



DISTRICT COUNCIL OF GRANT

AUDIT AND RISK COMMITTEE MEETING

Agenda for a Meeting of the Committee to be held

On Tuesday 5 April 2022
At Council Chambers, 324 Commercial Street West, Mount Gambier, 5290
Commencing 5.30 p.m.

OUR MISSION

**“To provide a range of services which meet
the environmental, social and economic
needs of our community.”**



NOTICE OF THE AUDIT AND RISK COMMITTEE MEETING

Pursuant to Section 87 of the Local Government Act 1999, notice is hereby given that the meeting of the District Council of Grant Audit and Risk Committee Meeting will be held on Tuesday 5 April 2022 at 5.30 p.m. at the Council Chambers, 324 Commercial Street West, Mount Gambier, 5290.

A handwritten signature in black ink, appearing to read "Leith McEvoy", with a stylized flourish at the end.

Leith McEvoy
ACTING CHIEF EXECUTIVE OFFICER

DISTRIBUTION LIST –

PRESIDING MEMBER

Mayor Richard Sage

COMMITTEE MEMBERS

Cr Megan Dukalskis

Cr Bruce Bain

Cr Barry Kuhl

Independent Member Aaron Peek

COUNCIL OFFICERS

Acting Chief Executive Officer – Leith McEvoy

Director Corporate Services – Gary Button

Acting Team Leader Finance – Vanessa McDonald

Manager Organisational Development – Marianne Tucker

GUEST

Stevie Sanders, WHS and Risk Manager

LGRS (LGA Mutual Liability Scheme and Workers Compensation Scheme)

Disclaimer

The recommendations contained in the agenda are subject to confirmation by council. The District Council of Grant warns that any person(s) who has an application lodged with council, should rely only on written confirmation of the decision made at the council meeting. No responsibility whatsoever is implied or accepted by the District Council of Grant for any act, omission, statement or intimation taking place during a council meeting.

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1 OPENING & WELCOME

1.1 Acknowledgement of Traditional Owners

"It is a privilege to be standing on Boandik country. We acknowledge the contributions of Aboriginal Australians and non-Aboriginal Australians to the development of all peoples in this country we live in and share together – Australia".

1.2 Record of Meetings

As per Council Policy GOVPOL 21, Council prohibits any person from photographing, filming, televising or recording by audio devices any Committee or Council Meeting without written approval from the Chief Executive Officer.

2 APOLOGIES

Nil.

3 LEAVE OF ABSENCE

Nil.

4 DISCLOSURE OF INTERESTS

Any Person with one of the following Conflicts of Interest is asked to declare it at the start of each meeting and complete the Council GOV003

Material - where any of a defined list of persons (list as per LGA Conflict of Interest Guidelines February 2016) would gain a benefit, or suffer a loss (whether directly or indirectly, personal or pecuniary) depending on the outcome of the consideration of the matter at the meeting.

Actual – where a Member has a Conflict of Interest (not being a material conflict of interest) between their own interests and the public interest that might lead to a decision that is contrary to the public interest.

Perceived – where from the perspective of an impartial, fair-minded person it could reasonably be perceived that a Member has a Conflict of Interest in a matter.

5 CONFIRMATION OF MINUTES OF PREVIOUS MEETING

STAFF RECOMMENDATION

That the minutes of the District Council of Grant Audit and Risk Committee Meeting held Tuesday 21 December 2021 be taken as read and confirmed as a true and correct record of the proceedings of that meeting.

6 PRESENTATIONS/DEPUTATIONS

6.1 Presentation - LGRS (LGA Mutual Liability Scheme and Workers Compensation Scheme)
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File Number: 9.24.1/2

Author: Gary Button, Director Corporate Services

Attachments: Nil

EXECUTIVE SUMMARY:

A Representative from the LGRS (LGA Mutual Liability Scheme and Workers Compensation Scheme) has been invited to present to the Audit and Risk Committee on Cyber Crime and Security. The Representative will be presenting via electronic means.

STAFF RECOMMENDATION

That the presentation/deputation from the LGRS (LGA Mutual Liability Scheme and Workers Compensation Scheme) be received, and the LGRS Representative be thanked for their presentation.

7 QUESTIONS

7.1 On Notice

No Questions with Notice have been received at the point of collating the Agenda.

7.2 Without Notice

Questions Without Notice from Elected Members may be forthcoming at this point in the meeting.

8 MOTIONS

8.1 On Notice

No Notices of Motion have been received at the point of collating the Agenda.

8.2 Without Notice

Motions Without Notice from Elected Members may be forthcoming at this point in the meeting.

9 REPORTS FROM OFFICERS

9.1 2021 Risk Evaluation			
MEETING DATE:	5 April 2022		
AUTHOR:	Marianne Tucker, Manager Organisational Development		
RESPONSIBLE OFFICER:	Gary Button, Director Corporate Services		
PREVIOUS MEETING:			
REFERENCES:	N/A		
FILE NUMBER:	18.8.1/1		
ATTACHMENTS:	1. 2022 Risk/WHs Evaluation Report		
POLICY REFERENCE:	WHs and RTW Policy WHSPOL1		
LEGISLATIVE REFERENCE:	Work Health and Safety Act & Regulations (SA) 2012 Return to Work Act 2014 & Regulations 2015 (SA) RTW SA Code for the Conduct of Self-Insured Employers		
STRATEGIC MANAGEMENT PLAN REFERENCE:	Strategic Goal:	4. SERVICES: Provide Quality Services & Infrastructure	
	Success:	<ul style="list-style-type: none"> Council is meeting its legislative obligations and policy review schedule. 	
	Strategy:	4.13. Continue to develop and enhance the Council's organisational capability to deliver a high standard of service provision, projects and infrastructure.	
FINANCIAL CONSIDERATIONS:	Budget:		\$na
	Actual (YTD):		\$na
	Budget Variation Required:		\$0 No
CONSULTATION UNDERTAKEN:	Senior Management Team Management Team Local Government Workers Compensation Scheme		

PURPOSE OF REPORT:

Every two years the Local Government Mutual Liability and Workers Compensation Schemes conduct an evaluation of each SA Council's Risk Management, Work Health and Safety and Injury Management systems.

This report summarises the outcomes of the 2021 evaluation which identified a number of non-conformances, together with an outline of the roadmap to conformance.

BACKGROUND:

The details of the 2021 evaluation are listed below.

Risk Management

RISK MANAGEMENT	Total # of sector baselines evaluated	Sector baseline met	Sector baseline not yet met
Risk Management Systems	3	3	0
Roads and Footpaths	8	7	1
Procurement	7	7	0
Playgrounds	9	6	3
Tree Management	3	3	0

The evaluation recognised that DCG is amidst the improvement of its risk management systems and is currently reviewing its risk management documentation prior to completion of strategic risk profile and then identifying and assessing its operational risks. Evidence was provided for robust systems for roads and footpaths, playgrounds, and tree management. The evaluator noted improvements required in the playground management system, and a minor improvement recommended for the recording of inspections of roads and footpaths.

The sector baseline was not met in Playgrounds and Roads (-33%) and Footpaths (-13%).

The evaluator recommended that the Playground Plan is revisited in consultation with trained inspection staff and each playground risk assessed individually, then prioritised for replacement. Also recommended the transferring of the paper-based inspections to electronic i.e. SkyTrust and that inspections of roads and footpaths be placed into SkyTrust.

Further details of recommended actions are in the attached report.

Work Health Safety

STANDARDS	Total sub elements evaluated	Conformance	Observation	Non- conformance
Standard 1 - Commitment and Policy	1			1
Standard 3 - Implementation	8			8
Standard 4 - Measurement and Evaluation	1			1
Standard 5 - Management systems review and improvement	1			1

The evaluator acknowledged the DCG had good components of work health safety management however identified that in part due to DCG being in the midst of transitioning to an electronic system to assist in the functional management of the WHS/IM system, that the function of the WHS management system has fallen short of that required for compliance. In addition, the evaluator has identified that document modification has resulted in the DCG procedures not containing the required core components, and identified opportunities for improvement in the function of the depot.

Non-conformances were received in 11 of the 11 sub-elements evaluated.

The evaluator recommended the development of clear and achievable plans and programs in line with the expectations of the RTWSA workplace health and safety guidelines, and to measure and

report on WHS performance at a higher strategic level. The evaluator recommended a review of the adequacy of the hazard management system and document control as priority.

Further details of recommended actions are in the attached report.

Injury Management

The Return-to-Work SA's Injury Management Standards provide the framework for evaluation.

SUB-ELEMENT	Total sub elements evaluated	Conformance	Observation	Non-conformance
Standard 1 – Commitment and Policy	5	5		
Standard 3 - Implementation	2	2		
Standard 4 – Measurement and Evaluation	2	2		
Standard 5 – Management systems review and improvement	2	2		

The evaluator stated that DCG has a functional injury management and return to work process.

Conformance was received in 11 of the 11 sub-elements evaluated.

DISCUSSION:

Following discussions with the Senior Management Team and the Scheme, the following roadmap has been developed to support the DCG's path to conformance. The Scheme practitioners are being engaged to provide their expertise.

24 March 2022	Manager Organisational Development, WHS Coordinator and Scheme Regional Risk Coordinator have met to gather and analyse data from DC Grant incident/injury trends, hazard profile, audit outcomes, legislation, resources, and performance against previous plans. Initial discussion has been had around identification of key areas for actioning.
4 April 2022	Stevie Sanders. WHS & Risk Manager of LGAWCS will present Due Diligence training to managers and team leaders to discuss accountability and responsibilities.
5 April 2022	Stevie Sanders. WHS & Risk Manager of LGAWCS will briefly discuss the outcome of the 2021 Evaluation before guiding managers through the process of identifying priority areas.
5 April 2022	Stevie Sanders. WHS & Risk Manager of LGAWCS will attend Audit Committee to discuss outcomes of the 2021 Evaluation with the Audit and Risk Committee and answer any questions.
April/May 2022	Draft Plan, Programs and Key Performance Measures will be developed along with identifying accountabilities and reporting mechanisms.
May 2022	Plan and Programs adopted by management team by May 2022.

The above process is expected to deliver a robust three-year Plan and Programs adopted by the Senior Management Team, Managers and the Work Health Safety Committee, with key deliverables outlined, monitored and regularly reported, thus providing a clear line of sight in relation to progress and compliance.

STAFF RECOMMENDATION

That the Audit and Risk Committee:

1. Receive and note the Audit and Risk Committee report 2021 Risk Evaluation as presented on 05 April 2022.



Mutual Liability Scheme
Workers Compensation Scheme
Local Government Association
of South Australia

District Council of Grant 2021 Risk Evaluation Report

22/12/2021

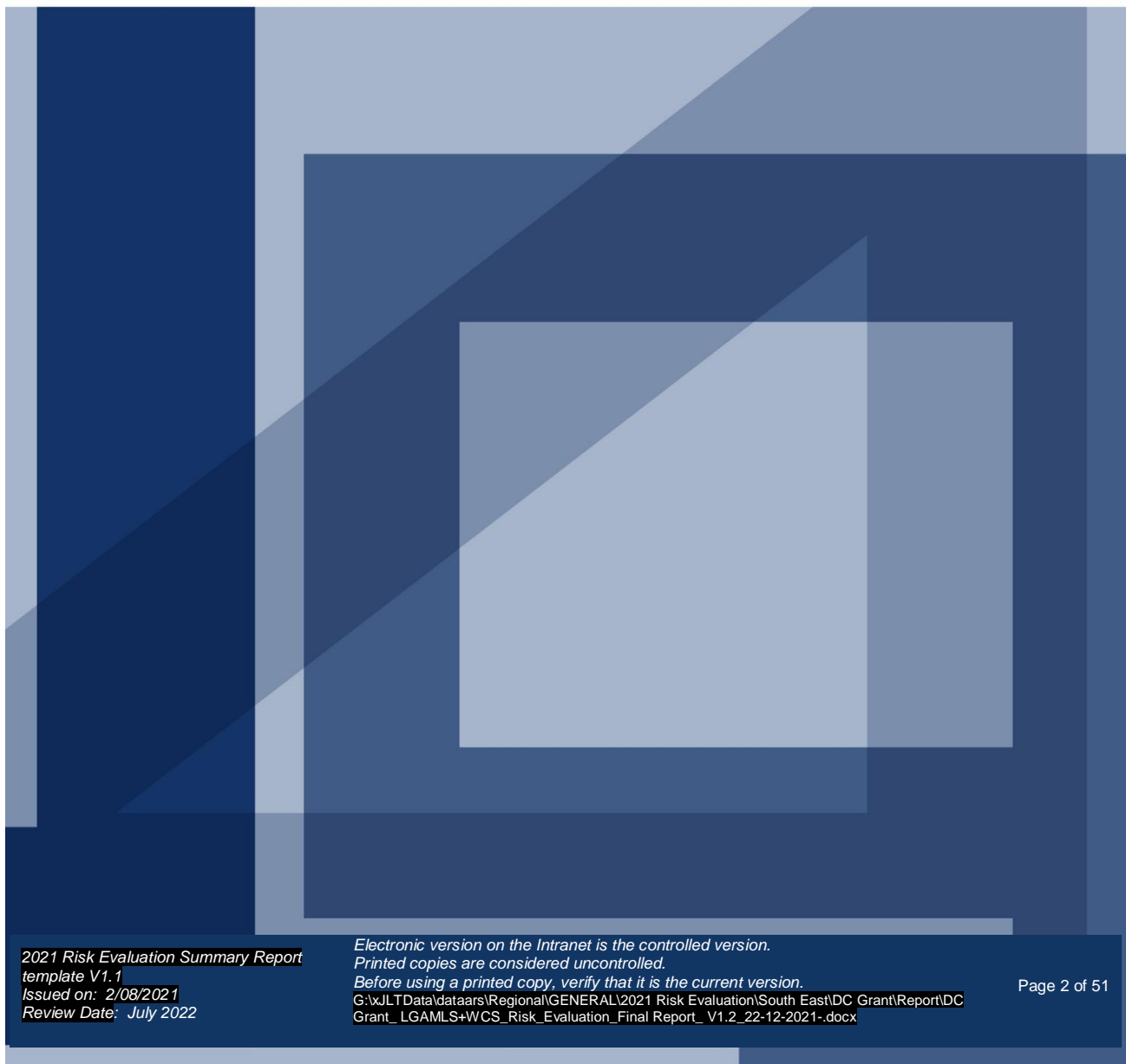
2021 Risk Evaluation Summary Report
template V1.1
Issued on: 2/08/2021
Review Date: July 2022

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Mutual Liability Scheme
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SECTION 1

RISK EVALUATION OVERVIEW

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1. Risk Evaluation Overview



1.1. Risk Evaluation Process Overview:

Every two years, the Local Government Mutual Liability and Workers Compensation Schemes conduct an evaluation of each Member's Risk Management, Work Health and Safety and Injury Management systems. The purpose of each evaluation is to test (within the scope of the evaluation):

- a) How well the organisation's risk management systems meet Local Government sector established baselines and
- b) The organisation's level of conformance with ReturnToWork SA's Performance Standards for Self-Insurers for Work Health and Safety and Injury Management systems.

The Risk Evaluation in its current format was introduced in 2017. More information is available on the Members Centre regarding the structure and process.

The objective of the evaluation is to assist Members to benchmark their performance against agreed sector baselines and self-insurance performance expectations, to recognise areas of strong performance and to identify opportunities for system improvement. Members should use this information as an input into their management planning and review systems to drive further improvement to their risk, safety and injury management systems.

The risk evaluations also assist the Local Government Mutual Liability and Workers Compensation Schemes to recognise areas of Sector wide risk management excellence and to identify where opportunities for system improvements exist across the LG Sector. This enables the Schemes to work with LGA SA Mutual to collate and analyse LG Sector wide performance and provide additional assistance via sector wide programs or individual programs of targeted support.

The participation of each Member and their representatives in the evaluation is a critical part of the evaluation process and is integral to the quality of the evaluation. Whilst the executive overview provides a brief overview of the results of the risk evaluation of District Council of Grant, executive management are encouraged to review the risk evaluation report in its entirety for further detail and recommendations

The District Council of Grant risk evaluation report and the finalised risk, WHS and IM tools are available from your allocated Risk Consultant, RRC or WHSC. These tools, together with a copy of this report will also be uploaded to your member documents on the Members Centre.



1.2. Evaluators for the evaluation

The risk evaluation for District Council of Grant was conducted on 30th November to 2nd December 2001.

Lead Evaluator: Andrew Giles - Work Health Safety and Injury Management

Co-Evaluator: Chris Ginever Co-evaluator - Risk

1.3. Report Structure

This report is structured as follows:

- An Executive Overview, which briefly outlines the overall results of the evaluation, potential focus areas and recommended actions.
- The RM Evaluation Report, which includes the chosen evaluation scope, the names of those that were involved in the evaluation process, a summary of findings for each question and specific recommendations for each Sector Baseline not met or where an opportunity for improvement has been identified.
- The WHS and IM Evaluation Report, which includes the evaluation scope, the names of those that were involved in the evaluation process, a summary of findings for each sub-element and specific recommendations for each sub-element that does not meet the requirements of RTWSA's Performance Standards for Self-Insurers or where an opportunity for improvement has been identified.
- A conclusion, which summarises the evaluation findings and suggests what may be of assistance to the Member in further developing its RM, WHS & IM systems.



SECTION 2

EXECUTIVE OVERVIEW



2. Executive Overview

District Council of Grant participated in the LGAMLS & LGAWCS risk evaluation program on 30th November to 2nd December 2021. Whilst there are still some opportunities for improvement, it was pleasing to note that a new WHS Coordinator has recently commenced, filling the safety void Council had for many months.

Evidence provided for WHS/IM and risk was uploaded past the date required, and therefore reduced the capacity of the evaluators to allow the time required to conduct a robust desktop audit, prior to arriving on site.

2.1. Risk Management

District Council of Grant has recognised the need to improve its risk management systems and is currently reviewing and updating its risk management documentation in an endeavour to identify strategic and operational risks. It is expected that this work will occur over the next few months.

Within the risk management systems evaluation, District Council of Grant demonstrated robust systems for the management of roads and footpaths, playgrounds, and tree management. Whilst there are some areas for improvement in these topics, (which are noted in the Report), the organisation has implemented a documented and systematic approach which appear to be effective in minimising risk in these areas.

However, it was noted that the 10-year playground replacement plan, while comprehensive in its inclusion of all playgrounds, it does not base its assessments on risk management principles. Specifically, there is no prioritisation of playground replacement in this report, other than "No replacement date to be set as still in good condition", as all the listed playgrounds are recently installed.

It is recommended that the plan is revisited in consultation with trained inspection staff and each playground risk assessed individually, for specific issues such as proximity to the ocean, aging /dying trees, etc (reference AS4685 for other risk profiles) and then prioritise the replacement programme from there and include this information in the asset management plan. The playground inspection regime has also not included the required impact attenuation tests for rubberised impact reduction surfaces (minimum every 3 years but must be based on risk), and therefore this aspect of the baseline has not been met.

In addition, the monthly visual inspections are paper-based and therefore requires scanning and uploading into Synergy Soft, and as the DCG has access to Skytrust, this process could easily be recorded on this software streamlining the inspections and thus creating efficiencies.

Similarly regular inspections of roads and footpaths are not recorded, and this aspect of the baseline has not been met, it is recommended that these inspections be conducted and recorded via Skytrust, as this allows a systematic process for recording the quality of service delivery to the community. It will also provide excellent evidence of works having been conducted to address customer complaints and requests.

2.2. Work Health and Safety

District Council of Grant are in a transition stage of their WHS/IM system and incorporating Skytrust to provide a functional aspect in the operation and management of the WHS/IM system.

Council demonstrates their endeavour and intent to develop and implement a compliant and functional safety system, which is reflected in the Manager Organisational Development in driving Council's WHS/IM safety system for such a long period. It was evident Council's WHS/IM system has a solid core of documents and processes. Due to document modifications of the core components being removed and reduced document control, Council has limited the function of the WHS/IM system and should initiate a review of how Council will reinstate a compliant and functional WHS/IM system.



Council has filled the vacant position of a WHS Coordinator to assist Council through their new WSH/IM system development.

Council is aware their safety performance is short across many functions, such as:

- Document Control Management not implemented.
- Program and plans with set objectives, targets, and achievable performance indicators.
- Hazard Management Systems including the application of the hierarchy of control.

Throughout this evaluation it was identified that Council needs to develop clear and achievable plans and programs in line with the expectations of the RTWSA workplace health and safety evaluation guidelines, and to measure, monitor and report on WHS performance at the higher strategic level.

There are potential risk exposures in relation to hazard management, with the absence of a structured hazard management process and a functional hazard register. It is recommended that Council review the adequacy of the hazard management system as a priority, and senior management should take an active role through this process.

Whilst on site, it was noted the District Council of Grant depot was functional. Housekeeping levels, oil drum, oil catch pans and chemical container (both empty and full) were randomly scattered across the depot. The outdoor gantry and the two block and tackle devices were questioned in terms of certification. No evidence to support that an engineer has inspected and certified the structure as per legislation.

This relates to Council's safety system performance covering, document control, training, accountability mechanisms, risk assessments and workplace inspections. Actions arising from the Depot inspection are noted in the Hazard Management element.

