938
	CURRENT LIABILITIES	
35,108,377	Trade and Other Payables	33,000,000
1,803,574	Short-term Provisions	2,631,260
36,911,951	**TOTAL CURRENT LIABILITIES**	35,631,260
	NON-CURRENT LIABILITIES	
240,202	Long-term Provisions	217,913
240,202	**TOTAL NON-CURRENT LIABILITIES**	217,913
37,152,153	**TOTAL LIABILITIES**	35,849,173
21,084,113	**NET ASSETS**	24,570,765
	EQUITY	
5,599,102	Accumulated Surplus	5,723,122
9,070,657	Asset Revaluation Reserve	12,423,289
6,414,354	Other Reserves	6,414,354
21,084,113	**TOTAL EQUITY**	24,560,765

CITY OF HOLDFAST BAY
PROJECTED STATEMENT OF CHANGES IN EQUITY - ALWYNDOR FUNDS
FOR THE YEAR ENDED 30TH JUNE 2024

Alwyndor 22/23 BUDGET $		Alwyndor 23/24 BUDGET $
	ACCUMULATED SURPLUS	
5,880,517	Balance at beginning of period	5,053,054
(281,415)	Net Surplus/(Deficit)	670,068
5,599,102	Balance at end of period	5,723,122
9,070,657	**ASSET REVALUATION RESERVE**	12,423,289
6,414,354	**ALWYNDOR RESERVES**	6,414,354
15,485,011	**TOTAL RESERVES CLOSING BALANCE**	18,837,643
21,084,113	**TOTAL EQUITY**	24,560,765

CITY OF HOLDFAST BAY
PROJECTED BUDGETED STATEMENT OF CASH FLOWS - ALWYNDOR FUNDS
FOR THE YEAR ENDED 30TH JUNE 2024

Alwyndor 22/23 BUDGET $ (OUTFLOWS)		Alwyndor 23/24 BUDGET $ (OUTFLOWS)
	CASH FLOWS FROM OPERATING ACTIVITIES	
	Receipts	
29,026,811	Operating Receipts	41,505,965
	Payments	
(27,689,566)	Operating payments to suppliers and employees	(38,499,749)
(68,000)	Finance Payments	(142,800)
1,269,245	**NET CASH PROVIDED BY OPERATING ACTIVITIES**	2,863,416
	CASH FLOWS FROM INVESTING ACTIVITIES	
	Receipts	
(709,832)	Net Purchase of Investment Securities	-
	Payments	
(403,971)	Expenditure on renewal/replacement of assets	(1,370,865)
(120,000)	Expenditure on new/upgraded assets	(541,868)
(1,233,803)	**NET CASH (USED IN) INVESTING ACTIVITIES**	(1,912,733)
	CASH FLOWS FROM FINANCING ACTIVITIES	
	Receipts	
339,213	Proceeds from Aged Care Facility Deposits	-
339,213	**NET CASH PROVIDED BY FINANCING ACTIVITIES**	-
374,655	**NET INCREASE (DECREASE) IN CASH HELD**	950,683
	CASH AND CASH EQUIVALENTS AT BEGINNING OF	
2,825,345	**REPORTING PERIOD**	2,214,812
	CASH AND CASH EQUIVALENTS AT END OF	
3,200,000	**REPORTING PERIOD**	3,165,495

RECONCILATION OF INCOME STATEMENT TO BUDGETED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 30TH JUNE 2024

(281,415)	**SURPLUS/(DEFICIT) FROM INCOME STATEMENT**	670,068
	NON-CASH ITEMS IN INCOME STATEMENT	
1,357,889	Depreciation	1,618,790
192,771	Increase (decrease) in provisions - nett	574,558
1,550,660	**TOTAL NON-CASH ITEMS**	2,193,348
	CASH ITEMS NOT IN INCOME STATEMENT	
(523,971)	Capital Expenditure	(1,912,733)
-	Loan Repayments - External	-
339,213	Proceeds from Aged Care Facility Deposits	-
(709,832)	Net Purchase of Investment Securities	-
(894,590)	**TOTAL CASH ITEMS**	(1,912,733)
	NET INCREASE/(DECREASE)	
374,655	**IN CASH AND CASH EQUIVALENTS**	950,683