2.3. Injury Management

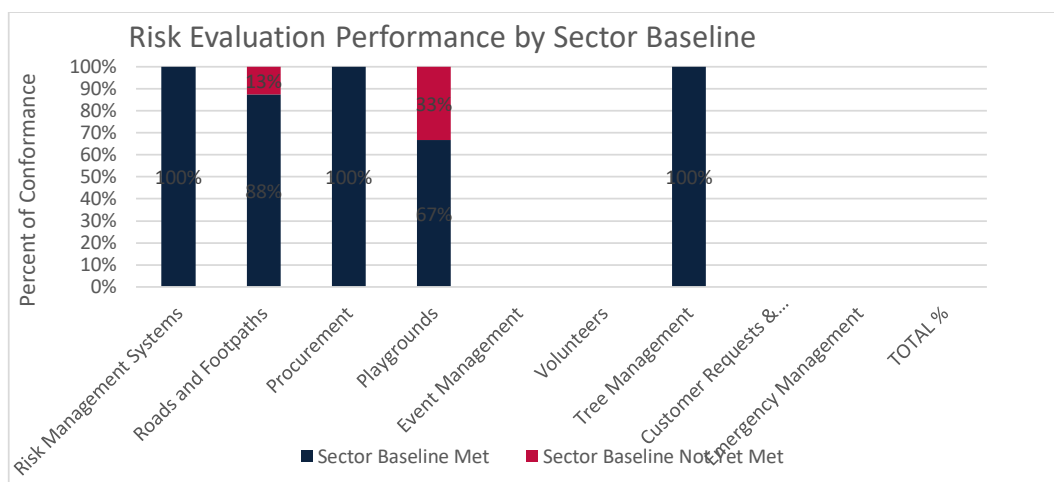
District Council of Grant has a functional injury management and return to work process. RTW Coordinators and Internal Claims Coordinators training is current, with the related Position Descriptions covering the roles responsibilities in specific detail.

It was evident at the time of evaluation that support provided to injured workers was in the best interest of Council, and the injured individual to enable them to return to work, and back to pre-injury duties as soon as practicable.

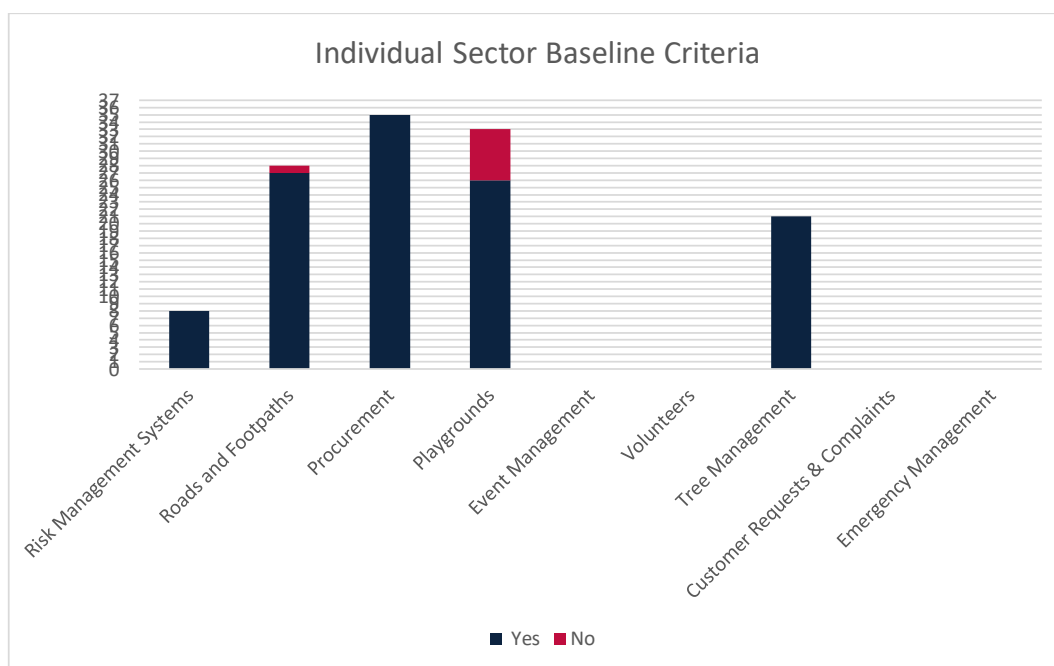
2.4. Executive Performance Graphs and Tables

2.4.1 Risk Topics Sector Baseline Overview and Sector Baseline Criteria

Please note that **all criteria for each question must be satisfied in order for the Sector Baseline to be met.** The following graph outlines the percentage of sector baselines met and not yet met in each topic area evaluated.



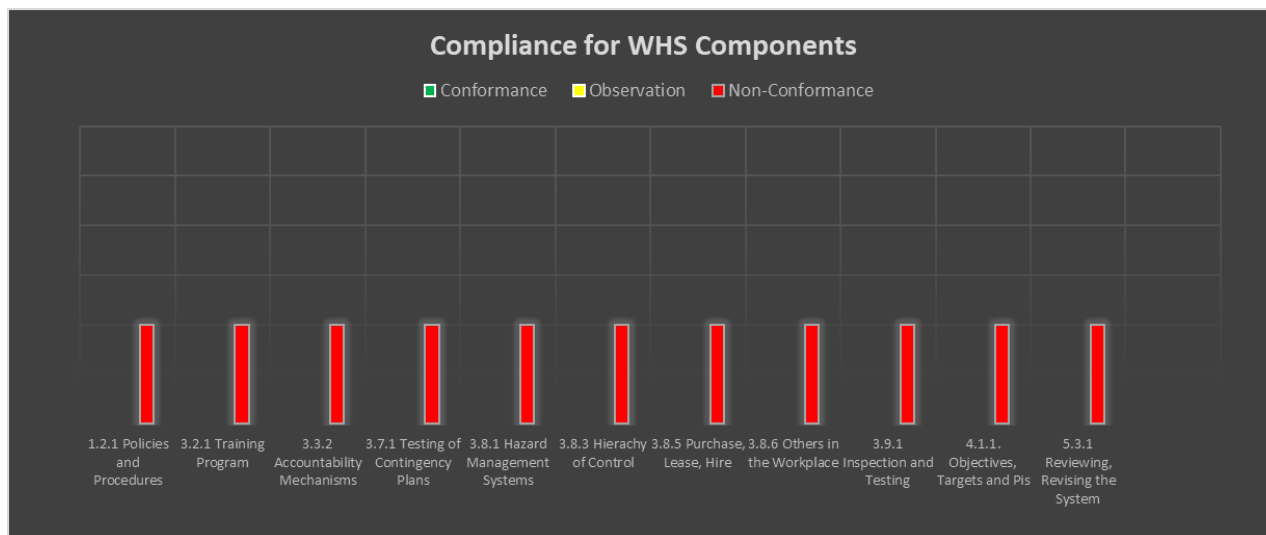
The graph below outlines the number of criteria met within each topic, so the Member can see their progress towards meeting all the criteria required for each sector baseline.





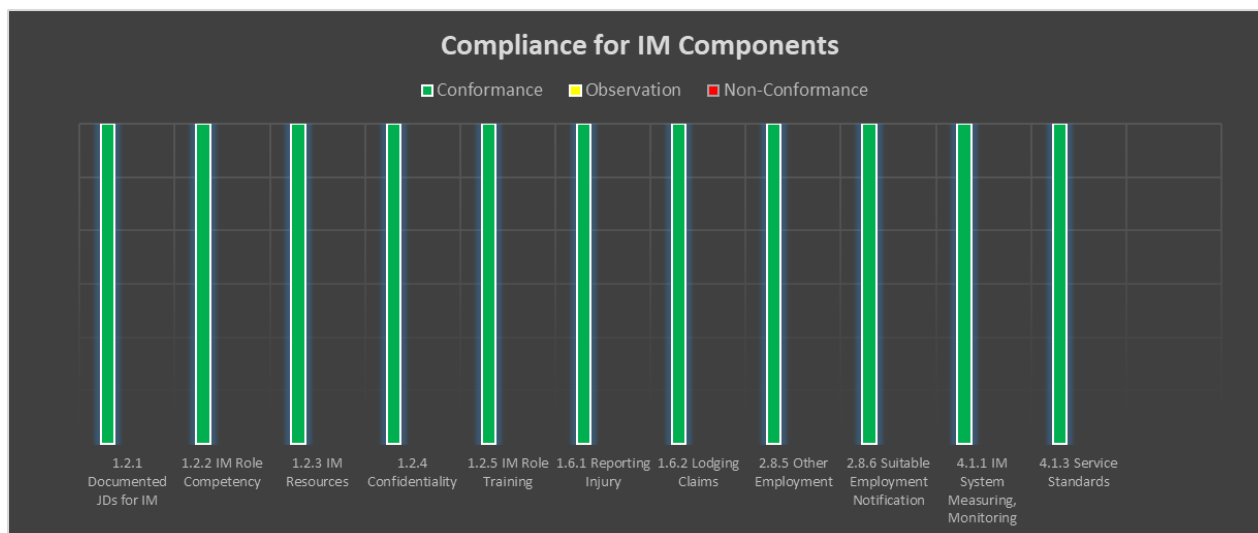
2.4.2 WHS Sub-Elements Evaluation Overview

The following graph outlines the level of compliance awarded for each WHS sub-element evaluated (i.e. Conformance, Observation or Non-Conformance). Scale is not representative of actual compliance level. Colour is used as a visual guide.



2.4.3 Injury Management Sub-Elements Evaluation Overview

The following graph outlines the level of compliance awarded for each IM sub-element evaluated (i.e. Conformance, Observation or Non-Conformance). Scale is not representative of actual compliance level. Colour is used as a visual guide.





SECTION 3

RISK MANAGEMENT REPORT

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3. Risk Management Report

3.1. Results Tables

3.1.1. Sector Baseline Overview

Please note that all criteria for each question must be satisfied for the Sector Baseline to be met. The following table and graph represent the number of sector baselines met and not yet met in each topic area evaluated.

MANDATORY AREAS			
Risk Management Systems	3	3	0
Roads and Footpaths	8	7	1
Procurement	7	7	0
ELECTIVES			
Playgrounds	9	6	3
Event Management	0	0	0
Volunteers	0	0	0
Tree Management	3	3	0
Customer Requests & Complaints	0	0	0
Emergency Management	0	0	0
TOTALS	30	26	4
TOTAL %		87%	13%

3.1.2. Sector Baseline Criteria Overview

Please note that this identifies the number of criteria met within each topic, so the Member can see their progress towards meeting all the criteria required for each sector baseline.

Topics	Total number of individual criteria assessed	Yes	No
Risk Management Systems	8	8	0
Roads and Footpaths	28	27	1
Procurement	35	35	0
Playgrounds	33	26	7
Event Management	0	0	0
Volunteers	0	0	0
Tree Management	21	21	0
Customer Requests & Complaints	0	0	0
Emergency Management	0	0	0
TOTALS	125	117	8
		94%	6%



3.2. Risk Management Evaluation Process Overview

The evaluation of the District Council of Grant risk management system included a review of existing documentation and meeting with employees and other workers. Comments and recommendations, including action items are intended to provide management with some suggested ways to improve the organisation's systems, however, it may be appropriate to implement an alternative action, and this is at the discretion of each organisation and its management team.

3.2.1. Summary of the evaluation scope

The scope of the evaluation was confined to a desktop review of the provided documentation and interviews with the listed members of staff. The review was conducted between the 30 November and 2 December 2021 inclusive.

3.2.2. Employees and other workers involved in the evaluation process:

- Darryl Whicker – CEO.
- Marianne Tucker - Manager Organisational Development.
- Kym Gregory - WHS Coordinator.
- Adrian Schutz - Works Manager.
- Melissa Mortensen - Works Officer.
- Kate Sealey - Purchasing Officer.
- Brittany Shelton – Governance.
- Gary Button - Director of Corporate Services.
- Leith McEvoy - Director of Environmental Services.

3.2.3. Documentation Review

The review included reviewing policies, procedures and supporting documentation within the Council's RM, and supporting organisational systems, as provided by the Member prior to and during the evaluation.

Additional evidence provided after the evaluation will only be accepted as evidence for this evaluation if agreed by the evaluator or the Client (i.e., LGAWCS and LGAMLS management).

3.2.4. Physical Verification

Interviews were conducted with the listed staff members in relation to risk management aspects in their departments. Documentary evidence was provided prior to the audit in the main, however further information was provided on request in relation to tree management, and playgrounds.

3.2.5. Report Findings and Recommendations

A summary of the evaluation findings for each topic area question and recommendations for each evaluation question where Sector Baseline was either not met or an opportunity for improvement exists are provided within this report.

Further broader system recommendations are provided in the executive overview and conclusion.

It should be recognised that the findings and recommendations of this report should be used by the Member for planning and continual improvement of the organisational RM, WHS/IM systems



3.3. Topic One: Risk Management Systems

3.3.1. Overview of Results: Risk Management Systems

Topics	Total Number of Sector Baselines Evaluated	Sector Baseline Met	Sector Baseline Not Yet Met
MANDATORY AREAS			
Risk Management Systems	3	3	0

3.3.1.1. Specific Results: Risk Management Systems

1 a)	What does Council's Risk Management (RM) approach consist of?	Result
#	Sector Baseline Criteria Can the Member demonstrate the following	Criteria achieved? Y/N
1a1	Current and endorsed document containing objectives or statement of intent, high level roles & responsibilities of staff, Council and/or Audit Committee	Yes
1a2	Current and internally adopted document containing processes and tools for how risk identification and assessments are to be undertaken that align to the expectations of AS ISO31000 or other recognised standard?	Yes
1a3	A Records management process is in place to manage key risk management approach documents	Yes
1 b)	Does Council have a risk register or a tool/repository where risks are actively monitored and maintained on a periodic basis as per their documented approach?	Result
#	Sector Baseline Criteria Can the Member demonstrate the following	Criteria achieved? Y/N
1b1	A current repository/s such as a risk register which has been internally adopted by management and captures council's strategic and operational risks in line with Council's documented approach and be easily accessible to those staff required to access the information.	Yes
1 c)	Is Council's above risk management approach implemented and operational?	Result
#	Sector Baseline Criteria Can the Member demonstrate the following	Criteria achieved? Y/N
1c1	Council has employed a dedicated risk management professional, or Council has identified staff resources with risk management experience and capabilities	Yes
1c2	Training has been identified and provided to all persons with responsibilities and accountabilities for risk management in accordance with Council's risk management approach and is undertaken by both initial and refresher training sessions	Yes
1c3	Documented evidence of risks across the organisation being evaluated and reported and/or taken into consideration during planning processes	Yes
1c4	The highest rated and emerging risks in the risk register are reported and monitored as per Council's documented approach	Yes



Risk Management Systems: Summary of Findings

The DC Grant has a robust risk management system in place, and it is noted that the Risk Management Policy and Framework are slightly overdue for review, however, this is currently in progress and has therefore not been deemed as being non-compliant as it meets ISO 31000 risk management principles.

The DC Grant would benefit from further training of middle managers in Risk Management principles, as this will spread the workload in relation to risk management across all the departments, rather than leaving the bulk of the workload on the Manager Organisational Development and the relatively new WHS Coordinator.

Risk Management Systems: Recommended Action(s)

DC Grant could consider conducting a comprehensive strategic planning session, facilitated by the Regional Risk Coordinator to identify all potential risks and opportunities, including but not limited to, Political, Economic, Social, Technological, Legal, and Environmental risk profiles. This will assist in adopting a balanced risk management framework for adoption by the DC Grant.

It is also recommended that the outcomes of actions allocated to departmental personnel in the operational risk aspect workshops, are recorded in the corrective actions register and monitored for effectiveness. Senior Management Team (SMT) should be involved in this exercise as part of any planned strategic planning session scheduled in the coming months.

Review the training needs analysis with a focus on personnel with effective control over areas that present a high-risk profile to the organisation.



3.4. Topic Two: Roads and Footpaths

3.4.1. Overview of Results: Roads and Footpaths

Topics	Total Number of Sector Baselines Evaluated	Sector Baseline Met	Sector Baseline Not Yet Met
MANDATORY AREAS			
Roads and Footpaths	8	7	1

3.4.1.1. Specific Results: Section 221 Permit Processes

2 a)	Does Council have systems in place to authorise or permit 3rd party alterations to a public road (non-business purposes) in relation to S221 of the LG Act?	Result
#	Sector Baseline Criteria: Can the Member demonstrate the following	Criteria achieved? Y/N
2a1	Criteria for the circumstances for the use of the permit are clearly defined (permit is used for alterations to the arrangement of the road)	Yes
2a2	Public access to the permit (e.g. download from website or easily accessible in hard copy from Council office/s)	Yes
2a3	A defined and documented submission process	Yes
2a4	A process for assessment of lodged form	Yes
2a5	A process for response to applications, including dispute resolution	Yes
2a6	Trained staff to assess permit applications	Yes
2a7	Contingencies for staff absence	Yes
2a8	Record management procedures	Yes
2 b)	Does the authorisation process or permit consider structures and installations for their safety and suitability?	Result
#	Sector Baseline Criteria The permit considers safety and suitability of structures and installations where they	Criteria achieved? Y/N
2b1	a) unduly obstruct use of the road;	Yes
2b2	b) unduly interfere with construction of the road;	Yes
2b3	c) have an adverse effect on road safety	Yes
2 c)	Does the authorisation or permit include an indemnity from the applicant to the Council?	Result
#	Sector Baseline Criteria The permit includes:	Criteria achieved? Y/N
2c1	Indemnity for the Council, its employees and/or agents against all actions, costs, claims, and demands for injury, loss or damage arising out of any negligent act or omission of the Applicant in relation to any activities under t A comprehensive list of assets included in this plan will be developed for inclusion in the next revision. he Authorisation or arising out of breach of any condition attaching to the Authorisation.	Yes
2c2	The requirement for the applicant to take out and keep current (for the term of the application) a public liability policy of insurance to an appropriate level of cover per	Yes



2 a)	Does Council have systems in place to authorise or permit 3rd party alterations to a public road (non-business purposes) in relation to S221 of the LG Act?	Result
#	Sector Baseline Criteria: Can the Member demonstrate the following	Criteria achieved? Y/N
	claim in respect of any negligent act or omission of the Applicant in relation to any activities under the Authorisation.;	

Section 221 Permit Processes: Summary of Findings

The systems in place to authorise or permit 3rd party alterations to a public road (non-business purposes) in relation to S221 of the LG Act. These are robust and well managed by the works department.
A comprehensive list of assets for inclusion in the management plan, is being developed for inclusion in the next revision.

Section 221 Permit Processes: Recommended Action(s)

No action required.



3.4.1.2. Specific Results: Processes for the Inspection, Management and Maintenance of Roads and Footpaths

2 d)	Does the Member have an Infrastructure and Asset Management Plan that covers the management and maintenance of roads and footpaths?	Result
#	Sector Baseline Criteria:	Criteria achieved? Y/N
2d1	The plan includes an asset listing	Yes
2d2	The plan includes condition grading	Yes
2d3	There is an issue log which demonstrates closeout of actions	Yes
2 e)	Does the Member have an inspection and maintenance regime (or schedule) to inspect roads and footpaths?	Result
#	Sector Baseline Criteria The regime or schedule includes:	Criteria achieved? Y/N
2e1	Road and footpath assessments	No
2e2	Consideration of roads which have been altered and reinstated	Yes
2 f)	How does the Member prioritise roads during scheduling of maintenance/repair?	Result
#	Sector Baseline Criteria The schedule considers the following when prioritising roads for maintenance or repair:	Criteria achieved? Y/N
2f1	Reported faults/issues	Yes
2f2	Traffic volumes	Yes
2f3	Proximity to public amenities	Yes
2f4	Areas concentrated with vulnerable people such as elderly	Yes
2f5	Areas where frequent complaints arise (trend analysis)	Yes
2 g)	How does The Member prioritise footpaths during scheduling of maintenance/repair?	Result
#	Sector Baseline Criteria The schedule considers the following when prioritising footpaths for maintenance or repair:	Criteria achieved? Y/N
2g1	Reported faults/issues	Yes
2g2	Traffic volumes	Yes
2g3	Proximity to public amenities	Yes
2g4	Areas concentrated with vulnerable people such as elderly	Yes
2g5	Areas where frequent complaints arise (trend analysis)	Yes



Processes for the Inspection, Management and Maintenance of Roads and Footpaths: Findings

Page 10 of the Asset Management Plan, states that asset condition is continually monitored using casual surveillance by Council staff, and a more extensive condition assessment is carried out approximately every five years with the maintenance budget being developed annually.

Visual inspections, however, are not recorded. DCG relies on customer service requests for monitoring of road and footpath condition.

This is not a proactive approach to the management of the road and footpath network. The risk posed to the organisation is Incomplete/inaccurate asset data. As identified in the Transport Asset Management Plan 2019-2029.

Processes for the Inspection, Management and Maintenance of Roads and Footpaths: Recommended Action(s)

The Transport Asset Management Plan 2019-2029 identifies one of the primary risks to the organisation as: "Incomplete/inaccurate asset data potentially leading to poor decision making and lack of funding for maintenance and renewals."

It is recommended that regular asset inspections are included as part of normal operations and to facilitate the recording of inspections through the introduction of a Skytrust based record system to assist in providing quality outcomes in customer service, which will interface with the Transport Asset management plan.

A checklist developed in Skytrust for road and footpath inspections based on the asset assessment criteria for roads and footpaths will create efficiencies by avoiding paper based reporting systems and facilitating ease of access to DC Grant works personnel while in the field.



3.4.1.3. Specific Results: Processes for Managing Railway Interfaces

2 h	If Council has Railway Interface/s, does Council fulfil its duties as a Road Manager?	Result
#	Sector Baseline Criteria Does the Council have evidence to show:	Criteria achieved? Y/N
2h1	That they have sought to enter into a railway interface agreement with the relevant rail infrastructure manager?	N/A
2h2	Risk Assessment/s conducted in line with the National Rail Safety Act	N/A
2h3	Completed, signed Railway Interface Agreement/s covering all of the rail interfaces for their area?	N/A

Processes for Managing Railway Interfaces: Findings

There are no active rail networks in the DCG therefore this baseline criteria have not been assessed.

Processes for Managing Railway Interfaces: Recommended Action(s)

No recommended actions.

3.5. Topic Three: Procurement and Contracts

3.5.1. Overview of Results: Procurement and Contracts

Topics	Total Number of Sector Baselines Evaluated	Sector Baseline Met	Sector Baseline Not Yet Met
MANDATORY AREAS			
Procurement and Contracts	0	0	0

3.5.1.1. Specific Results: Procurement Processes and Testing of Application

3 a	Are there policies, and procedures prepared and adopted for the procurement process, including approach to the market, evaluation of responses and selection of providers?	Result
#	Sector Baseline Criteria Can The Member demonstrate that its policy and/or procedures include the following:	Criteria achieved? Y/N
3a1	Identifies circumstances where the council will call for tenders for the supply of goods, the provision of services or the carrying out of works, or the sale or disposal of land or other assets	Yes
3a2	Competitive tendering and the use of other measures to ensure that services are delivered cost effectively	Yes
3a3	The use of local goods and services, and	Yes



3 a	Are there policies, and procedures prepared and adopted for the procurement process, including approach to the market, evaluation of responses and selection of providers?	Result
#	Sector Baseline Criteria Can The Member demonstrate that its policy and/or procedures include the following:	Criteria achieved? Y/N
3a4	The sale or disposal of land or other assets	Yes
3a5	Provide a fair and transparent process for calling tenders and entering into contracts in those circumstances;	Yes
3a6	Provide for the recording of reasons for entering into contracts other than those resulting from a tender process;	Yes
3a7	Be consistent with any requirement prescribed by the regulations	Yes
	Can The Member demonstrate that	Yes
3a8	It's policy and/or procedures are readily accessible to the public	Yes
3a9	That there is a process to keep this information current	Yes
3a10	There is a system in place that monitors purchases and identifies any that have occurred outside the system? – e.g. review by finance on supplier invoices or expense monitoring process NOTE: The result of this sector baseline criteria is not included in the formula for the overall sector baseline.	Yes
3 b	Are there systems in place to identify risks as part of the procurement/ purchasing process?	Result
#	Sector Baseline Criteria	Criteria achieved? Y/N
3b1	Is there evidence of consideration of risk in relation to procurement or purchasing; as defined and required within the Member's system?	Yes

3 c	Is there evidence that the procurement process is transparent and in accordance with applicable organisation's procurement policy/operational guidance/procedures	Result
#	Sector Baseline Criteria The Member is able to demonstrate the following:	Criteria achieved? Y/N
3c1	The rationale for the procurement method selected is documented	Yes
3c2	A documented process is followed, (which includes communication with tenderers during the process);	Yes
3c3	The documentation contains the defined evaluation criteria;	Yes
3c4	The documentation contains a provision specifically reserving the right to negotiate, (where there is evidence that negotiation has occurred);	Yes
3c5	Evaluations have occurred against defined criteria; and	Yes
3c6	Once evaluated, reasons for selection of successful tenderers are documented.	Yes
3 d	Have staff who have delegated roles and/or are responsible for procurement and/or contracts been provided with appropriate training?	Result



3 c	Is there evidence that the procurement process is transparent and in accordance with applicable organisation's procurement policy/operational guidance/procedures	Result
#	Sector Baseline Criteria The Member is able to demonstrate the following:	Criteria achieved? Y/N
#	Sector Baseline Criteria	Criteria achieved? Y/N
3d1	Council's training and/or personnel system(s) are able to verify that all staff who have delegated roles and/or are involved the procurement process have had training (or possess qualifications) relevant to their role	Yes
3d2	Is there evidence that training (or qualifications needed) is identified within the organisations HR/training systems	Yes
3 e	Does Council have a process in place to justify the rationale behind, and approval of, variations from standard indemnity, insurance, legal liability and contractor incident notification clauses?	Result
#	Sector Baseline Criteria Is there evidence that the Member's contract negotiation process requires:	Criteria achieved? Y/N
3e1	Use of standard contracts containing approved indemnity, insurance, liability and incident notification clauses	Yes
3e2	Any variance to standard contracts to be in accordance with a risk-based, documented process and approval requirements	Yes
3e3	The person approving variations to standard contracts to have appropriate delegated authority	Yes
3e4	Contractors to report any notifiable incidents and Return to Work Claims	Yes
3e5	The rationale for variance to standard contracts to be documented and retained	Yes



3 f	Is there evidence of the rationale in 3e being applied during the procurement process including when calling for tenders and developing/writing contracts?	Result
#	Sector Baseline Criteria In Reviewing at least 2 or 3 tender and contract examples, verify the following:	Criteria achieved? Y/N
3f1	Is there evidence that contracts include indemnity for the Council (or Prescribed Body), its employees and/or agents against all actions, costs, claims and demands arising from any injury, death, loss or damage due to any negligent act or omission on the part of the contractor (including its employees and agents) in relation to any activities under the agreement or arising out of breach of any condition attaching to the agreement, and	Yes
3f2	Is there evidence that tender documentation and contracts include the requirement for the contractor to obtain Public Liability/Professional Indemnity insurance for the proposed works to the required level of indemnity (with reference to the Member's Procurement Policy) in respect of any negligent act or omission of the Contractor (and/or agent) in relation to any activities undertaken in discharge or performance of the contract works.	Yes
3f3	Where contract terms have been negotiated, outside of the Member's Standard Contract Terms can the Member confirm there has been no variation or reduction (including limitations) created in relation to liability.	Yes
3f4	Where contract terms have been negotiated, is there evidence that the agreed indemnity and liability clauses have been positively considered and accepted?	Yes
3f5	Where a contract in relation to aerodrome facilities is in place, does this have a record of the specific insurance required for "airside"? (Note: where the Member does not have an aerodrome facility, answer N/A)	Yes
3f6	In relation to Purchase Orders, is there evidence of: <ul style="list-style-type: none"> • The requirement for the supplier to comply with all legislative requirements • Indemnity/liability provisions • Insurance (minimum public liability indemnity) • Warranty (goods and services) • Any sub-contractor prohibition (no engagement without prior approval of the Member) 	Yes
3 g	Are there processes in place to administer the contract and manage supplier performance during and after the contract?	Result
#	Sector Baseline Criteria The Member is able to demonstrate that a process is in place for:	Criteria achieved? Y/N
3g1	Monitoring key milestones and/or deliverable	Yes
3g2	Monitoring of contractor incidents and subsequent investigations	Yes
3g3	Ensuring the contract has been completed to the identified quality standards at the close of contract (and prior to final payment)	Yes
3g4	Matching the purchase order with the goods/services delivered and the invoice	Yes
3g5	The review/rating of contractors post the works being completed	Yes



Procurement Processes and Testing of Application: Findings

Evidence provided for procurement processes included:

- Procurement Policy.
- Tendering Procedure.
- Records Management Procedure.

These documents outline in detail all requirements for procurement and supports compliance with these requirements.

Several examples of tender documents have been submitted as evidence of compliance with all aspects of risk management regarding procurement. FINPRO4 Tendering Proc 8 Oct 2019.

Section 3 - Evaluation of Tenders, includes a selection panel and criteria for consideration of tenders, including conformity with tender documents, cost submission, technical, managerial, physical, and financial resources, experience, WHS compliance, use of local contractors, project timeline and other commitments which may affect capacity of the tenderer to carry out the Contract. Evidence to support this included:

- Examples of plant purchase and tender assessments against defined criteria.
- Request for quotation - Roadside Slashing 2021.

The DCG has two qualified personnel overseeing the procurement procedures with delegated authorities being managed by Council's governance officer Brittany Shelton.

Director of Corporate Services - Gary Button - Bachelor of Commerce, majoring in accounting
Vanessa McDonald, Acting Team Leader Finance - Qualified CPA

External audits are also conducted to monitor compliance with procurement procedures.

Procurement Processes and Testing of Application: Recommended Action(s):

No recommended actions.



3.6. Topic Four: Playgrounds

3.6.1. Overview of Results: Playgrounds

Topics	Total Number of Sector Baselines Evaluated	Sector Baseline Met	Sector Baseline Not Yet Met
ELECTIVE AREAS			
Insert elective topic	9	6	3

3.6.1.1. Specific Results: Playgrounds

E1a	Does the Scheme Member have systems in place for the management of playground safety?	Result
#	Sector Baseline Criteria Can the Scheme Member demonstrate:	Criteria achieved? Y/N
E1a1	Playgrounds which are infrastructure or major assets are included in the Infrastructure and Asset Management Plan	Yes
E1a2	A process for community consultation when establishing new playgrounds, as set out in the LGAMLS Playground Guide 2015	Yes
E1a3	Evidence of a decision making process in relation to the selection of the design and location of playgrounds, as set out in AS4685.0:2017 and the LGAMLS Playground Guide 2015	Yes
E1a4	During planning and upgrade, consideration is given to disability access and equipment design	Yes
E1a5	A playground Safety Management System is in place consisting of: - systematic documentation and record keeping processes, - the establishment of risk assessment and reporting procedures, - the training of relevant staff, - incident and emergency procedures, and - the carrying out of timely inspections, maintenance and repairs as set out in AS4685.0:2017 section 8.1.	Yes
E1b	Does Scheme Member have a Management Plan for its Playgrounds (as areas of community land modified or adapted for the benefit or enjoyment of the community)	Result
#	Sector Baseline Criteria Is there evidence that the management plan:	Criteria achieved? Y/N
E1b1	Identifies the land to which it applies	Yes
E1b2	States purpose for which the land is held	Yes
E1b3	states objectives	Yes
E1b4	States policies and proposals for management of land	Yes



E1b5	States performance targets and the method of measuring against objectives and targets	Yes
E1c	Has Scheme Member established systematic documentation and record keeping processes in relation to playgrounds?	Result
#	Sector Baseline Criteria Accurate records have been retained to demonstrate:	Criteria achieved? Y/N
E1c1	Records of suppliers, manufacturers designers and installers for each site e.g. Playground Equipment Register	Yes
E1c2	Instructions in relation to the operation, inspection, and maintenance of the equipment	Yes
E1c3	Dates of installation	No
E1c4	Records of inspections, testing, maintenance, repairs and modifications	Yes
E1c5	Incident records and subsequent actions	Yes
E1d	Does all Playground equipment meet current Australian Standards?	Result
#	Sector Baseline Criteria Can the Scheme Member show:	Criteria achieved? Y/N
E1d1	Evidence that the equipment meets Australian standards OR old equipment has been risk assessed by a competent person and unacceptable risks addressed. (This may include having a plan in place that documents the priorities for upgrade or removal). OR a risk benefit assessment has been undertaken where nature play equipment does not meet Australian standards	Yes
E1e	Have manufacturer/supplier instructions been obtained to set out the type and frequency of inspection and maintenance requirements for playgrounds?	Result
#	Sector Baseline Criteria Can Scheme Member show evidence that:	Criteria achieved? Y/N
E1e1	The manufacturer has supplied product information, installation, inspection and maintenance information including competence requirements as set out in AS 4685.0:2017	Yes
E1f	Is a routine visual inspection regime conducted at a frequency greater than the operational inspection, by a competent person (e.g. trained maintenance staff)?	Result
#	Sector Baseline Criteria Are there records of:	Criteria achieved? Y/N
E1f1	Obvious hazards that may result from vandalism, use, or weather conditions	Yes
E1f2	Requirements of the manufacturer/supplier	Yes
E1f3	Inspections having been completed and close out of actions	Yes
E1f4	Inspections being undertaken by a competent person (e.g. trained maintenance staff)	Yes
E1g	Is a detailed (operational) inspection regime conducted by a competent person and defined frequency in accordance with manufacturer/supplier	Result



	instructions (competency and frequency defined by manufacturer, between 1 and 3 months)?	
#	Sector Baseline Criteria Are there records of:	Criteria achieved? Y/N
E1g1	The operation and stability of the equipment, especially for wear	Yes
E1g2	Requirements of the manufacturer/supplier	Yes
E1g3	Inspections having been completed and close out of actions	Yes
E1g4	inspections being undertaken by a competent person (as defined)	No
E1h	Is a comprehensive inspection regime conducted at intervals not greater than 12 months, by a person who has training and experience that enables them to perform a full conformity check to AS4685 (e.g. an engineer/playground/maintenance specialist or other person who fulfils the competency requirements)	Result
#	Sector Baseline Criteria Are there records of:	Criteria achieved? Y/N
E1h1	Overall safety of the equipment, foundations, and surfaces	Yes
E1h2	The requirements of the manufacturer/supplier	Yes
E1h3	Inspections having been completed and close out of actions	Yes
E1h4	Inspections being undertaken by a person who has training and experience that enables them to perform a full conformity check to AS4685 (e.g. an engineer/playground/maintenance specialist/other person who fulfils the competency requirements)	No
E1i	Is regular testing of impact attenuating surfaces conducted at intervals not greater than 36 months (3 years), by a competent person?	Result
#	Sector Baseline Criteria Are there records of:	Criteria achieved? Y/N
E1i1	The overall safety of the impact attenuating surfaces	No
E1i2	The requirements of the manufacturer/supplier	No
E1i3	Inspections having been completed and close out of actions	Yes
E1i4	Inspections are being undertaken by a competent person	Yes
Playgrounds: Findings		
Impact attenuation testing must be scheduled every three years, or sooner if inspections determine there is sufficient wear or deterioration of the surfaces to warrant inspections by competent persons with the necessary equipment to perform the inspections as per AS4422. Currently only one member of staff has been trained in the playground inspection requirements of Section 8 of AS 4685.		
Playgrounds: Recommended Action(s):		
Train more of the works team to conduct the visual inspections of playgrounds and set up a checklist in the Skytrust database to facilitate efficient recording of issues and their close out instead of the current paper-based inspection regime. Consult with nearby councils and share some of the costs of having SME inspections being conducted. Review the 10-year playground replacement plan and include it as part of the Asset Management Plan, as it does not base its assessments on risk management principles. Specifically, there is no prioritisation of playground replacement in this report other than "No replacement date to be set as		



still in good condition” as all the listed playgrounds are recently installed ones. It is recommended that the plan is revisited in consultation with trained inspection staff and each playground risk assessed individually, for specific issues such as installation date, manufacturer’s recommendations for maintenance, proximity to the ocean, aging /dying trees, etc (reference AS4685 for other risk profiles) and then prioritise the replacement programme from there and include this information in the Asset management plan.

3.7. Topic Five: Tree management

3.7.1. Overview of Results: Tree management

Topics	Total Number of Sector Baselines Evaluated	Sector Baseline Met	Sector Baseline Not Yet Met
ELECTIVE AREAS			
Insert elective topic	3	3	0

3.7.1.1. Specific Results: Tree management

E4a	Does Scheme Member have systems in place to manage existing and new trees?	Result
#	Sector Baseline Criteria Does Scheme Member have a documented approach to Tree Management which includes:	Criteria achieved? Y/N
E4a1	Processes for determining the appropriateness of the vegetation	Yes
E4a2	A process to consult with affected parties	Yes
E4a3	A process for recording and responding to tree management issues, including those raised by external parties	Yes
E4b	Does the system provide a process for identifying, analysing, assessing, evaluating and treating risks related to trees during development & planning, planting, and maintenance?	Result
#	Sector Baseline Criteria Can the Scheme Member demonstrate policies or procedures for (or that include) the following:	Criteria achieved? Y/N
E4b1	Assessing the appropriateness of species of tree for planting (protected status, purpose of tree, size/significance and location, soil, human activity, public safety, site restrictions, site requirements, pests, maintenance)	Yes
E4b2	Planting of trees on a road or community land including community consultation when establishing new trees	Yes
E4b3	Vegetation clearance on roads in accordance with DPTI Operational Instruction 20.1	Yes
E4b4	Obtaining written, dated, specialist advice from persons with relevant qualifications and experience	Yes
E4b5	Addressing complaints and the issuing of an order with regard to trees on private property	Yes
E4b6	Identifying and managing protected trees	Yes



E4b7	The implementation of a tree maintenance program	Yes
E4b8	The requirement for trained staff with documented responsibilities	Yes
E4c	Has Scheme Member taken "reasonable action" in response to all tree requests regarding street trees in the last 24 months?	Result
#	Sector Baseline Criteria Can the Scheme Member demonstrate that reasonable action was taken by a process of:	Criteria achieved? Y/N
E4c1	A written request received, outlining details of the problem	Yes
E4c2	Considering and assessing identified risk	Yes
E4c3	(In urban areas) considering the protection of Significant and Regulated Trees (Development Regulations 1993, S6A) except in the case of an emergency	Yes, DCG has no significant trees
E4c4	(In applicable areas) considering the protection of native vegetation (Native Vegetation Act 1991 S27)	Yes
E4c5	(In applicable areas) considering conservation of native plants (National Parks and Wildlife Act 1972 Part 4)	Yes
E4c6	Seeking expert advice where appropriate	Yes
E4c7	(Evidence of) a determination being made	Yes
E4c8	Taking reasonable action and records of this	Yes
E4c9	communicating action to the requestor	Yes
E4c10	Maintenance of records and monitoring as necessary	Yes

Tree management: Findings

DC Grant utilises the following documentation to manage trees in their jurisdiction:

- Tree Management Policy.
- Tree Management - Risk Management Guidelines for Local Government.
- Roadside Vegetation Management Plan.

Further to this DCG engage suitably qualified subject matter experts (SME) to undertake assessments as and when required, the supporting evidence supplied included the review conducted for the Timberlink Project on Riddoch Hwy report by a SME. The SME discussed the options for the creation of a slipway for access to the new plant which required the removal of one tree.

Public consultation was followed as per the Public Consultation Policy GOVPOL15 18 May 2020, with further references to National Parks and Wildlife Act 1972 Part 4.

Tree management: Recommended Action(s):

No recommended actions.



SECTION 4

WHS AND INJURY MANAGEMENT SYSTEMS REPORT



4. WHS and Injury Management Systems Report

4.1. WHS/IM Systems Results Tables

4.1.1. Work Health and Safety (WHS) Results

STANDARDS	Total Sub-Elements Evaluated	Conformance	Observation	Non-Conformance
Standard One – Commitment and Policy	1			1
Standard 3 – Implementation	8			8
Standard 4 – Measurement and Evaluation	1			1
Standard 5 – Management Systems Review and Improvement	1			1

4.1.2. Injury Management (IM) Results

SUB-ELEMENT	Total Sub-Elements Evaluated	Conformance	Observation	Non-Conformance
Standard 1.2 - Resources	5	5		
Standard 1.6- Information provided to employees	2	2		
Standard 2.8 – Early Intervention, recovery and RTW	2	2		
Standard 4 – Measurement, Monitoring Review	2	2		

Please note that the assessment of the WHS/IM systems is conducted in line with the RTWSA Code of Conduct for Self-Insured Organisations and the Performance Standards for Self Insurers, which includes the Work Health and Safety and Injury Management Standards for self-insured employers.

The evaluator's assessment is in line with the definitions within these Standards for conformance, observation and non-conformance, as follows:

Conformance	Activities undertaken and results achieved fulfil the specified requirements.
Observation	Activities undertaken and results achieved fulfil the specified requirements of the elements; however, an opportunity for improvement exists due to minor deficiencies identified.
Non-Conformance	Activities undertaken and the results achieved do not fulfil the specified requirements of the elements. This may be due to the substantive absence or inadequate implementation of a system or documented systems or procedures not being followed.



4.2. WHS & IM Evaluation Process Overview

The evaluation of the District Council of Grant risk management (WHS and IM) system included a review of existing documentation and meeting with employees and other workers. Comments and recommendations, including action items are intended to provide management with some suggested ways to improve the organisation's systems, however it may be appropriate to implement an alternative action, and this is at the discretion of each organisation and its management team.

4.2.1. Summary of the evaluation scope

The evaluation boundary was defined by the pre-defined 11 sub elements of the PSSI. The evaluation was conducted over a three-day period.

The Risk Evaluation commenced with a desktop evidence review. Following with interviews and confirmation of the evidence provided, a review of how the safety systems were physically being applied was undertaken via a site inspection at the District Council of Grant Depot.

4.2.2. Employees and other workers involved in the evaluation process

- Darryl Whicker – CEO.
- Marianne Tucker – Organisational Development Manager.
- Adrian Schulz – Works Manager.
- Kim Gregory – WHS Coordinator.
- Melissa Mortensen – Works Officer.
- Kate Sealey – Purchasing Officer.

4.2.3. Documentation Review

The review included reviewing policies, procedures and supporting documentation within the Council's WHS/IM and supporting organisational systems, as provided by the Member prior to and during the evaluation.

4.2.4. Physical Verification

The review included policies, procedures and supporting documentation within the Council's WHS/IM system and supporting organisational systems, as provided by the Member prior to and during the evaluation.

Additional evidence was provided after the evaluation and reviewed. The evidence provided, are solid documents by themselves, but did not link to a systematic process or reflect the PSSI requirements in full, and therefore did not change Council's result.

4.2.5. Report Findings and Recommendations

A summary of the evaluation findings for each sub-element and recommendations for each sub-element that does not meet the requirements of RTWSA's Performance Standards for Self Insurers, (or where an opportunity for improvement exists) are provided within this report.