CITY OF HOLDFAST BAY
PROJECTED SUMMARY OF OPERATING AND CAPITAL INVESTMENT ACTIVITIES
FOR THE YEAR ENDED 30TH JUNE 2024

Alwyndor 22/23 Original BUDGET $		Alwyndor 23/24 BUDGET $
29,026,811	Operating Revenues	41,505,965
(29,308,226)	less Operating Expenses	(40,835,897)
(281,415)	Operating Surplus/(Deficit) before Capital Amounts	670,068
	Less net outlays on Existing Assets	
403,971	Capital Expenditure on renewal & replacement of existing assets	1,370,865
(1,357,889)	Less Depreciation	(1,618,790)
(953,918)		(247,925)
	Less outlays on New and Upgraded Assets	
120,000	Capital Expenditure on new & upgraded assets	541,868
552,503	**Net lending/(borrowing) for financial year**	376,125

PROJECTED FINANCIAL INDICATORS - ALWYNDOR FUNDS
FOR THE YEAR ENDED 30TH JUNE 2024

Alwyndor 22/23 Original BUDGET $		Alwyndor 23/24 BUDGET $
	OPERATING SURPLUS/(DEFICIT) - BEFORE CAPITAL AMOUNTS	
-$281,415		$670,068
	OPERATING SURPLUS RATIO	
	(Operating surplus/(deficit) before capital amounts as % of general revenue)	
-1.0%		1.6%
	NET FINANCIAL LIABILITIES - (Total liabilities less financial assets)	
$15,492,147		$16,098,678
	NET FINANCIAL LIABILITIES RATIO	
	(Total liabilities less financial assets as % of total operating revenue)	
53%		39%
	INTEREST COVER RATIO	
	(Net interest expense as % of total operating revenue less investment income)	
0.2%		0.4%
	ASSET SUSTAINABILITY RATIO	
	(Capital expenditure on renewal/replacement of existing assets, excluding new capital expenditure as % of depreciation expense)	
30%		85%

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CITY OF
HOLDFAST BAY
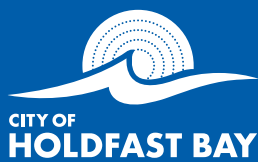
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Attachment 2

Draft 2023-24 Draft Annual Business Plan

Summary of all feedback received (as at 1 June 2023)

Contribution Channel	Level of Satisfaction	Contributor Comments
Your Holdfast	4	Environmental sustainability, waste management- please install green bins and recycling bins along the esplanade.
Your Holdfast	1	Footpath maintenance, upgrades not mentioned and this is disappointing? Diagonal Road, Cliff St Glenelg/Glenelg East in particular? For years we have all been waiting patiently and still this core area is not on your list! Your report highlights major family groups 60% are your main households being family, schooling clearly is important for these families, the pathway from Cliff St, Diagonal Road is not good, you can do better? Beautify this for families, the footpaths are not safe, there are no nice trees, it is embarrassing! You need to address this better? It is a small area and myself and the families who use these roads day in day out are not seen as a priority?!!!
Your Holdfast	5	To say Council is addressing climate change is ridiculous with an allocation of $60,000. We spend millions on sporting clubs for the few- e.g. half a million to a watch club of wealth people.
Your Holdfast	2	What is the point of quoting 20/21 figures you are hiding how this council is rated for the current period
Your Holdfast	2	The council should be not wasting money on climate change initiatives. I don't know how it can cost $220K to put a toilet in near the Patawalonga. And does the council just think rate payers are made of money? $2.2mln for the Buffalo area to be fixed up. I mean sure it needs some work but that is obscene.
Your Holdfast	1	N/A