It should be recognised that the findings and recommendations of this report should be used by the Member for:

- Planning and continuous improvement by Council of their WHS/IM system.
- Reviewing potential conformance levels with the RTWSA Performance Standards for Self Insurers.



4.3. WHS Assessment Component

4.3.1. Standard One: Commitment and Policy

4.3.1.1. Assessment Component: Supporting Policies and Procedures

		Result
1.2.1	<i>Supporting policies and procedures are in place</i>	Non-Conformance

Supporting Policies and Procedures: Findings
<p>Council has adopted the One System policy and procedure format, with WHSPOL1 RTW and Injury Management Policy V4, in date and authorised, next review December 2023. Policy provided from Council's website. Policies are set for review every 3 years, with procedures set for review every 5 years. Referring to Council's Policy and Procedure Register it states that WHSPOL01 next review date was due in May 2019.</p> <p>Council is reorganising the WHS/IM system after the previous WHS Practitioner left the organisation, and the position was vacant for a period. The newly appointed WHS Coordinator could not source the document control register, so a new version was developed, then recently the original document control register surfaced. Council conducted a gap analysis on both document control registers, updated the original, and are now planning on uploading the document control register into Skytrust.</p> <p>Policies and procedures are stored on Council's intranet which require log in details, as well as, G: Drive in a password protected folder.</p> <p>Council has a Document Management Procedure WHSPR3.1 that has past the August 2021 review date and is two versions behind the One System document. This document specifically outlines how Council's WHS/IM system is to be managed and maintained.</p> <p>It was noted in Council's procedures, that several have the core component section removed, and not reinstated in any other manner back within the procedure. Council undertook this task as a senior management directive, in the attempt to simplify the procedure. In doing so Council removed some of the Return to Work SA performance standards and WHS legislative requirements from their procedures. Example: WHSPOL4 Consultation and Communication Policy and WHSPR 3.4 VS Training Procedure.</p> <p>As council have set a 5-year policy and 3-year procedure review cycle; legislative updates or document changes have been missed by Council. In some cases, documents are three review cycles behind the One System version.</p> <p>The One System, Document Management Procedure V 4.7 Document Review - 4.7.2 states 'every document to be reviewed at least every 3 years and shall be maintained to reflect any changes as they occur'.</p> <p>When Council updates a WHS/IM document for Works and Saleyards, the document is manually sent out, with a sign sheet to each department manager, so they can delete / remove the previous hard copy or electronic version and replace it with the latest version. Then the signed document is passed onto the next department manager. Once completed the sign form is returned to the WHS Coordinator who stores the signed document update form in Synergy.</p> <p>During the depot inspection, it was identified that hard copies of Council's policy and procedures, have not been updated, and this highlights Council's current document management process issues.</p>



Supporting Policies and Procedures: Recommended Action(s)

It is recommended that Council:

- Update the Document Management Procedure and document review schedule for WHS policies, procedures and forms that include TRA, SOP's and SWMS.
- Senior management to investigate the implementation of a Council wide document management system, ensuring it supports Council's internet and Skytrust with the latest policy and procedure version and review date.
- Review current process of redrafting the procedure to accepting the One System document in the format provided by the scheme. Reinstating the core components.
- Develop a program and plan to set out a process of realigning Council's policy and procedures in line with the latest version numbers.
- That regular status reports are provided to the management team on document review progress and outcomes.
- That a staged review and update process is applied that includes consultation with relevant workers and allows for the implementation of procedural requirements that are not already in place.



4.3.2. Standard Three: Implementation

4.3.2.1. Assessment Component: Training Program

		Result
3.2.1	<i>The organisation must ensure a relevant training program is being implemented</i>	Non-Conformance

Training Program: Findings

Councils WHSPR 3.4 V2 Training Procedure is authorised and within the review date. This procedure has the core components removed and is three cycles behind the One System Version 5.

Skytrust is used to list employee training and relates to a TNA based on positions. It was noted that the TNA does not include the SOP and TRA specific to the positions. Hazard Management Procedure and Workplace Inspection Procedure are listed in the TNA but not trained in, as the procedures require a review and update, to return to the One System version.

It was evident that many hours have been used in developing and updating Council's TNA. Although this process is not completed, it has come to a standstill and requires planning, on how, Council's training program will be updated to reflect the revised training policy and procedures.

Council's training plan is in the form of a financial spreadsheet, capturing, travel costs, accommodation, and training providers. This training plan does not directly link to Council's TNA. Unable to verify the functionality of a training plan within Skytrust on the day of evaluation, due to internet issues.

Evidence required should demonstrate the effectiveness and quality of training. Processes describing how Council, identifies relevant training requirements and systems must be describe within Council's policies and procedures. Relevant training must be included in a TNA, with development of training plans, mechanisms for the provision of training and record management. A process is in place to ensure that training is being implemented in accordance with the planned schedule and proposed attendance, whilst monitoring completion and compliance to the training plan. Also identifying gaps in learning or attendance, and a systematic process takes place to remedy the issue and report.

Training Program: Recommended Action(s):

It is recommended that Council:

- Review training procedure. Update to make sure all WHS training and induction requirements are clearly identified and meet legislative, RTWSA PSSI and Council requirements in line with the One System version.
- Develop a program and plan to capture Council's training requirements mapped against Council's policies and procedures, and report on training development and implementation performance to the WHS Committee and SMT.
- Continue to progress with project for Skytrust to hold Councils TNA, training plan and training register.
- Review a reporting process to the WHS Committee and SMT on training performance, against the training plan.



4.3.2.2. Assessment Component: Accountability Mechanisms

		Result
3.3.2	Accountability mechanisms are being used where relevant	Non-Conformance

Accountability Mechanisms: Findings

Sighted a position description for the WHS Coordinator. It was noted the responsibilities listed for WHS are a higher level than a coordinator position should be.
The accountabilities within the WHS Coordinator PD, are not specific against the responsibilities. The accountability states, 'This position is accountable for the efficient, timely and accurate completion of all duties at an acceptable standard, for which this position is responsible'. This statement for accountabilities is not quantifiable or measurable.
Suggest the WHS Coordinator PD is reviewed and aligned with the position.

Reporting WHS performance to the WHS and SMT committee, shows ample information presented as graphs. This information provided does not report Council's true WHS performance and the detail in the graphs overshadows the basics, and the information that is wanting to be reported is not comprehended by the audience.
Council is reporting on tasks being performed rather the against set targets or key performance indicator, as further outlined in sub element 4.1.1.

Evidence provided, shows how Council uses WHS plans with documented outcomes, CAPA register and performance reviews to apply accountability for WHS and IM outcomes, but could not link how out of date documents, missed training or outstanding CAPA actions were acknowledged and followed up, including reporting against set targets and KPI's, based on individual and group accountabilities.
Limited evidence was provided to demonstrate how accountability mechanisms are being applied organisationally. Reviewing WHS Committee minutes and action plans did not show how people are held accountable to their WHS responsibilities organisationally.

Sighted on the day, PES Camms performance management system reviews for outside workers which includes an assessment of competency on WHS. Encourage Council to use this performance management system consistently across all positions.

Evidence required should demonstrate how accountability mechanisms are implemented and captured through the safety management system, defining accountability mechanisms used to hold individuals and groups accountable in meeting their WHS responsibilities, such as:

- Senior Management.
- Managers / Supervisors / Team Leaders.
- Employees.
- Governance / Audit Committee.
- Health and Safety Members / Committee / H&SR.
- Contractors.

Accountability Mechanisms: Recommended Action(s)

It is recommended that Council:

- WHS/IM system, review the organisational planning processes, refer to the Return to Work SA PSSI. Senior Management consider what accountability mechanisms are currently in place, how they are monitored and reported upon and what requires further improvement.



Accountability Mechanisms: Recommended Action(s)

- Review how WHS Committee meeting minutes are recorded as they do not contain enough detail. e.g. to describe the way actions and discussions are captured.
- Senior Management to set objectives, targets and quantifiable KPI's for organisational plans and programs, and confirm how WHS performance reporting is to occur.
- Assess if additional resources are required to support the implementation of the agreed accountability mechanisms.
- Review Position Descriptions to ensure responsibilities and accountabilities are aligned and are quantifiable and measurable.



4.3.2.3. Assessment Component: Testing of Contingency Plans

		Result
3.7.1	<i>The organisation must ensure contingency plans are periodically tested and/or evaluated to ensure an adequate response, if required.</i>	Non-Conformance
Note: The RTWSA PSSI definition of contingency is wider than emergency management. The definition states contingency is "planning to maintain control of the management system applicable to a particular business during an unplanned event".		

Testing of Contingency Plans: Findings

WHSPOL6 Emergency Management Policy 6 and WHSPR 6.1 Emergency Management Procedure are in date and authorised.

It was noted that WHSPR 6.1 Emergency Management Procedure does not reflect the One System core components and is 3 versions behind. Refer to sub element 1.2.1 Document Control.

Evidence provided shows that emergency evacuation drills take place but have not followed a developed annual schedule.

Evidence required should demonstrate how contingency planning testing must provide records to show evidence of contingency plans, review and analysis that took place to assess adequacy of response and appropriate corrective actions have been implemented to address any deficits. Evidence should demonstrate response arrangements to the foreseeable events, such as, lone worker retrieval, loss of data, key personnel and events are within testing regimes.

Testing of Contingency Plans: Recommended Action(s)

It is recommended that:

- A gap analysis to be performed on Councils Emergency Management Procedure against the One System WHS Emergency Management Procedure, to ensure core elements and time frames are the same.
- An emergency schedule be set for the following 12 months with a focus on the highest potential Council emergency and contingency risks, which should consider likely scenarios wider than just emergency evacuation.
- Review Councils requirements for additional contingency plan that the WHS system need to capture. Note contingency testing could include response or arrangement of foreseeable events, such as lone worker rescue / retrieval, confined space and a fall from height rescue, If a contractor is engaged what is Councils process in a rescue / retrieval as the PCBU.



4.3.2.4. Assessment Component: Hazard Management Systems

		Result
3.8.1	<i>Hazard management systems including identification, evaluation and control are in place.</i>	Non-Conformance
3.8.3	<i>Control measures are based on the hierarchy of control process</i>	Non-Conformance
3.8.5	<i>Program(s) are in place to ensure an appropriate WHS consideration is given at the time of purchase, hire or lease of plant, equipment and substances.</i>	Non-Conformance
3.8.6	<i>The organisation must ensure program(s) are in place to meet the organisation's duty of care for all persons in the workplace.</i>	Non-Conformance



Hazard Management Systems: Findings

3.8.1 Hazard management systems including identification, evaluation and control are in place. Hazard management.

Council's hazard management related policies and procedures is providing a WHS legislative compliance issue as well as, not adhering to the Return to Work SA PSSSI requirements. The selected documents listed below are examples of the issues identified in sub element 1.2.1. These documents are missing core components from the procedures, along with version control and updates, being many versions behind the One System version.

- WHSPOL 2 Hazard Management Policy V4.
- WHSPR 2.3 Hazard Management Procedure V2.
- WHSPR 2.1 Incident Reporting and Investigation Procedure V3.
- WHSPR 2.2 Plant Procedure V2.
- WHSPR 2.4 Workplace Inspection V1.
- WHSPR 7.11 Hazardous Chemical Procedure V1.

Related appendices / forms from these documents have been removed and stored in a secured G: Drive.

Council could not verify if plant and chemical risk assessments were completed as per the procedures, or a link to a CAPA / hazard register with the hierarchy of control used accordingly, with appropriate control measures implemented. Specific outcomes from Council's plant and chemical risk assessments should be updated into the TNA and training plan.

Evidence required should demonstrate the effectiveness and quality of implemented hazard management activities. For example, simply demonstrating that risk assessments have been completed are not sufficient, as hazards may not have been effectively identified or controlled. Paperwork alone will not be able to demonstrate conformance to hazard management, Evidence also comes from physical site inspections of work locations to identify deficiencies such as, unguarded plant, storage of incompatible substances and systematic failures to identify and control hazards.

Council's TRA and SOP conducted within Skytrust, cover many potential hazards, the concern is the TRA & SOP don't provide the relevant information on how the task / job is performed. Example: Slashing TRA and SOP.

3.8.3 Control measures are based on the hierarchy of control process.

Skytrust refer to the hierarchy of control, along with Council's policies, procedures and forms based on the one system version. Council was unable to verify through risk assessments that the hierarchy of control has been used in a manner that shows an understanding of the hazard management process.

It should be noted that the legislation (Regulation 36) and PSSSI expect that hazards are eliminated and where this is not reasonably practicable, that they are minimised in line with the hierarchy of control. This is not just in the form of a tick box on a document. The application of the hierarchy of control should be supported by Council's processes, for how this is applied and those responsible for applying the hierarchy of control, require appropriate training in those processes.

Council has a systematic gap in the way risk assessments are conducted and risk scores determined, and how control measures are selected using the hierarchy of control and assessing the residual risk. There is also no systematic review process to confirm the effectiveness of the controls selected.



3.8.5 Program(s) are in place to ensure an appropriate WHS consideration is given at the time of purchase, hire or lease of plant, equipment and substances.

It was discussed that Council do not purchase plant and equipment often. And when they do, they replace the old with new using the same brand or manufacturer.

There was an understanding of financial management, tendering, quotes and purchasing, with no knowledge of the Council's WHS/IM system requirements.

Council's FINPOL 04 Procurement Policy section 5.8 Work Health and Safety Policy and FIMPRO 04 Tendering Procedure, does not represent or reference the actions required by the WHS/IM system.

The purchase of a Zero Turn Mower in 2020, could not verify consultation with the WHS Committee and H&SR. No Plant Pre-Purchase Assessment along with a Plant Risk Assessment was provided as evidence.

Council's document control and quality of documents is a compliance issue that has been identified throughout this evaluation.

Council is unable to verify the pre-purchase assessment process for hazardous substances.

Evidence required should demonstrate how recently procured or introduced plant, equipment or substances and examining relevant documentation, to ensure Council's WHS procedures for its introduction / procurement have been followed.

3.8.6 The organisation must ensure program(s) are in place to meet the organisation's duty of care for all persons in the workplace.

Contractor:

Council's WHSPR5 Contractor Management has the core components removed along with the document version history and the appendices. Relating to Council's document control in relation to adopting the One System version.

Council's contractor management is managed by the Works Officer, who is responsible for maintaining the contractor register located in Synergy. Contractors who are not current with insurances, are placed in a suspended folder and are not to be engaged until their details have been updated.

Managers that engage contractors can access the contractor register. Council's Synergy system does not allow a contractor to be engaged unless a purchase order has been raised and the contractor's details / information is current.

Induction occurs through Skytrust, with each individual contractor worker received the induction request, once completed an email notification is sent to the Works Officer.

Council holds a good understanding of Contractor Management and engagement through induction and maintaining a contractor register. Sighted a contractor monitoring form, Sept 2020 for Roadside Slashing. This form was not completed in process or detail but it shows an example of contractor monitoring.

Hazard management with contractors, it was discussed that risk assessments are rarely reviewed for currency and accuracy. Council could not determine if risk assessments were specific to the task being performed.

Volunteer:

Council has a process to manage their 3 volunteers within the 'Youth on Wheels' service.

HRPR03 Volunteer Procedure V2 is authorised and within review date. Volunteers are inducted and recorded within Skytrust. Volunteer time is captured by a sign in and sign out process and they are included in Council's TNA.

Task description in place with Child Safe and Working with Children clearances within date.

The Human Resource department has a sound process for managing volunteers.



Hazard Management Systems: Recommended Action(s):

Gaps have been identified in this evaluation that include, undertaking risk assessments for plant and chemicals, application of the hierarchy of control, use of residual risk scores, consultation with workers, document control, training programs, review of contractor's hazard management documentation, clarity around hazard management system responsibilities and requirements, pre-purchase assessments and how these are utilised within the procurement process.

It is recommended that Council:

- Review the various relevant hazard management documents and procedural requirements as set out in the One System documentation, against the current processes and responsibilities, to determine where there are specific gaps within hazard management.
- Councils use the information from this review to identify improvements to their current hazard management process, and include plant, chemicals, procurement, and contractors within the scope of review.
- Any gaps identified in application should be incorporated into Council's system review, and plan and program, as per your planning and program development procedure, to determine if specific Council implementation or improvement programs are required.
- Implement any required shortfalls in their agreed policy and procedural requirements via a formal procedural implementation process, that includes training for all relevant persons in their responsibilities and requirements. These training needs should be captured in Council's TNA and training plan.
- An implementation a verification process to ensure procurement, hazard management and contractor management requirements are being applied in line with the agreed procedures and processes, and to confirm that the responsible people understand the related procedures, requirements, and documentation.
- Include outcomes from the implementation and verification processes in Council's management monitoring, reporting and review processes.

Depot Inspection

Depot Inspection:

A depot inspection is conducted to verify the application and implementation of documented systems and processes. The following hazards were identified during the inspection, these should be addressed via Council's corrective action process.

There should be given consideration to how Council could incorporate the checking of these items into hazard management system activities, such as worksite inspections, training, document control, accountability mechanisms and risk assessments.

- Hard copies of policies, procedures and SDS have not been updated. (Document Control).
- SOP – stuck to plant are out of date. (Pedestal Drill Next review 2014)
- Pedestal drill press –Not compliant with current WHS legislative requirements. Decommission drill. (Refer to COP Managing Plan in the Workplace and Appendix D – examples of technical standards.)
- Pedestal grinder – Not complainant with current WHS legislative requirements. (Refer to COP Managing Plan in the Workplace and Appendix D – examples of technical standards.)
- Chemical drum containers located around the depot. Unsure of substance or why they are there. Dispose of accordingly. Hazardous substances and housekeeping.
- Ladder and step ladder – include depot in Council's inspection / monitoring program.
- Plant such as pumps and generators –require plant risk assessments.
- Depot shelving (automotive) requires housekeeping, remove boxes / items out off the floor and out of the corners.



Depot Inspection

- Depot is using old versions of evacuation maps. Update to latest version.
- Oil drum storage, (205lt and 20lt) full and empty. Fire hazard and housekeeping. Dispose of, or store appropriately. Including drip trays.
- Metal storage rack requires organising and remove material off the ground.
- General depot housekeeping. Dispose of, relocate, or store appropriately.
- Fire fighting equipment to have a 900mm x 900mm keep clear zone. Clearly identify where practicable with line marking paint.
- Wood chocks, to be retired from service. Only use certified / engineered equipment.
- Steel vehicle support (jack stands) to be removed from service. Only use certified / engineered equipment.
- Asphalt (cement truck) engine cover to be refitted.
- Conveyor that feeds the asphalt (cement truck), perform a plant risk assessment to determine if plant is fit for purpose.
- Refer to SDS for Solvex 2046 HF, for the safe and correct storage.
- Asphalt tank (external) ladder is not compliant. (Risk assess ladder and refer to AS1657 Fixed Platforms, Walkways, Stairways and Ladder- Design, Construction and Installation)
- Asphalt tank bunding required a clean out and disposal of unknown / flammable substance.
- Asphalt tank electrical cord is not test and tag. Can this be hardwired, if not test and tag.
- 1 ton gantry to be removed from service until an engineer has inspected and certified safe to use. Including the associated block and tackles. Lifting equipment requires NDT monitoring.
- Fire hazard, wood pile. Dispose of accordingly.
- Rubbish bins and drums scattered around depot. Empty or remove from site. Housekeeping.
- Chemical drum (Drum Muster) area, drums scattered everywhere, creating a housekeeping and possibly a chemical hazard issue. Chemical container with their lid on is classed full, under Hazardous Substance legislation. Have they been tripled rinsed?
- Fuel bowser spill kit is used as a rubbish bin. Update spill kit and train users.
- Diesel tank bunding size to be reviewed against the size of the diesel tank. Bunding is required to store 120% of the tank volume.
- Diesel tank, pipe leak. Repair pipe leak and dispose of catch tin.
- Cool room panel shed, possible a fire hazard due to fuel storage, (hay bales), hot machinery stored, full chemical containers, and a pile of wood in the corner, include the tyre storage bay in the adjoining shed. Check with LGAMLS if this cool room panel shed is fit for purpose.
- Wash down bay, hose on ground. Risk assess the hose on ground to remove trip hazard.
- Battery storage / recharging area. Dispose of old batteries, corrosive hazard.



4.3.2.5. Assessment Component: Workplace Monitoring Systems

		Result
3.9.1	<i>That the implementation of relevant inspection and testing procedures are conducted by the relevant, competent person(s).</i>	Non-Conformance

Workplace Monitoring Systems: Findings

As noted within this report, Council's WHSPR 2.4 Workplace Inspection Procedure V1, are missing the core components from the procedure, along with version control behind the One System.

Within Skytrust there is an inspection / monitoring register. This register requires a review to ensure it captures all of Councils monitoring and inspection requirements, such as the gantry and block and tackle lifting devices and the ladders and step platforms at the depot.

Workplace monitoring report graph 'Status of Inspection Jan 2021' is reported through multiple graphs as reported in 3.3.2 Accountability Measures.

The CAPA register is reported to the management team meeting along with the WHS & RTW performance report. This report shows the CAPA register in its entirety, showing open and closed inspection actions.

This method of reporting does not accurately reflect Council's WHS performance as Council are reporting on tasks, rather than against a set target or KPI.

Workplace Monitoring Systems: Recommended Action(s):

Council should have workplace monitoring plans and schedules that capture inspections and testing requirements, required by legislation and operational needs are being conducted. Council must be able to demonstrate that the resources allocated to undertake inspection and testing tasks are adequate and competent. Gaps or deficiencies in testing and checking need to be identified reported on and addressed.

It is recommended that Council:

- Update the Workplace Inspection Procedure in line with the current One System version.
- Review the information in the monitoring tool in line with current legislative and workplace inspections, testing and monitoring requirements to make sure it captures all these requirements and the correct time frames.
- Implement a process that considers how the requirements will be checked and updated in response to legislative and workplace changes e.g., if the testing, inspection and monitoring requirements change or if Council purchase something new or remove an item or process. (This ties into the requirements for sub-elements 2.1.1 and 5.3.1).
- Train responsible people in the Workplace Inspection Procedure and process, so they can fulfil their responsibilities. Where testing and inspection is to be conducted by a competent person (either external or internal), Council need to make sure that the person conducting the testing/inspection is competent and have sufficient documentation to demonstrate this.
- Provide reports on inspection and testing outcomes to senior management.



4.3.3. Standard Four: Measurement and Evaluation

4.3.3.1. Assessment Component: Maintaining and Monitoring Objectives, Targets and Performance Indicators for Programs

		Result
4.1.1	<i>The organisation must ensure planned objectives, targets and performance indicators for key elements of program(s) are maintained, and monitored and reported.</i>	Non-Conformance

Maintenance and Monitoring of Program Objectives, Targets and Pls: Findings

As identified within this evaluation, Council has some good processes in place for managing workplace safety but are deficient in the document management, control, and the implementation of linking the processes together to form a systematic process in managing and maintaining the WHS/IM system.

Provided as evidence was the 2021 Action Plan, where Council had 150 actions listed and achieved 95% completed (142 actions closed). This was a great effort, and I congratulate Council on the determination to achieve this positive result.

WHS Committee and SMT meeting minutes report WHS performance. These reports are not aligned to set objectives, targets and Key Performance Indicators (KPI's). The danger with just monitoring action completed, without the alignment to overarching objectives and measures is that completion of the actions may not result in achieving the desired improvement outcome.

Maintenance and Monitoring of Program Objectives, Targets and KPIs: Recommended Action(s):

Council should have processes in place and applied for maintaining and monitoring WHS plans and priorities with set objectives. It must be implemented within the requirements set out in the Return to Work PSSI, as outlined in the Planning and Program Development Procedure. The monitoring process must report on actual performance against objectives, targets, and performance indicators. Reports must demonstrate that action is taken to address shortfalls in the performance identified.

It is recommended that Council:

- Senior management lead an organisational system review and re-set their current WHS/IM plan with programs, in line with the outcomes from this review.
- Include in the review, the re-setting of objectives, targets and performance indicators that will be reported on as part of the management monitoring and reporting processes. These should take into consideration, what is the highest priority, and what is going to provide the best information to the management team, to assist them to assess whether resources are appropriately targeted to the right areas and to enable them to apply accountability measures where they are required.



4.3.4. Standard Five: Management Systems Review and Improvement

4.3.4.1. Assessment Component: How the WHSMS Responds to Change

		Result
5.3.1	<i>The organisation must ensure the system is reviewed and revised, if required, in line with current legislation, the workplace and work practices.</i>	Non-Conformance

WHSMS Response to Change: Findings

Council uses email subscriptions to receive and monitor legislative updates, such as:

- Norman Waterhouse.
- SafeWork SA Legislative Updates.

Legislative updates are a standard agenda item for the WHS Committee and SMT.

The gaps identified during this evaluation including, document control, training, accountability mechanisms, hazard management, workplace monitoring, contractor management, and systems review, indicates that the legislative and documented organisational WHS processes are not being applied within Council's WHS/IM system.

WHSMS Response to Change: Recommended Action(s)

Council should be able to demonstrate the WHS/IM system is reviewed in response to legislative and workplace change and reflects appropriate implementation of processes relating to legislative changes and consideration to drivers such as, change to resources, Council structure, workplace practices, and other triggers defined within Council's system review procedures.

It is recommended that Council:

- Appropriate resources are allocated to ensure that Council maintains up-to-date and current policies and procedures in relation to the WHS/IM System. This includes developing a schedule for review and returning the core components and document history.
- Confirm how relevant change identified through legislative email subscriptions are reviewed and applied within the WHS/IM system, identifying who has responsibility for this, and how it triggers any required organisational changes.
- Senior management reporting process include the status of the WHS/IM system, with regards to currency and Officers apply resourcing and accountability measures, to ensure that the system is kept current and relevant.
- A process is implemented to ensure that system updates are made when necessary. This may be via with the Corrective and Preventative Action Procedure and needs to include processes for verifying the application of the changes within the workplace.
- The organisational training and induction procedure and the supporting processes including the TNA, include the identification of new or adjusted training needs in line with legislative or workplace change.
- A WHS Internal Audit Program is established at Council, in line with the WHS Internal Audit Procedure.



4.4. Injury Management Assessment Component

4.4.1. Specific Results: Injury Management (IM) Systems

1.2	Arrangements are to be in place to ensure adequate resources to assist the LGAWCS administer claims and provide effective return to work services to injured employees.	Result
1.2.1	Documented job descriptions for all injury management personnel and where relevant management, supervisors and employees	Conformance
1.2.2	Ensuring injury management personnel are competent to administer their role in a reasonable manner.	Conformance
1.2.3	Ensuring the allocation of resources is appropriate for the organisations type, volume and complexity of the case load.	Conformance
1.2.4	Suitability of facilities and accommodation to ensure restricted access to information, including maintaining confidentiality during interaction with injured workers and service providers.	Conformance
1.2.5	A Member is required to appoint a return to work coordinator and ensure the person appointed to this role has successfully completed relevant LGAWCS training. Where this role becomes vacant, the Member is required to re-appoint an employee within 3 months and ensure the employee(s) appointed have received relevant LGAWCS training within 3 months of the appointment being made.	Conformance

1.6	A self-insured employer shall inform all employees in writing of the following arrangements:	Result
1.6.1	How to report a work related injury	Conformance
1.6.2	The process for lodging a claim for compensation	Conformance



2.8	Early Intervention, Recovery and Return to Work	Result
2.8.5	Where a worker has not returned to pre-injury employment within 6 months from date of first incapacity and is not working to their full capacity, new or other employment options are considered for the worker by the Member in conjunction with the LGAWCS.	Conformance
2.8.6	Where a Member does not provide suitable employment to a former work injured employee the Member notifies and consults with LGAWCS.	Conformance

4.1	Delegated Powers and Discretions	Result
4.1.1	Processes are in place that monitor, measure and review the effective implementation of the injury management system and where relevant, strategies to improve performance of the injury management system are identified.	Conformance
4.1.3	The Service Standards set out in Schedule 5, Part 2 of the Return to Work Act 2014 are in place.	Conformance

Injury Management Systems: Findings
Council has a robust Injury Management and Return to Work process.
The Work Health & Safety and Return to Work Policy is authorised and within review date along with the Workplace Return to Work Procedure.

Injury Management Systems: Recommended Action(s)
Nil



5. Conclusion

We would like to thank all those involved in the District Council of Grant Risk Evaluation. The risk evaluation process gave Council the opportunity to showcase several risk management, work health & safety and injury management / return to work systems that are in place. As indicated in the executive summary and the evaluation findings contained herein, Council has several areas to focus on during the next two years and should develop an appropriate plan and program to review, monitor and complete the actions. Completion of the actions will further improve the overall effectiveness of the Risk, WHS, and IM/RTW systems.

The District Council of Grant has recognised the need to improve its enterprise risk management systems and is currently reviewing and updating its risk management documentation, in an endeavour to identify strategic and operational risks and opportunities. It is expected that this work will continue over the next few months.

Within the risk management systems evaluation, the District Council of Grant demonstrated robust systems for the management of roads and footpaths, playgrounds, and tree management. Whilst there are some areas for improvement in these topics, (which are noted in the report), the organisation has implemented documented and systematic approaches which appear to be effective in minimising risk in these areas. The implementation of regular inspection regimes for roads, footpaths and the updating of these and playground inspections into Skytrust will stand the District Council of Grant in good stead for their next risk evaluation.

In relation to Work Health and Safety, the District Council of Grant has some potentially significant issues with the WHS/IM, especially in relation to document control and hazard management. Improvements have also been identified relating to the training systems and accountability mechanisms, it is recommended that this should be approached in a structured and organisationally focussed way.

There is an opportunity to review Council's WHS/IM plan and programs to ensure it is aligned with agreed key priorities going forward. The completion of a system review followed by a plan and program re-evaluation by the senior management team should be a priority going forward. Council should consider in this, training systems and structures, plant procurement, hazardous chemicals procurement, storage, use and handling, risk assessment requirements and the application of contractor management requirements, as well as how information is best retained, consulted, communicated, and updated across the organisation.

The injury management systems covered the PSSSI requirements extremely well, with no recommendations made.

We would recommend that you work closely with your Regional Risk Coordinator going forward. Your Regional Risk Coordinator can provide guidance on how you might move forward in a way that will provide the best approach for building a system in line with your resources and assist with the setting of a programmed body of work for the next 2 years that is achievable, addresses the issues in a systematic way and enables you to achieve the best possible rebate return in line with corrective actions completed.

Please note that action plans need to be submitted for review within four weeks of the Final Summary Report being received to address the issues identified in the evaluation (in a systematic way). Further guidance if required can be discussed with your Regional Risk Coordinator.



Contact

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9.2 Work Plan and Meeting Schedule		
MEETING DATE:	5 April 2022	
AUTHOR:	Vanessa McDonald, Acting Team Leader - Finance and Customer Service	
RESPONSIBLE OFFICER:	Gary Button, Corporate Services Director	
PREVIOUS MEETING:	21 December 2021	
REFERENCES:	Nil	
FILE NUMBER:	9.14.1/1	
ATTACHMENTS:	<ol style="list-style-type: none"> 1. Work Plan 2. Meeting Agenda 	
POLICY REFERENCE:	There are no known policy requirements related to this item	
LEGISLATIVE REFERENCE:	<p>Section 126 Local Government Act;</p> <ul style="list-style-type: none"> • reviewing annual financial statements to ensure that they fairly present the state of affairs of a Council; • proposing, and contributing relevant information to, a review of a Council's strategic management plan or annual business plan; • proposing and reviewing the exercise of powers in relation to "other investigations" as specified under section 130A of the Act (e.g. the conduct of efficiency and economy audits); • undertaking the functions that would have been undertaken by a (single Council) subsidiary's Audit and Risk Committee in cases where the Council has exempted the subsidiary from having an Audit and Risk Committee. (Note that this function has no application to a regional subsidiary.); • liaising with the Council's auditors; • reviewing the adequacy of the Council's accounting, internal control, reporting and other financial management systems and practices on a regular basis. 	
STRATEGIC MANAGEMENT PLAN REFERENCE:	Strategic Goal:	4. SERVICES: Provide Quality Services & Infrastructure
	Success:	<ul style="list-style-type: none"> • Council is meeting its legislative obligations and policy review schedule.
	Strategy:	4.15. Ensure Council has effective mechanisms for good governance, policy control and legislative compliance.

FINANCIAL CONSIDERATIONS:	Budget:	\$0
	Actual (YTD):	\$0
	Budget Variation Required:	\$0 No
CONSULTATION UNDERTAKEN:	Audit and Risk Committee	

PURPOSE OF REPORT:

To provide an update to the Status of the adopted Work Plan

BACKGROUND:

A Work Plan and Meeting Schedule is adopted every year by the Audit Committee

DISCUSSION:

The Audit Committee adopted the Work Plan and Meeting Schedule in December 2021. This report will remain as a standing item, so members are aware of what is to be included and to ensure everything is being covered.

Due to the WHS presentation at the April meeting some items scheduled for the April meeting will be added to future meetings.

STAFF RECOMMENDATION

That the Audit and Risk Committee:

1. Receive and note the Audit and Risk Committee report Work Plan and Meeting Schedule as presented on 05 April 2022.

Grant District Council Audit and Risk Committee Work Program 2021/2022

<i>Activity</i>	<i>Meeting Date</i>	<i>Responsible Officers</i>	<i>Current Status / Outcomes</i>	<i>Follow-up Action (For next year's work Program)</i>
Tentative meeting dates: April 2022, June 2022, October 2022, December 2022				
1. Financial Reporting				
<p>Monitor the integrity of the financial statement reports referred to below to review any significant financial reporting issues and judgements which they may contain.</p> <p>Specifically – review and challenge where necessary:</p> <ul style="list-style-type: none"> the consistency in application of, and any changes to, accounting policies; the method used to account for significant or unusual transactions where different approaches are possible; whether Council has followed appropriate accounting standards and made appropriate estimates and judgements, taking into account the views of the external auditor; the clarity of disclosure in Councils financial reports and the context in which statements are made; and significant adjustments to the financial report (if any) arising from the audit process. 				
1.1 Review and comment on Council's Annual Business Plan / Annual Budget 2022/23	April 2022 June 2022	DCS	April 2022 Audit & Risk Committee Meeting	
1.2 Annual Financial Statements – 2021/22 tabled following finalisation of Audit	October 2022	DCS		
1.3 Financial Performance Report – 2021/22 Budget to Actuals Comparison	October 2022	DCS		
1.4 Review of Investments Section 140	December 2021	DCS	December 2021 Audit & Risk Committee Meeting	
1.5 Long Term Financial Plan - Update	April 2022	DCS	Will be tabled at June 2022 Meeting	

Activity	Meeting Date	Responsible Officers	Current Status / Outcomes	Follow-up Action (For next year's work Program)
2. Internal Controls and Risk Management Systems				
2.1 Identify whether weaknesses in internal controls have been previously identified, e.g. by management or Council's external auditor, and if so whether action has been taken to address them.	Ongoing	DCS	Those identified weaknesses highlighted by the external auditor have been included in the Audit Committee works plan and are updated each meeting.	
2.2 Review & comment on Council's internal financial controls framework, together with associated policies & procedure documents.	April 2022	DCS	Council has used Internal Financial Controls – Best Practice Manual, 2002 (produced by the SA Local Government Financial Management Group, with funding from the LG Research and Development Scheme)	
2.3 Review & comment on Councils Risk Management Framework, Policy and Risk registers.	Ongoing	MOD	April 2022 Audit & Risk Committee Meeting	
2.4 Review and comment on Council's emergency management plan and business continuity plan.	Ongoing	DCS		

Activity	Meeting Date	Responsible Officers	Current Status / Outcomes	Follow-up Action (For next year's work Program)
3. Internal Audit				
3.1 Develop a cyclical internal audit program to ensure that the internal controls as identified in the internal control framework are operating effectively.	Ongoing	DCS	Ongoing	
3.2 Review and comment on, twice yearly summary reports on work undertaken in regards to internal financial controls outlining any significant issues discovered.	June 2022 October 2022	DCS	Report is issued in conjunction with Auditors Management Letters and necessary action to be taken	
3.3 Having regard to results of its own work program and the Council's available resources, risks and anticipated benefits and costs, the audit committee should identify whether there are key functions where it might recommend that an efficiency and economy audit be performed.	Ongoing	CEO		
4. External Audit				
4.1 Liaise with Council's external auditor on the scope and planning of annual audits, including any issues arising from audits and the resolution of such matters.	Ongoing	DCS	June Audit & Risk Committee Meeting	
4.2 All correspondence between the Auditor and Council is to be tabled for consideration. The audit committee will review and comment on the Council's response to, and actions taken as a result of issues raised from any external audit. It is anticipated that two management letters would be received each year coinciding with the two visits being the interim audit and end of financial year audit.	Ongoing	DCS	June Audit & Risk Committee Meeting	
4.3 Review and recommend the engagement of the Council's external auditor, including the appointment, re-appointment or removal of the Council's external auditor as required.	December 2025	Audit & Risk Committee / CEO and DCS	Current Contract expires June 2025 year end.	

Activity	Meeting Date	Responsible Officers	Current Status / Outcomes	Follow-up Action (For next year's work Program)
4.4 Ensure the receipt of certificate of independence from the external auditor.	October 2022	DCS		
4.5 Ensure Council authorise the CEO and Mayor to certify the 2021/2022 Annual Financial Statements	October 2022	DCS		
4.6 Ensure any formal revaluations of asset classes are carried out within required timeframes	April 2022	DCS	No Asset Revaluations for 2021/2022	
5. Risk Management				
<p>5.1 Establish whether locally appropriate strategies exist to minimise the likelihood of occurrence and adverse consequence for obvious and major internal control and other risks, e.g:</p> <p>Whether an assessment has been undertaken to identify foreseeable events with potentially catastrophic consequences and actions established to minimise their likelihood and effect e.g.</p> <p>Whether a business continuity plan has been developed in case of major damage to key council properties or other, e.g. computer assets;</p> <p>Whether there is a Risk Management Plan in place and is current</p> <p>Whether a Risk Management Register is in place and is being reviewed.</p>	Ongoing	DCS		

Activity	Meeting Date	Responsible Officers	Current Status / Outcomes	Follow-up Action (For next year's work Program)
6. Public Interest Disclosure (Whistleblowing)				
6.1 Identify whether the Council has in place simple, readily accessible arrangements for employees to confidentially raise concerns of alleged malpractice in accord with Legislative provisions		DCS	Whistleblower Policy to be revoked and the Public Interest Procedure to replace this.	
6.2 Examine whether Council's public interest disclosure (Whistleblower) arrangements are well known to employees and effective having regard to local circumstances	Ongoing	DCS	Whistleblower Policy to be revoked and the Public Interest Procedure to replace this.	
7. Reporting Requirements of the Audit Committee				
7.1 Ensure that significant, urgent matters identified through the work program are formally and promptly reported to Council.	Ongoing	CEO		
7.2 Table the minutes of Audit Committee meetings held as well as updated Audit Committee Work Program as part of the agenda of the next Council meeting; ensuring recommendations are considered and adopted as required.	Ongoing	DCS		
7.3 Prepare annually a report to the Council on the Audit Committees achievements over the past year and include the report in the Annual Report of Council.	October 2022	DCS		
7.4 Review the Audit Committees terms of reference on a biennial basis.	April 2022	DCS	April 2022 Audit & Risk Committee Agenda	
8. Financial Governance / Strategic Management Planning				
8.1 Set Audit Committee work program and confirm meeting dates for 2022	December 2021	DCS	December 2021 Audit & Risk Committee Agenda	
8.2 Asset Management Plans - update	April 2022	DCS	Will be presented to June 2022 Audit & Risk Committee Agenda	

District Council of Grant Audit Committee

Work plan and Meeting Schedule 2022

Meeting Date	Terms of Reference	Report	Frequency	Due Next
April	Other	Review Terms of Reference	Annually	Apr-22
	Internal Controls and Risk Management Systems	Review Internal Controls	Annually	Apr-22
	Financial Reporting	Review Draft Annual Business Plan/Budget	Annually	Apr-22
	Financial Reporting	Review Long Term Financial Plan	Annually	Apr-22
June	External Audit	Interim Audit Management Letter	Annually	Jun-22
	External Audit	Implementation of External Audit Recommendations	Bi-Annually	Jun-22
	External Audit	End of Financial Year approach and Reporting Timetable	Annually	Jun-22
	Internal Controls and Risk Management Systems	Risk Management Report - Manager of Organisational Development	Annually	Jun-22
	Other	Review Employee Leave Balances	Annually	Jun-22
September	External Audit	Management Statement for Annual Report	Annually	Sep-22
	External Audit	Presentation of Financial Statements	Annually	Sep-22
	External Audit	Confidential meeting with External Auditors (if required)	Annually	Sep-22
	External Audit	Interim Audit Management Letter	Annually	Sep-22
	External Audit	Implementation of External Audit Recommendations	Bi-Annually	Sep-22
December	Other	Review Work Plan and Meeting Schedule	Annually	Dec-22
	Internal Controls and Risk Management Systems	Review Finance Policies	Review every 4 years	Dec-22
	External Audit	Implementation of External Audit Recommendations	Bi-Annually	Dec-22
	External Audit	External Auditors Final Report	Annually	Dec-22
	Internal Controls and Risk Management Systems	Review of Loans & Investments	Annually	Dec-22
	Other	Review Work Plan and Meeting Schedule	Annually	Dec-22
	External Audit	Review of Audit Tenders	every 5 years	Dec-25

9.3 Terms of Reference		
MEETING DATE:	5 April 2022	
AUTHOR:	Vanessa McDonald, Acting Team Leader - Finance and Customer Service	
RESPONSIBLE OFFICER:	Gary Button, Corporate Services Director	
PREVIOUS MEETING:	27 April 2021	
REFERENCES:	Nil	
FILE NUMBER:	9.14.1/1	
ATTACHMENTS:	1. Terms of Reference	
POLICY REFERENCE:	Nil	
LEGISLATIVE REFERENCE:	There are no known legislative requirements related to this item	
STRATEGIC MANAGEMENT PLAN REFERENCE:	Strategic Goal:	5. CONNECTION: Lead & Engage With our Communities
	Success:	• Transparency in decision making.
	Strategy:	5.9. In accordance with Council policy, ensure transparency in Council's decision making.
FINANCIAL CONSIDERATIONS:	Budget:	\$0
	Actual (YTD):	\$0
	Budget Variation Required:	\$0 No
CONSULTATION UNDERTAKEN:	Audit & Risk Committee	

PURPOSE OF REPORT:

The District Council of Grants Audit & Risk Committee Terms of Reference was adopted by Council on 19 March 2007. The Audit & Risk Committee Work Plan requires that the Terms of Reference to be reviewed annually.

BACKGROUND:

The Terms of Reference were last reviewed by the Audit & Risk Committee at its meeting held 27 April 2021. The Committee had a title change at the last revision from Audit Committee to Audit and Risk Committee.