Contribution Channel	Level of Satisfaction	Contributor Comments
Email	N/A	I am writing to make comment on the City of Holdfast Bay's Draft Annual Business Plan 2023-24. In terms of the content: I commend the council on its ongoing sustainability and carbon neutral plans. As a ratepayer I am very interested to know that we are doing what is required to reduce our waste, and glad the council is taking the approach that it is doing what is necessary rather than what is easy. Am concerned that there is little to no mention of residential development approaches/strategies. In order to maintain a way of life that promotes community health and well-being, green space in our community is not just about parks and gardens, or coastal frontages. It is also about acknowledging that higher density residential suburbs are not conducive to health and well-being. Around our home, every time one house is demolished at least 2 or 3 buildings replace it, with little to no space around the dwellings for greenery, trees or activity. Worse, there is no space for the number of cars that every dwelling accommodates. It is apparent that the higher density of the development, the less car parking is mandated, at a time when housing shortages mean that more people are inhabiting units and homes. Therefore our streets are busier and more crowded. Having moved to this area for its ambience I am finding that this is being diminished with the ongoing reduction of residential space. It is apparent that the more dwellings occupying a block, the more land that can legally be covered. My sense of well-being is compromised as I feel there is little regard for residents, as buildings tower over boundaries, block natural light and are allowed to have clear view (clear windows allowed) into the neighbours' property. Builders have no regard to what they are doing as they are of course interested in profits! But our council should be thinking about what it wants for the residents of its suburbs and advocating to the relevant planning authorities who don't even have to notify neighbours when development is about to occur. I trust that the council will consider community health and well-being as the collective views of its residents, not just the developers.

Contribution Channel	Level of Satisfaction	Contributor Comments
Your Holdfast	4	A couple points: It would be nice to see more money spent on undergrounding the powerlines. Can Council consider reducing the speed cars can travel to 40 on the backstreets. Get on with updating Jetty Road Glenelg, it is looking pretty tired. I do love the markets and street parties when they happen, more please.
Email	N/A	Mayor Amanda Wilson and Somerton Ward Councillors. My wife [name redacted} and I are strongly opposed to the proposed Mural on the South Esplanade /Farrell st corner at a proposed cost of $33,000 as outlined in the 2023/24 Business Plan. As long term residents of Glenelg South for over 35 years (Moseley St, Farrell St and now South Esplanade), we have walked down Farrell St countless times and always enjoyed the view of the sea over the seawall Feedback from residents who live close by is that this is not needed and is a waste of money, Were local residents consulted about this concept.? How long will such a mural last in the heavy weather conditions on the exposed seawall,
Email	N/A	Apart from concerns toward Council looking to proceed with CPI related Rates Increases rather than considering savings in Salaries in particular (Planning And Development a case in point) why does the rates comparison not include Charles Sturt Council? This Council has Beach Shore expenses similar to Holdfast Bay - and notably services include extensive residential verge maintenance .
Your Holdfast	4	I may have missed it, but I note the comment about increased usage around the Patawalonga and the new public toilet facilities. The lake is a great option for kayakers and paddlers when the ocean is too rough but there are no easy launching sites. On behalf of all those who enjoy paddling as a recreation, it would be fantastic to have an area (near the Buffalo development) where we can launch our craft easily. Thank You

Contribution Channel	Level of Satisfaction	Contributor Comments
Email	N/A	Submission Holdfast Bay Residents Alliance **Introduction** This Submission is made to the City of Holdfast Bay (*the Council*) by the Holdfast Bay Residents Alliance Inc. (*HBRA*) as part of the public consultation. The comprehensive written reply to our last year's submission from Council was greatly appreciated by the committee and members. The expectation of the homeowners is that council will enhance their investments through prudent delivery of services and management of the Council's assets and liabilities. HBRA welcomes the opportunity to provide input into the draft Business Plan. This submission seeks to not only provide feedback but to also seek clarification on a number of aspects and details within the Plan. HBRA acknowledges many positives in the Business Plan and the good work of the dedicated Elected Members, the Council management and employees. **Increase in Rates** As predicted by HBRA in last year's submission there was a substantial increase to many ratepayers due to the revaluation of properties by the Valuer General. A number of these valuation increases were in double digit percentiles some as high as 40%. Council information to the public in the 22/23 budget year stated an increase of 3.4% which was misleading. Most residents and businesses paid well above this figure. It should be clearly stated when dealing with the public that the figure did not take into account significant increases to the property values by the Valuer General's Dept. which had a major impact on actual rates paid. Noting that the amount of revenue raised for the 2022/23 financial year was $39,113,390, which is $765,390 over the original budget. The 23/24 budget states that general rates will be raised by 6.9% however the increase in revenue from General Rates is actually 7.64%. We believe that this is the main revenue stream that effects rate payers. Why is this not highlighted as the rate increase considering this effects the majority of rate payers? We provide the following table as an example of the increases that have occurred since 2020 on one individual residence and one investment residence.

Contribution Channel	Level of Satisfaction	Contributor Comments
		Residence (House): **Year** **Amount Rate** **Increase** **Actual % Increase** **Council budget** 2020 $5425 2021 $5528 $103 1.9% 2.4% 2022 $5744 $216 4% 2.4% 2023 $6172 $428 6.9% 3.4% 2024 Estimate at 7.6% $6641 $472 7.64% 6.9% The increase over 4 years is $1216 or 22.4%. **Investment Residence (Unit):** **Year** **Amount Rate** **Increase** **Actual % Increase** **Council budget** 2020 $1201 2021 $1225 $24 2.0% 2.4% 2022 $1289 $64 5.2% 2.4% 2023 $1545 $256 20% 3.4% 2024 Estimate at 7.64% $1663 $118 7.64% 6.9% The increase over 4 years is $462 or 38%. No capping/ceiling was allowed by council to Investment properties – accordingly along with Land Tax and Interest rate rises, councils increase has had a significant impact on those renting in our community. We understand that Council has a financial difficulties process available to Rate Payers and we have shared this information with our members. Last year the Council provided a capping to rate payers whose rates exceeded 6%. On the basis that the Valuer General will revalue properties again this year, will a rate capping still be available? Notification of a capping should be included separately with the rate notice in lieu of the minimalistic advice provided last year. 3 Figures provided by Council [previous reference provided] state that residential rate payers will be paying 7.4% and commercial rate payers will be paying 6.9%. Why is there a difference? When quoting the cost to residents why does Council quote the cost quarterly in lieu of annually especially as the billing period is for a 12-month period?

Contribution Channel	Level of Satisfaction	Contributor Comments
		Council Debt HBRA acknowledges that there have been some good capital projects completed within the Council area. Listed below are the historical debt levels from previous and current budgets. **Year** **Debt Level** 2017 - 18 $17.7M 2018 - 19 $18.1M 2019 - 20 $24.4M 2020 - 21 $27.8M 2021 - 22 $30.3M 2022 - 23 $28.8M 2023 - 24 $29.5M The debt has increased as has the Interest Cover Ratio. In an environment that has seen interest rates rise substantially including an increase in this year's budgeted Councils Finance Charges, HBRA questions the need for some of the capital and general expenditure which will be addressed in this submission. **Major project** **Former Buffalo Site Amenity Improvements - $2.2 million** HBRA and a number of residents provided feedback as part of the public consultation process. The feedback was along the lines that the proposals provided were excessive and unwarranted and the proposed road angle parking impractical. HBRA agrees that the site needs to be improved but questions what appears to be an overall excessive cost. Are the improvements that were initially being proposed being implemented and is the proposed design warranted at an excessive cost to ratepayers? If there has been a change to the original concept has this been through the public consultation process? 4 In previous Council projects (Kauri Parade) there were substantial cost blow outs due to soil and foundation problems. Has this been investigated and are these costs included in the $2.2 million? **Glenelg Oval Upgrade - $1.84 million** Over a long period of time the Glenelg Oval has been the recipient of Council funds for various improvements. In order to clarify the cost to ratepayers can you please advise the cost of Council's funds over the last 5 years to improvements for all amenities at the Glenelg Oval complex? Has this costing been affected by any soil contamination issues?