DISCUSSION:

There have been no changes made to the Terms of Reference

STAFF RECOMMENDATION

That the Audit and Risk Committee:

1. Receive and note the Audit and Risk Committee report Terms of Reference as presented on 05 April 2022.

- | | |
|----|---|
| 2. | That the Audit and Risk Committee endorse the Terms of Reference and refer it to Council for its recommendation |
|----|---|

	District Council of Grant Audit & Risk Committee Terms of Reference	Version Number:	6.0
		Issued:	18 April 2016
		Review:	05 April 2022
		Page Number:	1 of 6

The District Council of Grant Audit and Risk Committee (herein after referred to as “the Committee”) was established by the District Council of Grant pursuant to Section 41 of the Local Government Act, 1999 on 19 March 2007.

1. Membership

- 1.1 Members of the committee are appointed by the Council. The committee shall consist of up to two independent members with four additional members from the Elected Members of Council. In the event that the Mayor is not a member of the Committee, Council appoints the Mayor as an ex officio.
- 1.2 The Independent member of the committee shall have recent and relevant financial, risk management and internal audit experience.
- 1.3 Proxy members may be appointed to the Audit Committee by the Council. When all members of the Audit Committee are present, proxy members attend in an observer capacity only. A proxy member will have a vote when a member of the Audit Committee is not present. It is the responsibility of the Committee Member to advise Council staff prior to the meeting if they will not be present so that staff can contact the proxy member.
- 1.4 Only members of the committee are entitled to vote in committee meetings. Unless otherwise required by the Act not to vote, each member must vote on every matter that is before the committee for decision. However other individuals such as the Chief Executive Officer, Deputy Chief Executive Officer and if applicable other representatives from the finance function may attend any meeting as observers or be responsible for preparing papers for the committee.

In accordance with the principles of open, transparent and informed decision making, committee meetings must be conducted in a place open to the public. The agenda and minutes of the committee meetings, subject to any items that are discussed in confidence under Section 90 of the Local Government Act 1999 and subsequently retained as confidential under Section 91 of the Act, are also required to be made available to the public.

- 1.5 Council's external auditors may be invited to attend meetings of the committee.
- 1.6 Appointments to the committee shall be for a period of up to four (4) years. Appointees may be reappointed by Council.
- 1.7 The Council shall appoint the Presiding Member of the committee. (Note that the Principal Member or any other member of the Council may be the Presiding Member of the committee or an independent person may take this role).

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- 1.8 Remuneration will be paid to each independent member of the Committee to be set by Council from time to time. At a minimum, the remuneration paid to expert member will be reviewed within 12 months from the date of a Council (periodic) election.

2. Secretarial Resources

The Chief Executive Officer shall provide sufficient administrative resources to the committee to enable it to adequately carry out its functions.

3. Quorum

The quorum necessary for the transaction of business shall be 50% of the number of members of the Committee plus one. A duly convened meeting of the committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vested in or exercisable by the committee.

4. Frequency of Meetings

The committee shall meet at least four times a year at appropriate times in the reporting and audit cycle and otherwise as required.

5. Notice of Meetings

- 5.1 Ordinary meetings of the committee will be held at times and places determined by Council or, subject to a decision of Council, the committee. A special meeting of the committee may be called in accordance with the Act.

- 5.2 Notice of each meeting confirming the venue, time and date, together with an agenda of items to be discussed, shall be forwarded to each member of the committee and observers, no later than 3 clear days before the date of the meeting. Supporting papers shall be sent to committee members (and to other attendees as appropriate) at the same time.

6. Minutes of Meetings

- 6.1 The Chief Executive Officer shall ensure that the proceedings and resolutions of all meetings of the committee, including recording the names of those present and in attendance are minuted and that the minutes otherwise comply with the requirements of the Local Government (Procedure at Meetings) Regulations 2000, with the exception of Part 2.
- 6.2 Minutes of committee meetings shall be circulated within five days after a meeting to all members of the committee and to all members of the Council and will (as appropriate) be available to the public.

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7. Role of Committee

7.1 Financial reporting

7.1.1 The committee shall monitor the integrity of the financial statements of the Council, including its annual report, reviewing significant financial reporting issues and judgements which they contain.

7.1.2 The committee shall review and challenge where necessary:

- the consistency of, and/or any changes to, accounting policies;
- the methods used to account for significant or unusual transactions where different approaches are possible;
- whether the Council has followed appropriate accounting standards and made appropriate estimates and judgements, taking into account the views of the external auditor;
- the clarity of disclosure in the Council's financial reports and the context in which statements are made; and
- all material information presented with the financial statements, such as the operating and financial review and the corporate governance statement (insofar as it relates to the audit and risk management).

7.2 Internal controls and risk management systems


The committee shall:

7.2.1 Keep under review the effectiveness of the Council's internal controls and risk management systems; and

7.2.2 Review and recommend the approval, where appropriate, of statements to be included in the annual report concerning internal controls and risk management.

(Note that it is important that the audit and risk committee understand the business of the Council to appreciate the risks it manages on a daily basis, and to ensure that there are appropriate management plans to manage and mitigate this business risk. This will include insurance matters, financial reporting, legal and regulatory compliance, business continuity, and statutory compliance. This can be facilitated by discussions with the external auditors and by presentations by management on how business risks are identified and managed.)

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	District Council of Grant Audit & Risk Committee Terms of Reference	Version Number:	6.0
		Issued:	18 April 2016
		Review:	5 April 2022
		Page Number:	4 of 6

7.3 Whistle blowing

The committee shall review the Council's arrangements for its employees to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters. The committee shall ensure these arrangements allow independent investigation of such matters and appropriate follow-up action.

7.4 External audit

The committee shall:

7.4.1 Consider and make recommendations to the Council, in relation to the appointment, re-appointment and removal of the Council's external auditor. The committee shall oversee the selection process for new auditors and if an auditor resigns the committee shall investigate the issues leading to this and decide whether any action is required;

7.4.2 Oversee Council's relationship with the external auditor including, but not limited to:

- recommending the approval of the external auditor's remuneration, whether fees for audit or non-audit services, and recommending whether the level of fees is appropriate to enable an adequate audit to be conducted;
- recommending the approval of the external auditor's terms of engagement, including any engagement letter issued at the commencement of each audit and the scope of the audit;
- assessing the external auditor's independence and objectivity taking into account relevant professional and regulatory requirements and the extent of Council's relationship with the auditor, including the provision of any non-audit services;
- satisfying itself that there are no relationships (such as family, employment, investment, financial or business) between the external auditor and the Council (other than in the ordinary course of business);
- monitoring the external auditor's compliance with legislative requirements on the rotation of audit partners; and
- assessing the external auditor's qualifications, expertise and resources and the effectiveness of the audit process (which shall include a report from the external auditor on the audit committee's own internal quality procedures);

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	District Council of Grant Audit & Risk Committee Terms of Reference	Version Number:	6.0
		Issued:	18 April 2016
		Review:	5 April 2022
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- 7.4.3 Meet as needed with the external auditor. The committee shall meet the external auditor at least once a year, without management being present; to discuss the external auditor's report and any issues arising from the audit;
- 7.4.4 Review and make recommendations on the annual audit plan, and in particular it's consistency with the scope of the external audit engagement;
- 7.4.5 Review the findings of the audit with the external auditor. This shall include, but not be limited to, the following;
- a discussion of any major issues which arose during the external audit;
 - any accounting and audit judgements; and
 - levels of errors identified during the external audit. The committee shall also review the effectiveness of the external audit.
- 7.4.6 Review any representation letter(s) requested by the external auditor before they are signed by the Chief Executive Officer; (Note that these representation letters are a standard practice of any audit and provide the auditor confirmation from management, that, amongst other matters, accounting standards have been consistently applied, that all matters that need to be disclosed have been so disclosed and that the valuation of assets has been consistently applied);
- 7.4.7 Review the management letter and the Chief Executive Officer's response to the external auditor's findings and recommendations.

8. Reporting Responsibilities

The committee shall make whatever recommendations to the Council it deems appropriate on any area within its terms of reference where in its view action or improvement is needed.

9. Other Matters

- 9.1 The committee shall:
- 9.1.1 have access to reasonable resources in order to carry out its duties; (Note that this is subject to any budget allocation being approved by Council);
- 9.1.2 be provided with appropriate and timely training, both in the form of an induction programme for new members and on an ongoing basis for all members;

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	District Council of Grant Audit & Risk Committee Terms of Reference	Version Number:	6.0
		Issued:	18 April 2016
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- 9.1.3 give due consideration to laws and regulations of the Local Government Act, 1999;
- 9.1.4 oversee any investigation of activities which are within its terms of reference; and
- 9.1.5 oversee action to follow up on matters raised by the external auditors.

10. Authority

The Committee is appointed by the Council and has the authority to require any information it sees as relevant to its activities from any Councillor, manager, staff member, contractor or consultant, each of whom are required to respond to such enquiries. The Committee is authorised to obtain independent professional advice where considered necessary following consultation with the CEO.

Action	Date	Minute Reference
Adopted by Council	19 March 2007	07069.2
Amended	18 May 2009	09134.2.4
Reviewed	15 February 2010	10006.1.5
Amended	21 March 2011	11071.1.2
Amended	18 March 2013	13030.2.6
Reviewed	3 March 2014	14026.1.2
Amended	16 March 2015	15035.1.2
Amended	18 April 2016	16043.1
Reviewed	3 April 2017	17044.1
Reviewed	4 April 2018	18049.1.4
Amended	1 April 2019	19046.1.3
Amended	27 April 2021	21069.1
Amended	5 April 2022	

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9.4 Review of Draft Annual Business Plan			
MEETING DATE:	5 April 2022		
AUTHOR:	Vanessa McDonald, Acting Team Leader - Finance and Customer Service		
RESPONSIBLE OFFICER:	Gary Button, Corporate Services Director		
PREVIOUS MEETING:	27 April 2021		
REFERENCES:	Nil		
FILE NUMBER:	9.14.1/1		
ATTACHMENTS:	1. Draft Annual Business Plan 2022-2023		
POLICY REFERENCE:	Nil		
LEGISLATIVE REFERENCE:	Section 123 of the Local Government Act 1999		
STRATEGIC MANAGEMENT PLAN REFERENCE:	Strategic Goal:	5. CONNECTION: Lead & Engage With our Communities	
	Success:	<ul style="list-style-type: none"> Providing opportunities for all stakeholder groups within the community to engage with Council. 	
	Strategy:	5.9. In accordance with Council policy, ensure transparency in Council's decision making.	
FINANCIAL CONSIDERATIONS:	Budget:		\$0
	Actual (YTD):		\$0
	Budget Variation Required:		\$0 No
CONSULTATION UNDERTAKEN:	Nil		

PURPOSE OF REPORT:

To review the Annual Business Plan

BACKGROUND:

As prescribed by Section 123 of the Local Government Act and the Audit & Risk Committee has a role in reviewing Council's strategic management plans or annual business plan.

DISCUSSION:

To meet the legislative requirements as well as improve the annual business plan, the draft outline is tabled for review.

The items highlighted in yellow are to be updated with current financial information as Council progresses the budget process

The legislative requirements of an annual business plan are:

1. A summary of Council's long-term objectives;
2. An outline of
 - a) the Council's objectives for the financial year; and
 - b) the activities that the Council intends to undertake to achieve those objectives; and
 - c) the measures (financial and non-financial) that the Council intends to use to assess the performance of the Council against its objectives.
3. Assess the financial requirements of the Council for the financial year, setting out a summary of proposed operating and capital expenses and sources of revenue.
4. Set out the rates structure and policies for the financial year.
5. Assess the impact of rates structure and policies on the community.
6. Consider the Council's long-term financial plan and relevant issues relating to the management and development of infrastructure and major assets.
7. The reason why the council has adopted its valuation method for rating purposes;
8. If differential rates are used, the reasons and justifications for the differentiation, and the expected level of revenue to be raised by each differential rate;
9. If applicable, the use and level of a fixed charge component of a general rate;
10. The use and level of any separate rate, service rate or service charge, including the reasons for the rate or charge;
11. The council's policy on discretionary rebates and remissions, with particular reference to the rebates that will apply for more than 1 financial year and including information on how a rebate is designed to meet the purpose behind the rebate;
 - (a) a statement on the total expected revenue from general rates for the financial year compared to the total expected revenue from general rates for the previous financial year as set out in the annual business plan for that previous financial year (excluding rebates and remissions on rates that are not discretionary rebates or remissions);
 - (b) a statement on the percentage change in the total expected revenue from general rates for the financial year compared to the total expected revenue from general rates for the previous financial year as set out in the annual business plan for that previous financial year (excluding rebates and remissions on rates that are not discretionary rebates or remissions);
 - (c) if relevant, a statement on the average change in the expected rates for the financial year (expressed as a whole number of dollars) for each land use category declared as a permissible differentiating factor compared to the expected rates for each category for the previous financial year as set out in the annual business plan for that previous financial year;
12. Issues concerning equity within the community and the impact of rates across the area;
13. the application or operation of a minimum amount payable by way of rates (if applicable)
14. If an annual business plan sets out a growth component in relation to general rates, it may only relate to growth in the number of rateable properties (and must not relate to growth in the value of rateable properties)

The following table cross-references the requirements against the business plan.

Item	Annual Business Plan Reference
2	A summary of Council's long-term objectives is contained in the document at pages 2-4 under headings Our Future.

3	Assessment of financial requirements including operating and capital expenses and sources of funds are outlined on page 11 under headings "Funding the Business Plan"
4	Rates structure is presented at pages 13-16, "What it means for Rates & Ratepayers"
5	The impact of the rates structure on the Community is outlines on pages 14-15 under the heading "Rating Strategy."
6	Consideration of the long-term financial plans is presented at page 12 of the document.
7	The reason for Council adopting its valuation method is at page 14 "Method used to value land."
8	Refer Council's Rating Discussion Paper (Presented at Council workshop)
9	Not applicable as Council does not set a fixed general rate.
10	Use of a separate rate for the Resource Landscaping Levy and service charges are outlined at page 15-16.
11	Council's policy on rebates and remissions is on page 16 "Rebate of Rates."
11a	Rating Methodology page 16
11b	Rating Methodology page 16
11c	Rating Methodology page 16
12	Issues concerning equity within the community is outlined at page 14. "Method Used to value land."
13	The application of a minimum rate is at page 14 "Minimum Rate"
14	Council's growth component is a % based on new properties and not valuation growth

The analysis of the document shows that Council is meeting the legislative requirements.

STAFF RECOMMENDATION

That the Audit and Risk Committee:

1. Receive and note the Audit and Risk Committee report Review of Draft Annual Business Plan as presented on 05 April 2022.
2. That the Audit and Risk Committee, having reviewed the Draft Annual Business Plan, reports to Council that the Draft Annual Business Plan 2022-2023 meets the requirements of the Local Government Act and Regulations



DRAFT ANNUAL BUSINESS PLAN 2022-2023

OUR MISSION

**“To provide a range of services which meet the environmental,
social and economic needs of our community.”**



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1. Introduction

The Draft Annual Business Plan sets out the Council's proposed services, programs and projects for 2022-23. It aims to maintain effective services for the community and continue progress towards the long term objectives for the District Council of Grant as set out in our Strategic Management Plan 2020-2030.

Specific objectives for the year are consistent with Council's Long Term Financial Plan and Asset Management Plans to ensure the long term sustainability of Council's financial performance and position.

The District Council of Grant is the most southern local government area in South Australia. Situated on the south east coast it is bounded to the south and west by the Southern Ocean, the Victorian Border to the east and the Wattle Range Council to the north and west. The Council encircles the local government area of the City of Mount Gambier.

The Council is predominantly rural with a number of small townships, and serves a population of 8,619 and covers an area of 189,700 hectares. The area contains some of the richest and most productive agricultural land in South Australia. Dairying, beef, and sheep production, wool, seed and grain production, forestry and horticulture are the predominant agricultural activities.

2. Our Future

The Plan has been prepared on the basis of maintaining an appropriate level of services to the community, without imposing an unrealistic rate burden on ratepayers. The provision of services by Council is a reflection of meeting both Council's obligations under legislation and the community's desire for services and facilities.

Council adopted its 2020-2030 Strategic Management Plan (SMP) in September 2020. The Plan identifies key issues and projects which will provide for a range of services and facilities while ensuring the ongoing sustainability of Council.

When developing the Plan, Council identified its vision as being:

"A district of welcoming, inclusive and vibrant coastal and rural communities within the Limestone Coast.

With a pristine environment, relaxed rural lifestyle, quality services and a prosperous local economy, this is a great place to live, conduct business and an exciting destination to visit and stay."

and mission as:

"To provide a range of services which meet the environmental, social and economic needs of our community."

Council is committed to providing BEST VALUE to its customers and community in the manner that it carries out its duties, functions, responsibilities and obligations. The following goals were set by Council to realise this objective:

District Council of Grant

Draft Annual Business Plan 2022-23

GOALS	OUTCOMES
Develop Vibrant & Connected Coastal & Rural Communities	<ul style="list-style-type: none"> • Inclusive communities that provide a sense of belonging for community members and foster a sense of 'a place where you want to be' • A strong sense of feeling connected to the individual community in which they live or feel most close to • Well-presented, attractive and maintained towns that contribute to a sense of community pride and ownership • A community that resonates a sense of safety and security • Retention and improvement of essential services across the district including medical and health services, Police, SES, CFS, SA Ambulance and schools • Vibrant, successful community events that are meaningful to locals as well as attracting visitors from outside the district • Empowered, well-managed and sustainable sporting clubs and community groups • A range of varied community assets that support health and well being for all • Embracing diversity within our community • A high standard of reliable power, water and telecommunications across the district • A high level of volunteer participation • Prevention, mitigation and management of public health risks in accordance with Council's responsibilities under the South Australian Public Health Act • A community engaging in a healthy lifestyle through utilisation of facilities and programs that promote health and wellbeing
Support a Prosperous Local Economy	<ul style="list-style-type: none"> • A prosperous local economy built around successful businesses and industry providing local employment opportunities and attracting investment that contributes to the sustainability and enhancement of the district • A sustainable population supporting sustainable businesses and services • Wide-recognition of the attractiveness of the district for new and further investment in local industries and businesses • A proactive and progressive Council that endeavours to support economic development and reduce excessive impost to doing business • A well-run, well-appointed local airport that serves as a gateway for domestic and national movement into

District Council of Grant	Draft Annual Business Plan 2022-23
	<p>and out of the region which meets community, business and tourist expectations/needs</p> <ul style="list-style-type: none"> Continued on-going investment and innovation in local industry supporting opportunities that contribute to greater diversification of our local economy Development of new industries as well as industries that value add to our existing industries Successful Mount Gambier and District Saleyards that effectively supports livestock transactions for the region The district being recognized as an attractive tourist destination in its own right as a place to visit and stay another day
<p>Retain & Enhance our Natural & Built Environments</p>	<ul style="list-style-type: none"> Preservation of the district's unique natural environment for current and future generations Delivery of effective mechanisms that promote and manage sustainable use of natural assets Development that is sympathetic to the characteristics and heritage of the district A natural environment that is accessible in a managed way, without adverse impact A Community that is environmentally aware and working to minimise environmental impact Protection and enhancement of the unique natural and built and heritage characteristics of the district Effective environmental management that ensures the natural beauty, characteristics and bio diversity of the district are retained A community that is prepared-for, and adaptable to, a changing climate, extreme weather events and natural disasters Best practice planning and development policies in accordance with relevant legislation, economic and community needs
<p>Provide Quality Services & Infrastructure</p>	<ul style="list-style-type: none"> A road network that services the needs of community, visitors and local business and our predominant industries Sustainability in service provision to provide assurance to our community Services that cater to the needs of our community Attractive, well-maintained public spaces, parks and gardens that cater to the diverse needs of all age groups within our community Sustainability of infrastructure and community assets for current and future generations Business continuity planning to ensure continued provision of Council services and accessibility of infrastructure

District Council of Grant

Draft Annual Business Plan 2022-23

	<ul style="list-style-type: none"> • Provision of a high standard of customer experience and service • Council is implementing measures to realise improvements to productivity and cost reduction • Council is meeting its legislative obligations and policy review schedule
Lead & Engage with our Communities	<ul style="list-style-type: none"> • Having the trust and confidence of the community • Advocating passionately for the region and communities with all levels of Government and other Stakeholders • A Council united in seeking to provide the best outcomes • The brand values of Council are maintained and Council's reputation is enhanced amongst community and other stakeholders • Being proactive in engaging with the community on important issues and opportunities • Being responsive to community needs, issues and concerns • A genuine desire to engage with community through accessibility openness, and a willingness to listen and consider • Transparency in decision making • Being accessible with a genuine willingness to listen to and acknowledge community and stakeholders issues, concerns and ideas • Providing opportunities for all stakeholder groups within the community to engage with Council • Meeting service standards in accordance with Council's Customer Service Charter

Action plans detailing major activities that Council will undertake to achieve these objectives can be found in the Strategic Management Plan. The current version being available to the public for inspection at the Council Office or on the website at <http://www.dcgrant.sa.gov.au>

3. Asset Management Plans

Sound asset management is the key to financial sustainability. There is clearly a direct link between the development and implementation of Council's Asset Management Plans and its Long Term Financial Plan. Council expends considerable funds on the acquisition and management of assets. It will be exposed to financial risk over the longer term if budget processes have little regard for ongoing costs associated with the maintenance and renewal of these assets beyond the current budget period. It is incumbent on Council to carefully consider information about the stock of infrastructure and other assets and the contribution that current ratepayers are making to their consumption.