Contribution Channel	Level of Satisfaction	Contributor Comments
		Mural Esplanade Farrell St - $33,000 Initial feedback from some residents who live close by is that this is not needed and is a waste of money. Did the concept come from consultation with local residents and is there a need to spend monies on improving a site that has magnificent natural sea views? Whilst we are not experts the question has been raised how long will the mural last when exposed to harsh natural elements. Has ongoing maintenance including vandalism been taken into account? **Kauri Parade Sports Centre** Operating expenses have increased by 24.3% to $137,100`. Why is there a substantial increase in the expenditure? Under Commercial and Club Leases Operating revenue of $31,000 has dropped to nil and expenses have dropped from $60,000 to $12,000. Has there been a restructure of revenue and costs for the complex? **City Activity** It appears that these activities represent some 4.2% of total Council expenditure. As advised in previous submissions HBRA is not opposed to the expenditure on City Activities however does question the effectiveness of some items of expenditure. Acknowledging that the city's economy is to some extent reliant on visitors. An example of what we deem to be excessive costs would be the expenditure on the 2022 New Year's Eve event. It is our understanding that last year the total cost was some $304,500 for which the Jetty Road Traders paid $10,000 and the State Government contributed $25,000. This left a liability to the rate payers of $259,500, a $10,000 additional cost over budget. This is a heavy bill for the rate payers to meet on an event that encompasses a wider audience than the CHB ratepayers. Whilst we note that there has been a reduction in this year's budget for New Year's Eve, the liability on the basis that the budget is not exceeded is still $185,000. Why are the ratepayers expected to meet such an exorbitant cost on an ongoing basis and why is the event not supported by commercially interested parties in particular a major sponsor? Other items that we question on the basis of return to ratepayers are:

Item	2023 Budget	2024 Budget	Increase $	Increase %
The Local	$4,000	$30,000	$16,000	650%
Glenelg Film Festival	$0	$10,000	$10,000	100%
Christmas Pageant	$74,590	$95,200	$20,610	27.6%
Glenelg Street Party	$40,000	$81,000	$41,000	84%
#Seafood Festival	$0	$50,000	$50,000	100%
Winter Activity - Jetty Road	$40,000	$65,000	$15,000	62.5%

Contribution Channel	Level of Satisfaction	Contributor Comments
		Summer Activity $30,000 $50,000 $20,000 66.67% Events Administration $333,912 $413,800 $79,888 23.92% # Noting that the Brighton Street Parties only increased by $1,500? Last year the Council provided the background to the Winter Activation and the Glenelg Street Party. Why has the cost of these and a number of the events substantially increased and what substantial benefit do they provide the ratepayers? We also note that the Council advised last year that the Jetty Road events were partially funded by the Jetty Road Mainstreet Separate Rate. The proposed budget raises some $660,245 in rates from the group. Bearing in mind the number of services and events provided to Jetty Road this seems disproportionate. Are events assessed singularly for their effectiveness and value for money and if the events are judged not viable, when is support withdrawn? **Elected Members** The costs in the 2022 budget were $386,000, this was increased by $250,000 for the 2023 budget to cover the election costs. This year the budget is $510,300 an effective increase in 2 years of $124,300 or 32%. Why has this substantial cost occurred and what are the breakdown of these costs? **Glenelg Football Club** The financial accounts provided do not detail the current debt owed to the Council. Last year Council advised that the debt was $1.46m and that a review of the repayment was to be undertaken during 2023. What is the current debt and what was the cost of interest forgone due to the effects of COVID ? **Holdfast Bay Community Centre** It is interesting to note the costs of Kauri Parade Sports and Community Centre and the lack of support by council of the Holdfast Bay Community Centre. However, there are many people who would benefit from social and other activities at the centre, resulting in improved health and wellbeing thus reducing the cost and pressure on our health system. On this basis is council planning to increase support to the Holdfast Bay Community Centre? **Employee Costs** In previous years HBRA expressed an opinion that Council staffing appears to be top heavy and suggested that a proactive review of a structure be completed.