The plans help ascertain likely future maintenance and renewal needs and guide consideration of infrastructure needs to meet future community service expectations. Costs inherent in the Council's Asset Management Plans are reflected in Council's Long Term Financial Plan and both of these documents are integral to, and will be heavily influenced by, the Strategic Plan.

4. Significant Influences and Priorities

A number of significant factors have influenced the preparation of Council's 2022-23 Draft Annual Business Plan. These include:

- COVID-19 Pandemic
- Requirements to maintain infrastructure assets at acceptable standards
- The level of State and Commonwealth Government grant funding
- Fees/charges imposed by the State Government including the waste levy
- Cost of compliance with State Government reporting and accountability requirements
- CPI (3.3% December 2021 Adelaide)
- LGPI (local government price index) (3.5% December 2021)
- Employee Enterprise Agreements
- Continued increases in utility costs
- The level of capital and operational services required across the district
- Sustainable settings of council's Long Term and Strategic Planning documents

In response to these factors, and to minimise the burden on rate-payers, the Draft Annual Business Plan has been prepared within the following guidelines:

- General rate revenue is planned to provide for operating expenses.
- Maintenance and renewal of existing assets will be a matter of priority to ensure that the range and level of services being provided by Council's infrastructure is maintained at a reasonable level.
- A challenge for the District Council of Grant is to prioritise expenditures to meet the demand for services and facilities. Given the asset intensive nature of the Council's activities, assessing the long term capacity of the community to fund ongoing maintenance and rehabilitation of infrastructure assets is a crucial consideration.

5. Continuing Services

All Councils have basic responsibilities under the Local Government Act and other relevant legislation. These include:

- Regulatory activities e.g. maintaining the voters roll and supporting the Elected Members;
- Setting rates, preparing an annual budget and determining longer-term strategic management plans for the area;
- Management of basic infrastructure including roads, footpaths, parks, public open space, street lighting and storm-water drainage;
- Street cleaning and rubbish collection;
- Development planning and control, including building safety assessment;
- Various environmental health services.

In response to community needs the Council also provides further services and programs including:

- Libraries and Rural Transaction Centres
- Youth Development
- Public Health and Safety
- Animal Management Services
- Community and Sporting Facilities
- Economic Development
- Environmental Plans and Projects
- Community and Cultural Development

In all services the Council seeks to be responsive to changing needs. Regular community surveys are undertaken to check levels of satisfaction and areas for improvement.

The Council also operates a number of facilities on a fee for service basis. These provide important community benefits while also generating revenue for services and projects of benefit to the District Council of Grant:

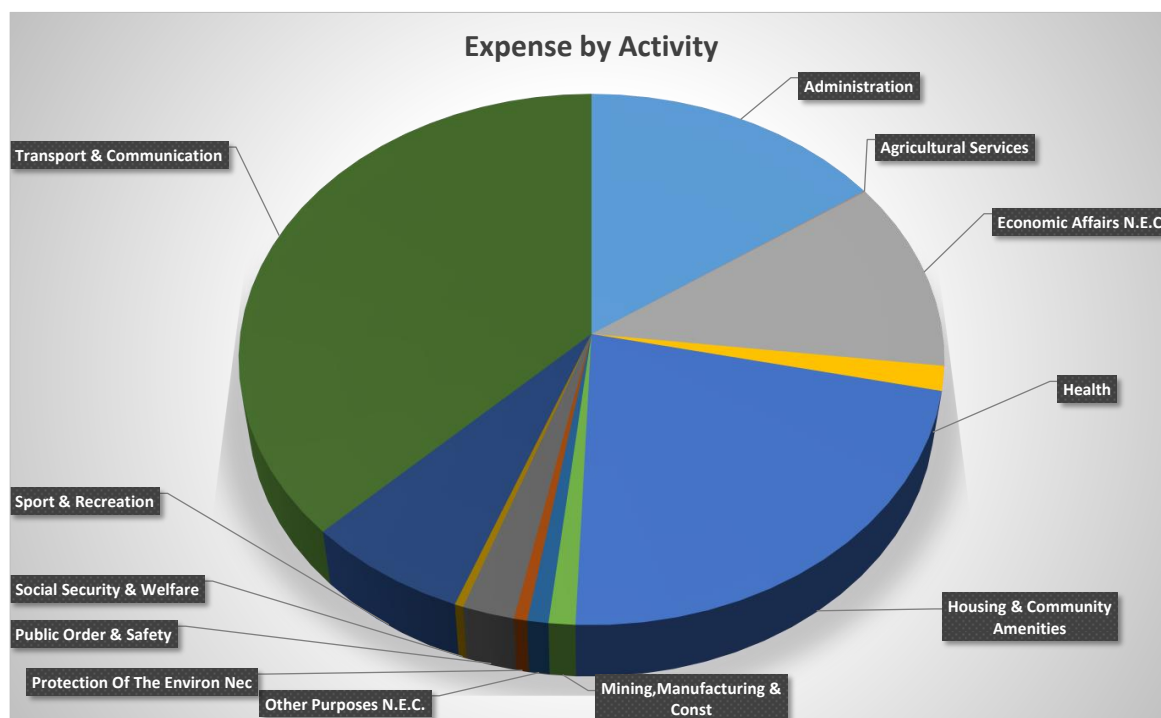
- Animal management fees
- Property Information Searches
- Development Application fees
- Airport fees; including passenger levy, hangar rental and aircraft operating licence fees
- Saleyards fees
- Leases and licences associated with use of council buildings and property
- Road Rents
- Cemetery charges
- Rubbish Dump/Waste Transfer Station fees
- Mobile Food Vending Licence fees
- Fish buyers licences
- Private works carried out for ratepayers and other government departments

The Draft Annual Business Plan does not propose to reduce our services or staff and will increase the service level provided to residents by a higher injection of funds in the road maintenance area.

District Council of Grant

Draft Annual Business Plan 2022-23

Details of ongoing services provided to the community and activities of Council are shown in the graph below



Summary by Category	
Category	Draft Budget 2022/2023
Administration	\$2,630,863
Agricultural Services	\$6,000
Economic Affairs N.E.C.	\$1,986,254
Health	\$256,011
Housing & Community Amenities	\$3,821,265
Mining, Manufacturing & Const	\$191,129
Other Purposes N.E.C.	\$151,332
Protection Of The Environ Nec	\$95,500
Public Order & Safety	\$376,084
Social Security & Welfare	\$62,393
Sport & Recreation	\$1,181,711
Transport & Communication	\$6,416,460
TOTAL	\$17,175,001

6. Project Priorities for the Year

Council's planned priorities for project expenditure in 2022-23 are set out in the table below.

DISTRICT COUNCIL OF GRANT	
OPERATING PROJECTS	
2021-2022 BUDGET	
Contribution to Rec Centre	175,000
Business Support	300,000
Mobile Phone Tower	50,000
Cultural Engagement Strategy	25,000
LCLGA Destination Plan Goals	14,212
Town Planning Consultant Fees	20,000
Assesment Manager (Shared Position with other Councils)	20,000
Regional Assessment Panel	10,000
General Community Project Work	20,000
Consultants / Projects	15,000
Port MacDonnell Seaweed Removal	30,000
DC Robe / Flinders University Project	40,000
TOTAL	719,212

District Council of Grant

Draft Annual Business Plan 2022-23

DISTRICT COUNCIL OF GRANT						
CAPITAL PROGRAM - 2021/2022 BUDGET						
SUMMARY						
DESCRIPTION		TOTAL	Renewal	New	Grants	Trade-In
Road Construction	Refer Roads Sheets	3,622,604	2,874,264	748,340	140,000	-
Plant Replacement	Refer Plant Sheets	1,992,062	1,918,851	73,211	-	654,105
Cape Douglas CWMS Capital		8,000	8,000	-	-	-
Port MacDonnell CMWS Capital		34,200	34,200	-	-	-
Allendale East		450	450	-	-	-
Donovans CWMS Irrigation		4,646	4,646	-	-	-
Carpenter Rocks Hall	Salt Damp Treatment and Seats	9,000	9,000	-	-	-
Council Offices	General Office Refurbishment	9,000	9,000	-	-	-
Council Offices	Replacement of Pump	1,000	1,000	-	-	-
Council Offices	Replacement of Airconditioner	3,000	3,000	-	-	-
Maritime Museum	Office Refurbishment	5,000	5,000	-	-	-
Mobile Garbage Bin Service Expansion	420 x 240L Bins	16,365	-	16,365	-	-
Inland Towns and Communities MasterPlan	Inland Towns & Communities Master Plan and implementation	90,000	-	90,000	45,000	-
Carpenter Rocks Toilets	New Toilets Bucks Bay	35,000	-	35,000	-	-
Waterfront Toilets	Replacement of Cisterns	2,500	2,500	-	-	-
Donovans Toilets	Lower Toilets Replacement	100,000	100,000	-	100,000	-
Mount Gambier Saleyards	Effluent Sump Pump	15,000	15,000	-	-	-
Mount Gambier Saleyards	Fencing - Partial Replacement of Laneway Fencing	10,000	10,000	-	-	-
Mount Gambier Saleyards	Cattle Crush	10,000	10,000	-	-	-
Mount Gambier Saleyards	Welding Cart	5,000	-	5,000	-	-
Mount Gambier Saleyards	Saleyards Upgrade (Add BBRF once known)	1,700,000	-	1,700,000	850,000	-
Tarpeena Hall	Public Wi-Fi in Tarpeena	3,949	-	3,949	-	-
Port MacDonnell Community Complex	Scoping studies for building re-development (Extension to Eastern Side / Gallery Upgrade)	20,000	-	20,000	-	-
Port MacDonnell Community Complex	Mobile Shelving Units over 3 years	15,000	-	15,000	-	-
Port MacDonnell Community Complex	Lighting Replacement	5,000	5,000	-	-	-
Port MacDonnell Community Complex	Smart TV	2,000	-	2,000	-	-
Council Chamber	Video Conference Equipment	11,000	-	11,000	-	-
Council	Video Conference - Advanced Camera Add-ons	7,000	-	7,000	-	-
ICT	Hardware Replacement	100,000	100,000	-	-	-
		7,836,776	5,109,911	2,726,865	1,135,000	654,105

District Council of Grant

Draft Annual Business Plan 2022-23

DISTRICT COUNCIL OF GRANT		
WORKS CONSTRUCTION PROGRAM - 2021/2022 BUDGET		
SUMMARY		
DESCRIPTION		TOTAL EXPENDITURE
Dip Rd	Resheet 3200x 6 x .200 mm from Teal Rd	111,772
Lagoon Rd	Resheet Lagoon Rd 3100 x 6 x .150mm	104,272
Peacocks Rd	Rip and Relay 3100 x 6 ..150mm	34,759
James Lane	Resheet 250 x 5 x .150mm	12,832
Sherwin Rd	Resheet 1200 x 6 x .150	45,355
Browns Rd	Reheet Browns Rd 1200 meters x 5 x .200mm	45,863
Ellis Rd	Resheet 1700 meters x 6 x .200 mm	62,645
McCleans Rd	Resheet 2000 x 6 x .200mm	70,539
Old Rocks Rd	Resheet 2000 x 6 x .200 mm	58,631
Hollis Rd	Reconstruct & Seal 850 m x 8 x .200	111,961
Yells Rd	Reconstruct & Seal 1600 x 8 x .200 mm	183,800
Tillers Rd	Resheet 2100 x 6 x .200 mm from Tervoerts Rd	70,145
Lock Rd	Reconstruct 1300m x 8 x .200 mm	176,890
Galpins Rd	Rip & relay 4500 x 6	26,562
Brim Brim	Reconstruct 1800 x 8 x .150 mm	219,548
OB Flat Rd	Reconstruct 1500 x 8 x .300 mm	251,488
Sewarts Rd	Reconstruction Sewarts Rd 2000 x 8 x .200mm	243,934
Peweena Rd	Reconstruct & seal 1200 meters x 8 x .200mm	163,420
Eumerella St	Reconstruct and seal 820 x 8 x .200mm	105,687
Reseals	-	800,000
Stock Route Rd	Resheet 1800 x 8 x .200mm and seal	85,049
Settlers Rd	Rip & relay 4.3 kms	24,355
Bowering Rd	Resheet Bowering 3400 x 5 x .150mm	82,218
Carrison st	Reconstruct & Seal 280 meters x 6 x .200 mm	36,163
Clover Estate	Rip and & Relay 3500 x 6	34,509
Hall St	Kerb & Channell 100 meters one side only	70,634
Capirco Rd	Reconstruct Capirco Rd (Burnad Rd 1.6 kms west)	280,296
Red Hill	Red Hill Rd Rip & relay 3500 x 6	33,277
Port Mac Bike track resurfacing	Re-seal 760 meters	76,000
Road 30	-	-
		3,622,604

District Council of Grant

Draft Annual Business Plan 2022-23

DISTRICT COUNCIL OF GRANT						
2021/2022 BUDGET						
CAPITAL PLANT PURCHASES						
Asset ID	Asset Name	Current Vehicle Details	Qty	Total Cost	Income From Trade	Changeover
HEAVY PLANT REPLACEMENT						
F.P335	Graders	Caterpillar 120 M Motor Grader	1	\$400,000	\$80,000	\$320,000
F.P356	Loaders	Volvo L70F 4WD Front End Wheeled Loader	1	\$270,000	\$80,000	\$190,000
F.P351	Tractors	Case IH 115 Maxxum 4WD Tractor	1	\$120,000	\$30,000	\$90,000
F.P352	Tractors	Case IH 110 Maxxum 4WD Tractor	1	\$120,000	\$30,000	\$90,000
F.P363	Trucks	Izuzu NNR200 Medium Truck with Tipper and Bin Lifter	1	\$95,000	\$10,000	\$85,000
F.P356	Street Sweeper		1	\$320,000	\$5,000	\$315,000
	Tractors	Saleyards	1	\$20,000	\$0	\$20,000
LIGHT PLANT REPLACEMENT						
F.P396	Mowers	Kubota F3690 36HP 4WD Outfront Mower	1	\$33,002	\$6,000	\$27,002
F.P360	Brush Chippers	Vermeer BC1200XL Brush Chipper	1	\$65,252		\$65,252
F.P284	Road Broom	Sewell B200 Road Broom	1	\$6,459		\$6,459
COMMERCIAL VEHICLE REPLACEMENT						
F.002357	Commercial Vehicles	Toyota Hilux 4x4 Dual Cab Utility	2	\$74,021	\$64,021	\$10,000
F.002523	Commercial Vehicles	Toyota Hilux 4x4 Dual Cab Utility	2	\$74,021	\$44,021	\$30,000
F.002153	Commercial Vehicles	Toyota Hilux 4x4 Dual Cab Utility	2	\$74,021	\$64,021.00	\$10,000
F.P394	Commercial Vehicles	Ford Ranger PX XL 4x2 Single Cab	1	\$30,000	\$18,000	\$12,000
F.P416	Commercial Vehicles	Ford Ranger PX XL 4x2 Single Cab	1	\$38,000	\$23,000	\$15,000
F.P398	Commercial Vehicles	Toyota Hilux Workmate 4x2 Single Cab Utility	1	\$30,000	\$18,000	\$12,000
F.P399	Commercial Vehicles	Toyota Hilux Single Cab 4x2 Tray Top	1	\$30,000	\$18,000	\$12,000
F.P417	Commercial Vehicles	Toyota Hilux Single Cab 4x2 Tray Top	1	\$35,000	\$20,000	\$15,000
MOUNT GAMBIER AIRPORT						
F.002360	Mount Gambier Airport	Toyota Hilux 4x4 Dual Cab Utility	3	\$111,032	\$105,032	\$6,000
F.002244	Mount Gambier Airport	Toyota Hilux 4x4 Dual Cab Utility	1	\$37,010.33	\$35,010	\$2,000
MOUNT GAMBIER SALEYARDS						
F.001965	Mount Gambier Saleyards	Can-Am Outlander L 450	1	\$7,745	\$4,000	\$3,745
	Mount Gambier Saleyards	6x4 Trailer	1	\$1,500	\$0	\$1,500
				\$1,992,062	\$654,105	\$1,337,957

Footnote:

At the time of writing, the projects listed in this plan have been identified as priority projects based on Council's Asset Management Strategy, the condition assessment of individual assets and community needs assessment, together with reference to Council's Long Term Financial Plan and net funds available.

The order in which projects are undertaken may change due to changing circumstances.

Also, from time to time due to our dynamic environment such as the addition or withdrawal of grant funding, state government decisions, extreme weather events or change of focus, the Plan and the activities included may need to be amended.

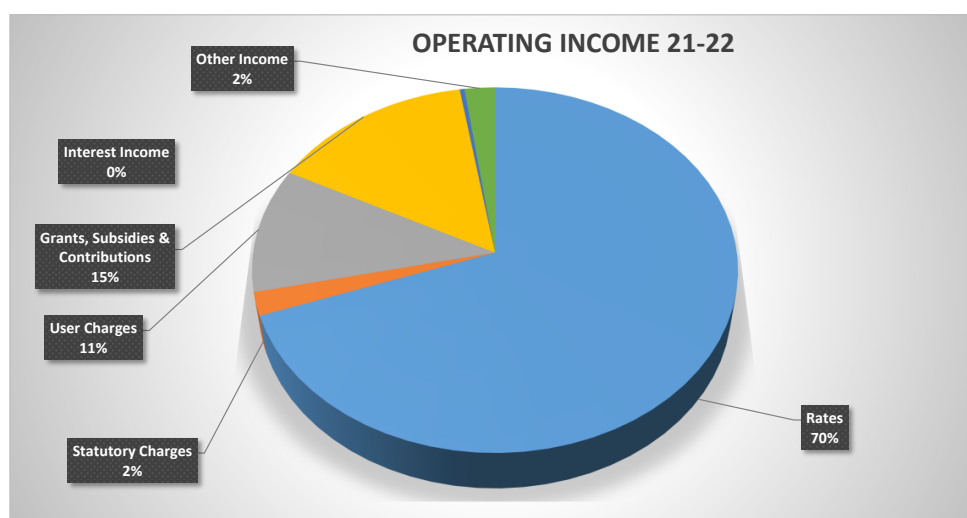
7. Funding the Business Plan

In delivering services and programs contained within this Draft Annual Business Plan, Council is targeting an operating deficit of **\$624,652** in 2022-2023 as a result of

Operating Revenues	\$15,732,314
Less: Operating Expenditure	\$16,356,966
Net Operating Deficit	\$ 624,652

Council's annual operating revenue is not considered sufficient to meet expected operating expenditure for the 2022-2023 year.

Council is granted the power to acquire funds under Section 133 of the Local Government Act 1999. Sources of funds include property rates, service charges, statutory and user charges, income from investments, commercial activities together with grants and subsidies. An indication of the proportion each of these makes up the total revenue of Council is depicted in the diagram below.



OPERATING INCOME	2021/2022 BUDGET
Rates	\$ 10,937,325.25
Statutory Charges	\$ 322,350.00
User Charges	\$ 1,738,025.60
Grants, Subsidies & Contributions	\$ 2,331,852.97
Interest Income	\$ 52,490.01
Other Income	\$ 350,270.00
TOTAL INCOME	\$ 15,732,313.83

User Pay charges set by Council. These comprise charges for the Council's fee based facilities such as CWMS, Garbage Collection, Saleyards and Airport. Most of the above mentioned facilities operate on a self-funded basis where revenues are offset by costs and any balance is kept in a reserve account.

Statutory Charges set by State Government. These are fees and charges set by regulation and collected by the Council for regulatory functions such as assessment of development applications. Revenues will generally off-set the cost of the service.

District Council of Grant

Draft Annual Business Plan 2022-23

Grants and Partnerships. The Council normally seeks to attract as much grant funding as possible from other levels of government, and major projects of wider State benefit are usually jointly funded in partnership with the State Government and other relevant parties.

Council's Draft Annual Business Plan has been prepared on the basis of maintaining the delivery of the current range and level of services to the community, whilst being mindful of the rate burden imposed on individual ratepayers.

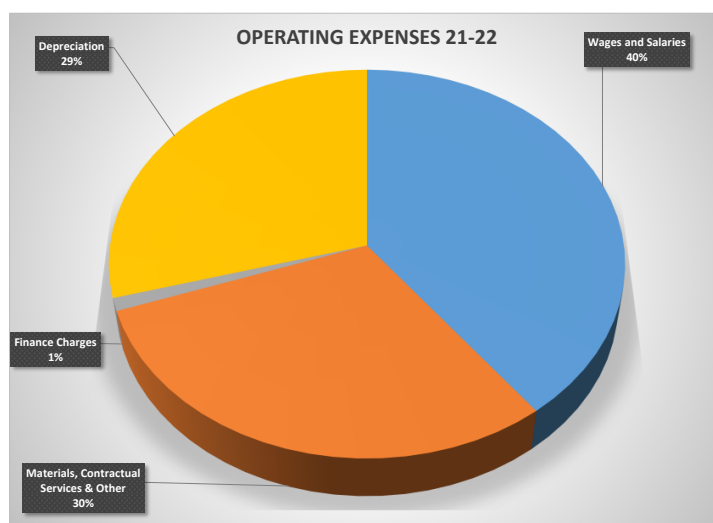
The plan aims to contribute to the long term financial sustainability of the Council through prudent and responsible financial management that will result on its operating expenses being less than its operating revenue, thereby producing a positive operating result. This budget does not achieve this but the Long Term Financial Plan forecasts what needs to be done to turn this around.

Council spends its funds in four main categories being employee costs, depreciation, finance costs and materials, contracts and other expenses.

Depreciation consumes 30% of Councils funds which should be then invested into capital spending.

This Draft Annual Business Plan outlines a total capital expenditure budget of \$7,836,776. \$5,109,911 will be used to renew existing assets and \$2,726,865 will be spent on new assets.

The following chart and table provide a breakdown of the services for which expenditure is planned in 2021-22



OPERATING EXPENSES	2021/2022 BUDGET
Wages and Salaries	\$ 6,476,225.89
Materials, Contractual Services & Other	\$ 4,916,395.83
Finance Charges	\$ 172,908.98
Depreciation	\$ 4,791,435.00
TOTAL EXPENSES	\$ 16,356,965.71

8. Impact on Council's financial position

Based on Council's budget, Council's direct borrowings will decrease from \$3,327,787 at the end of 2021-2022 to \$2,820,395 at the end of 2022-2023. No new borrowings have been factored into the budget. This position may need to be reviewed depending on successful outcomes of pending grant funding.

Overall, key financial indicators show that Council's finances will continue to be sustainable with no significant rate burdens. The Operating Deficits in 2020-2021 and 2021-2022 are a direct result of operating implications following the Pandemic. Council will ensure that it will return to surplus in the next 3 years without significant increases in rates.

Operating Surplus is at (3.97%) against a long-term target of 0% -15%

Net Financial Liabilities Ratio is at 20.87% against a target of greater than 0% and less than 100% of operating revenue.

Asset Sustainability Ratio is at 112.53% against its Asset Management Plan.

For more details on the calculation method for key financial indicators, see the financial indicators section of this business plan.

9. What it means for rates and ratepayers

As depicted in the table above "Councils Source of Funds" the primary source of income for Council is the property based tax – "Council rates".

All land within a council area, except land specifically exempt (e.g. crown land, council occupied land and other land prescribed in the Local Government Act – refer Section 147 of the Act), is rateable. The Local Government Act provides for a Council to raise revenue for the broad purposes of the Council through the imposition of a single general rate or through differential general rates, which apply to all rateable properties within the Council area.

Council will implement a differential rating system using land use

- Residential
- Commercial – Shop
- Commercial – Other
- Industry – Light
- Industry – Other
- Primary Production
- Vacant Land

As the factor to apply such differential rates. In applying differential rates, Council has considered and is satisfied that the rating system addresses the issues of consistency and comparability across all Council areas.

Council spends considerable time modelling the effect of valuation and rate increases on individual rate payers whilst at the same time ensuring it can raise sufficient funds to achieve a positive operating result and a balanced budget.

RATING STRATEGY

Method used to value land

Council adopts the valuations made by South Australian Valuer-General in respect of land within the Council's area for rating purposes. The basis of valuation of land used by Council is the capital valuation of land, that is, the value of the land including improvements thereon.

Council considers that the capital valuation method provides the fairest method of achieving an equitable distribution of the rates burden across the ratepayers within Council's area for the following reasons:

- the equity principle of taxation requires that ratepayers of similar wealth pay similar taxes and ratepayers of greater wealth pay more tax than ratepayers of lesser wealth. Property value is generally considered a relatively good indicator of wealth; and;
- capital value, which trends with the market value of a property, provides the best indicator of overall property value.

Rating methodology

Council has assessed the need for a differential rate based on the varying levels of service delivery and degrees of access to urban services, such as waste management and footpaths.

Council is proposing to apply differential general rates by land use. In accordance with Regulation 14 of the Local Government (General) Regulations provides for the following land use categories to be used for rating purposes:

(1) For the purposes of sections 156 and 167 of the Act, the following categories of land use are declared as permissible differentiating factors:

- (a) Residential
- (b) Commercial—Shop
- (c) Commercial—Office
- (d) Commercial—Other
- (e) Industry—Light
- (f) Industry—Other
- (g) Primary Production
- (h) Vacant land

Council chooses to apply the land use of each property, as provided through the State Valuation Office on an annual basis, based on the predominant use of the land.

The Draft Annual Business Plan will raise General Rate revenue of \$8.90M in a total operating revenue budget of \$15.732M.

Council reviewed its basis of rating (as per its Rating Consultation Paper) to ensure all ratepayers are contributing in accordance with taxation principles. As a result, Council will apply the following cents in the dollar for the differential land use categories

Residential

\$0.3044 cents in the dollar for rateable properties with a land use of category (a) (Residential).

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Commercial (Shop, Office, Other)

\$0.3044 cents in the dollar for rateable properties with a land use of categories (b) (Commercial – Shop), (c) (Commercial – Office) and (d) (Commercial – Other).

Industrial (Light, Other)

\$0.3044 cents in the dollar for rateable properties with a land use of categories (e) (Industry – Light) and (f) (Industry – Other).

Primary Production

\$0.2750 cents in the dollar for rateable properties with a land use of category (g) (Primary Production). Primary Production rate has been set at 10% less than the Residential cents in the dollar. The reduced differential rate is to acknowledge the importance and significance of Primary Production to our community and the significant valuation increases it has incurred over the past few years.

Vacant Land

\$0.3044 cents in the dollar for rateable properties with a land use of category (h) (Vacant Land).

Maximum increase on rates (Rate ‘Capping’ Rebate)

Council is able to consider a ‘rate capping’ rebate to ensure any increase on general rates to individual properties does not exceed a predetermined percentage. This ensures that where there are significant valuation increases, the ratepayer does not incur unmanageable increases to rate liability or ‘bill shock’

A rebate of general rates for the 2021-22 financial year will be granted to the Principal Ratepayer of a Primary Producer Assessment under Section 166 (1) (l) of the Act, on application to the Council, where the amount of any increase in rates in respect of that Assessment in monetary terms between the amount of general rates imposed for the 2021-22 financial year and the amount of general rates payable for the 2020-21 financial year is greater than 10 per cent.

The amount of the rebate will be the difference between the amount of general rates in monetary terms that was imposed for the 2021-22 financial year and the amount of general rates in monetary terms payable for the 2020-21 financial year plus 10 per cent of that amount.

The rebate will not apply where:

- Application is not received by Council by the 30th September 2021, or
- It is not the ratepayers principal place of residence, or
- Any such increase is due in whole or part to an increase in valuation of the land in the Assessment because of improvements made to it worth more than \$10,000, or
- Any such increase is in whole or part because the zoning of the land has changed, or
- Any such increase is due in full or part to the use of the land being different for rating purposes on the date the Council declared its general rates for the 2021-22 financial year than on the date the Council declared its general rates for the 2020-21 financial year, or
- The ownership of the rateable property has changed since 1 July 2020.

The rate cap will be applied once ratepayers who consider they could be eligible for the Rate Cap Rebate have lodged an application form, which will be assessed against the eligibility criteria.

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Minimum rate

Council considers it appropriate that ratepayers in respect of all rateable land make a contribution to the cost of administering Council's activities and that ratepayers in respect of all rateable land make a contribution to the cost of creating and maintaining the physical infrastructure that supports that land and the basic services provided to all ratepayers.

The minimum rate is levied against the whole of an Allotment. Only one minimum rate is levied against two or more pieces of adjoining land (whether separated by a road or not) if they are owned by the same ratepayer and occupied by the same occupier. This is described as contiguous land and only one minimum rate is payable by the ratepayer.

The minimum rate in 2021-2022 is proposed to be \$628 (\$610 in 20/21)

This represents an increase of \$18 (2.95%) on the minimum rate applied in 2020-2021. Overall, the minimum rate will be applied to approximately 21.9% of all rateable properties well within the maximum of 35% allowed for in the Local Government Act 1999.

Payment of rates

The Council has resolved that the payment of all rates will be in four equal or approximately equal instalments due on:-

- 1st - 3rd September 2021
- 2nd - 3rd December 2021
- 3rd - 4th March 2022
- 4th - 3rd June 2022

Annual service charges

Community wastewater management systems

As set out in Section 155(2) of the Local Government Act 1999, the Council imposes an annual service charge on properties for the Community Wastewater Management Schemes to meet the operational and capital cost of the schemes.

The Council will recover this cost through an annual service charge of:

- \$640 for each occupied property unit (\$610 in 2020-21) (4.9% Increase)
- \$545 for each unoccupied property unit (\$520 in 2020-21) (4.81% Increase)

Where the service is provided to non-rateable land, a service charge is levied against the land.

Waste management

For the purpose of meeting the costs associated with the collection and disposal of domestic and other garbage, Council has a Mobile Garbage Bin service charge on all serviced properties. Where the service is provided to non-rateable properties, a service charge is to be levied against the land.

Charges for Waste Management for 2021-2022 will be:

- Bin Service: \$260.00 (\$254 in 2020-21) (2.36% Increase)

Council charges separately for this service as it is specific to particular properties and is thus unreasonable to expect the total rate base to provide for its use, maintenance and replacement.

Adjoining property

Section 152 of the Act states that if two or more pieces of contiguous rateable land are owned by the same owner and occupied by the same occupier, only one minimum charge may be imposed against the whole of the land.

Regional Landscaping levy

Council is required to collect a regional landscape levy on all rateable properties within its district. Council is operating as a revenue collector for the Board in this regard and does not retain this revenue nor determine how the revenue is spent.

Council will for 2021-2022 impose a separate rate against rateable properties based on the capital value of the land and forward the amount to the Board to fund its activities.

Residential	\$81.00
Commercial	\$123.00
Industrial	\$195.00
Primary Production	\$350.00

Rebate of Rates

District Council of Grant is committed to providing financial and other assistance to organisations and community groups which contribute to the wellbeing of the community. A rebate of rates or service charges in respect of any rateable land in the Council area will be made available only when the applicant satisfies the requirements under the Local Government Act 1999 and the requirements set out in Council's Rating Policy.

Mandatory

The Local Government Act requires Councils to rebate the rates payable for certain land uses. This includes land used for health and community services, religious purposes, cemeteries and educational institutions. The rebates vary from 75% to 100%. People or bodies seeking a rebate must make an application to Council.

Discretionary

Council has the power to provide discretionary rebates in certain circumstances and will consider rebates upon application.

Postponement of Rates – Hardship

Section 182 of the Local Government Act permits the Council, on the application of the ratepayer, to partially or wholly remit rates or to postpone rates, on the basis of hardship. Where the ratepayer is suffering hardship in paying rates they are invited to contact the Council's Rates Officer to discuss the matter. Council treats such inquiries confidentially.

Postponement of Rates – Seniors

Applications may be made to Council for a postponement of the payment of any amount of rates in excess of \$500.00, for the current or a future financial year by:

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

Any rates which are postponed will become due and payable:

- When the title to the land is transferred to another person; or
- There is a failure to comply with a condition of postponement.

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Interest will accrue on the amount postponed at the prescribed rate per month until the full amount is paid. Postponement is available as a right and can only be refused when the applicant/s has less than 50% equity in the property.

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Appendix 1: Budgeted Financial Statements 2021-22

DISTRICT COUNCIL OF GRANT BUDGET 2021/2022

STATEMENT OF COMPREHENSIVE INCOME

2020/2021 FORECAST BUDGET		2021/2022 BUDGET
\$'000	INCOME	\$'000
10,124,921	Rates	10,937,325
414,419	Statutory Charges	322,350
1,511,665	User Charges	1,738,026
2,210,769	Grants Subsidies and Contributions	2,331,853
59,375	Investment Income	52,490
76,926	Reimbursement	67,300
207,337	Other	282,970
14,605,412	TOTAL REVENUES	15,732,314
	EXPENSES	
6,359,539	Wages and Salaries	6,476,226
4,451,249	Materials, Contracts and Other Expenses	4,916,396
189,515	Finance Costs	172,909
4,352,177	Depreciation, amortisation & impairment	4,791,435
15,352,480	Total Expenses	16,356,966
(747,068)	OPERATING SURPLUS/(DEFICIT) BEFORE CAPITAL AMOUNTS	(624,652)
-	Net gain (loss) on disposal or revaluation of assets	-
3,822,968	Amounts specifically for new or upgraded assets	1,090,000
-	Physical resources received free of charge	-
3,075,900	TOTAL COMPREHENSIVE INCOME	465,348

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**DISTRICT COUNCIL OF GRANT
BUDGET 2021/2022**

CASH FLOW STATEMENT

2020/2021 FORECAST BUDGET		2021/2022 BUDGET
\$'000		\$'000
Inflows		Inflows
(Outflows)		(Outflows)
	CASHFLOWS FROM OPERATING ACTIVITIES	
	RECEIPTS	
14,546,037	Operating Receipts	15,679,824
59,375	Investment Receipts	52,490
	PAYMENTS	
(10,810,788)	Operating payments to suppliers & employees	(11,392,622)
(189,515)	Finance Payments	(172,909)
<u>3,605,109</u>	Net Cash provided by (or used in) Operating Activities	<u>4,166,783</u>
	CASH FLOWS FROM INVESTING ACTIVITIES	
	RECEIPTS	
3,822,968	Grants specifically for new or upgraded assets	1,090,000
30,462	Repayments of Loans by Community Groups	0
1,012,181	Sale of Assets	654,105
	PAYMENTS	
(4,261,081)	Capital Expenditure on renewal/replacement of assets	(5,109,911)
(7,786,886)	Capital Expenditure on new/upgraded assets	(2,726,865)
<u>(7,182,356)</u>	Net Cash provided by (or used in) Investing Activities	<u>(6,092,671)</u>
	CASH FLOWS FROM FINANCING ACTIVITIES	
	RECEIPTS	
215,000	Proceeds from Borrowings	-
	PAYMENTS	
(527,213)	Repayment of Borrowings	(507,392)
<u>(312,213)</u>	NET CASH USED IN FINANCING ACTIVITIES	<u>(507,392)</u>
	NET INCREASE (DECREASE) IN CASH HELD	(2,433,279)
(3,889,460)	CASH AT BEGINNING OF YEAR	<u>4,338,540</u>
<u>8,228,000</u>	CASH AT END OF YEAR	<u>1,905,261</u>
<u>4,338,540</u>		

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**DISTRICT COUNCIL OF GRANT
BUDGET 2021/2022**

BALANCE SHEET

**2020/2021
FORECAST
BUDGET**

**2021/2022
BUDGET**

\$'000	ASSETS	\$'000
	CURRENT ASSETS	
4,338,540	Cash and cash equivalents	1,905,261
766,000	Trade & other receivables	766,000
238,000	Inventories	238,000
<u>5,342,540</u>	TOTAL CURRENT ASSETS	<u>2,909,261</u>
	NON-CURRENT ASSETS	
147,538	Financial Assets	147,538
146,029,609	Infrastructure, Property, Plant & Equipment	148,420,845
<u>146,177,147</u>	TOTAL NON-CURRENT ASSETS	<u>148,568,383</u>
<u>151,519,687</u>	TOTAL ASSETS	<u>151,477,643</u>
	LIABILITIES	
	CURRENT LIABILITIES	
2,101,000	Trade & Other Payables	2,101,000
535,000	Borrowings	535,000
1,133,000	Short-term Provisions	1,133,000
<u>3,769,000</u>	TOTAL CURRENT LIABILITIES	<u>3,769,000</u>
	NON-CURRENT LIABILITIES	
2,792,787	Long-term Borrowings	2,285,395
47,000	Long-term Provisions	47,000
<u>2,839,787</u>	TOTAL NON-CURRENT LIABILITIES	<u>2,332,395</u>
<u>6,608,787</u>	TOTAL LIABILITIES	<u>6,101,395</u>
<u>144,910,900</u>	NET ASSETS	<u>145,376,248</u>
	EQUITY	
46,890,900	Accumulated Surplus	47,356,248
96,895,000	Asset Revaluation	96,895,000
1,125,000	Other Reserves	1,125,000
<u>144,910,900</u>	TOTAL EQUITY	<u>145,376,248</u>

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**DISTRICT COUNCIL OF GRANT
BUDGET 2021/2022**

STATEMENT OF CHANGES IN EQUITY

2020/2021 FORECAST BUDGET		2021/2022 BUDGET
\$'000		\$'000
	ACCUMULATED SURPLUS	
43,815,000	Balance at end of previous reporting period	46,890,900
3,075,900	Net Result for Year	465,348
0	Transfer From Reserves	0
0	Transfer To Reserves	0
<u>46,890,900</u>	BALANCE AT END OF PERIOD	<u>47,356,248</u>
	ASSET REVALUATION RESERVE	
96,895,000	Balance at end of previous reporting period	96,895,000
0.00	Gain on revaluation of infrastructure, property, plant & equipment	0.00
0.00	Transfer to Accumulated Surplus on sale of infrastructure, property, plant & equipment	0.00
<u>96,895,000</u>	BALANCE AT END OF PERIOD	<u>96,895,000</u>
	Other Reserves	
1,125,000	Balance at Beginning of Period	1,125,000
-	Transfer to reserve from accumulated surplus	-
0	Transfer from reserve to accumulated surplus	0
<u>1,125,000</u>	BALANCE AT END OF PERIOD	<u>1,125,000</u>
<u>144,910,900</u>	TOTAL EQUITY AT END OF REPORTING PERIOD	<u>145,376,248</u>

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**DISTRICT COUNCIL OF GRANT
BUDGET 2021/2022**

UNIFORM PRESENTATION OF FINANCES

**2020/2021
FORECAST
BUDGET**

\$'000

14,605,412
(15,352,480)
(747,068)

Operating Revenues
less Operating Expenses
Operating Surplus / (Deficit) before Capital Amounts

Less Net Outlays in Existing Assets

4,261,081
(4,352,177)
(1,012,181)
(1,103,277)

Capital Expenditure on renewal and replacement of Existing Assets
less Depreciation, Amortisation and Impairment
less Proceeds from Sale of Replaced Assets

Less Net Outlays on New and Upgraded Assets

7,786,886
(3,822,968)
-
3,963,918

Capital Expenditure on New and Upgraded Assets
less Amounts received specifically for New and Upgraded Assets
less Proceeds from Sale of Surplus Assets

(3,607,709)

Net Lending / (Borrowing) for Financial Year

**2021/2022
BUDGET**

\$'000

15,732,314
(16,356,966)
(624,652)

5,109,911
(4,791,435)
(654,105)
(335,629)

2,726,865
(1,090,000)
-
1,636,865

(1,925,888)

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**DISTRICT COUNCIL OF GRANT
BUDGET 2021/2022**

FINANCIAL INDICATORS

2020/2021

**FORECAST
BUDGET**

**2021/2022
BUDGET**

\$'000

(747,068)

Operating Surplus

Being the Operating Surplus (Deficit) before Capital Amounts

\$'000

(624,652)

-5.12%

Operating Surplus Ratio

Operating Surplus

Total Operating Income

*This ratio expresses the Operating Surplus as a percentage of
Total Operating Income*

-3.97%

1,356,709

Net Financial Liabilities

*Net Financial Liabilities are defined as Total Liabilities less
financial assets (excluding equity accounted investments in
Council Businesses*

3,282,597

9.29%

Net Financial Liabilities Ratio

Net Financial Liabilities

Total Operating Income

20.87%

90.28%

Asset Sustainability Ratio

Net Asset Renewals

Infrastructure & Asset Management Plan required expenditure

Net Asset Renewals Expenditure is defined as Net Capital

Expenditure on the renewal and replacement of existing

assets, and excludes new Capital Expenditure on the a

acquisition of additional assets

112.53%

Appendix 2: Local Government Financial Indicator Definitions

Ratio Descriptions

Operating Surplus (Deficit) Ratio

This ratio expresses the operating surplus (deficit) as a percentage of general and other rates, net of rebates. A negative ratio indicates the percentage increase in total rates required to achieve a break-even operating result. A positive ratio indicates the percentage of total rates available to fund capital expenditure over and above the level of depreciation expense without increasing Council's level of net financial liabilities. If this amount is not required for capital expenditure it reduces the level of net financial liabilities.

Council's target is to achieve an operating surplus ratio between (0%) deficit and 10% surplus.

Council's 2021-2022 budget aims to achieve an operating deficit ratio of (3.97%).

Net Financial Liabilities

Net financial liabilities measure Council's total indebtedness. Net financial liabilities is a broader measure than net debt as it includes all of Council's obligations including provisions for employee entitlements and creditors. The level of net financial liabilities increases when a net borrowing result occurs in a financial year and will result in a Council incurring liabilities and/or reducing financial assets. The level of net financial liabilities decreases when a net lending result occurs in a financial year and will result in a Council purchasing financial assets and/or repaying liabilities.

Council's target is to maintain its net financial liability between zero and \$15.650m (Total operating revenue).

Council's 2021-2022 Budget aims to achieve a net financial liability of \$3.283m.

Net Financial Liabilities Ratio

This ratio indicates the extent to which net financial liabilities of the Council can be met by the Council's total operating revenue. Where the ratio is falling it indicates the Council's capacity to meet its financial obligations from operating revenues is strengthening. Where the ratio is increasing it indicates a greater amount of Council's operating revenues is required to service its financial obligations.

Council's target is to maintain its net financial liability ratio between zero and 100%.

Council's 2021-2022 Budget aims to achieve a net financial liability ratio of 20.87%

Asset Sustainability Ratio

This ratio indicates whether the Council is renewing or replacing existing non-financial assets at the rate of consumption. On occasions the Council will accelerate or reduce asset expenditures over time to compensate for prior events or invest in assets by spending more now so that it costs less in the future to maintain.

Council's target is to maintain its asset sustainability ratio between 90% and 110%.

Council's 2021-2022 Budget aims to achieve an asset sustainability ratio of 112.53%.

10 BUSINESS WITHOUT NOTICE

11 CLOSURE