Contribution Channel	Level of Satisfaction	Contributor Comments
		Last year's reply to HBRA from Council included the statement "It is considered that this approach is not reactive, rather enables an agile organisation structure which can adapt to changing community needs and expectations." The process of reviewing positions when they become vacant is reactive. We are of the firm position that the structure of the Council and its employee costs needs to have a holistic approach. Will the Council undertake a full review of its structure? It would be more transparent to include the total number of staff employed by Council, including hierarchal structure indicating the positions of senior managers, managers, and other employees. **Alwyndor** In order to provide a clearer picture of the financials can future reporting include a current ratio and an explanation of its negative position to ratepayers? **Summary** We thank the Council for the opportunity to review the Annual Budget and look forward to a reply to the matters raised. Annexure "A" raises a number of questions by item number. Could you please provide explanations of the increased or new costs. As previously highlighted in this submission we look forward to a final budget that will have reduced costs and provide ratepayers with a viable, prudent, and frugal value for their ever-increasing annual rates. **Annexure"A"** **City Clean Rapid Response** Item 416 – Moseley Square – increase of 72% Item 445 – Street Cleaning – increase of 86% Item 464 – Rapid Response – increase of 100% **Depot Operations** Item 459 – Events Preparation (Depot Costs) – an increase from $6,000 to $45,000 (plus 650%). The cost of events is seemingly becoming excessive and overall should be re-assessed as a financial burden on rate payers. Should this be included in the City events budget? **COMMUNITY AND BUSINESS** City Activation – a proposed increase of $257,000 represents a 13% increase? Other Expenditure – a figure of $969,000 has been noted representing an increase of 13.6%. This is a substantial amount for an item called "Other Expenditure" and clarification would be appreciated.

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		CITY ACTIVATION Item 313 – Local History Centre – could we be advised further on the expenditure of $230,000 against an income of $3,000. Item C66 – Kaurna meeting and support? Item C94 – Shopfront Character Grant Scheme – we request an explanation on the expenditure of $75,000. We would state that this promotion is out of line and has no correlation with supporting residents. Jetty Road Mainstreet/Community Events. Item 321 – Australia Day – this item highlights a proposed income of $10,000 against Item 321 – Australia Day expenses that has been increased by 94% to $26,000. Item 324 – Glenelg Film Festival – like so many proposed events, it has to be questioned why such an event of this nature is necessary at a cost of $10,000 and what benefit to residents does it provide? We are unable to understand the comment in the foreword page that "This Council department's expenditure of $2,975,000 with revenue of $2,157,000" against the operating budget and expense figures detailed below. An overall increase in operating expenses of 17.79% and community events of 19.25% needs addressing on the basis of effectiveness and financial viability. City Clean Rapid Response Item 416 – Moseley Square – increase of 72% Item 445 – Street Cleaning – increase of 86% Item 464 – Rapid Response – increase of 100% An explanation would be appreciated. **COMMUNITY AND BUSINESS** City Activation – a proposed increase of $257,000 represents a 13% increase? Other Expenditure – a figure of $969,000 has been noted which represents an increase of 13.6%. This is substantial amount for an item called "Other Expenditure" and clarification would be appreciated. **COMMUNICATIONS AND ENGAGEMENT** Can we please have an explanation as to why this department has increased in its operating expenses from an original 2021/22 $367,093 to 2023/24 $583,390, representing a 59% increase over two years. **COMMUNITY SAFETY** Item 345 – On Street Parking - $1,382,100 – does this represent council fines? Item 349 – Public Safety and Security - $400,000 – please explain procedures against costs. **STRATEGY AND CORPORATE** An overall increase of 43.35% seems excessive?

Contribution Channel	Level of Satisfaction	Contributor Comments
		PEOPLE AND CULTURE An operating increase of approximately 17% seems excessive? **STRATEGY AND GOVERNANCE** An operating increase of approximately 18% seems excessive? Annexure ends.