

## **AGENDA**

**FOR AUDIT AND RISK COMMITTEE MEETING TO BE HELD ON**

**11 FEBRUARY 2025 AT 6.30PM**

**IN WITTBER & DR RUBY DAVY ROOMS, SALISBURY COMMUNITY HUB,  
34 CHURCH STREET, SALISBURY**

### **MEMBERS**

Cr K Grenfell (Chair)  
Cr B Brug (Deputy Chair)  
Ms L Teburea  
Mr N Ediriweera  
Mr D Powell

### **REQUIRED STAFF**

Chief Executive Officer, Mr J Harry  
Deputy Chief Executive Officer, Mr C Mansueto  
Manager Governance, Mr R Deco  
Audit and Risk Manager, Ms S Kinsella

### **APOLOGIES**

### **LEAVE OF ABSENCE**

### **PRESENTATION OF MINUTES**

Presentation of the Minutes of the Audit and Risk Committee Meeting held on 12 November 2024.

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**REPORTS**

*For Decision*

7.1.1 3-Year Internal Audit Plan..... 13  
7.1.2 Audit and Risk Committee Performance Self-Assessment ..... 19

*For Information*

7.2.1 Internal Audit - Fraud and Corruption Prevention Control Process .....37  
7.2.2 Audit and Risk Committee Annual Work Plan - 2024/2025.....65  
7.2.3 Risk Management and Internal Control Activities .....71  
7.2.4 Internal Audit Actions Status Update .....75

**QUESTIONS ON NOTICE**

*There are no Questions on Notice.*

**MOTIONS ON NOTICE**

*There are no Motions on Notice.*

**OTHER BUSINESS**

*(Questions Without Notice, Motions Without Notice, CEO Update)*

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**ORDERS TO EXCLUDE THE PUBLIC**

**7.4.1 Quarterly Cybersecurity Report - October to December 2024**

**Recommendation**

Pursuant to section 83(5) of the *Local Government Act 1999* the Chief Executive Officer has indicated that, if the Audit and Risk Committee so determines, this matter may be considered in confidence under Part 3 of the *Local Government Act 1999* on grounds that:

1. *Pursuant to Section 90(2) and (3)(e) of the Local Government Act 1999, the principle that the meeting should be conducted in a place open to the public has been outweighed in relation to this matter because:*
  - *it relates to matters affecting the security of the council, members or employees of the council, or council property; or the safety of any person.*
2. *In weighing up the factors related to disclosure,*
  - *disclosure of this matter to the public would demonstrate accountability and transparency of the Council's operations*

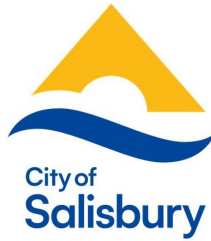
*On that basis the public's interest is best served by not disclosing the **Quarterly Cybersecurity Report - October to December 2024** item and discussion at this point in time.*

3. *Pursuant to Section 90(2) of the Local Government Act 1999 it is recommended the Council orders that all members of the public, except staff of the City of Salisbury on duty in attendance, be excluded from attendance at the meeting for this Agenda Item.*

**CLOSE**

**Confidential Item 7.4.1**





**MINUTES OF AUDIT AND RISK COMMITTEE MEETING HELD IN WITTBER  
& DR RUBY DAVY ROOMS, SALISBURY COMMUNITY HUB,  
34 CHURCH STREET, SALISBURY ON**

**12 NOVEMBER 2024**

**MEMBERS PRESENT**

Cr Kylie Grenfell (Chair)  
Cr B Brug (Deputy Chair)  
Ms P Davies  
Mr N Ediriweera  
Mr D Powell

**CONSULTANTS**

Galpins, Ms J Burnham (item 7.2.1)  
Bentleys, Mr M Pagnozzi (item 7.2.2)

**STAFF**

Chief Executive Officer, Mr J Harry  
Deputy Chief Executive Officer, Mr C Mansueto  
Manager Governance, Mr R Deco  
Audit & Risk Manager, Ms S Kinsella  
Manager Technology & Digital Solutions, Ms M Collins  
Cybersecurity Compliance Coordinator, Mr N Coleman  
Manager Strategic Development Projects, Ms S Klein  
General Manager City Development, Ms M English

The meeting commenced at 6:30pm.

The Chairman welcomed the Elected Members and staff to the meeting.

**APOLOGIES**

Nil.

**LEAVE OF ABSENCE**

Nil.

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## PRESENTATION OF MINUTES

Moved Mr D Powell  
Seconded Ms P Davies

The Minutes of the Audit and Risk Committee Meeting held on 9 October 2024, be taken as read and confirmed.

**CARRIED**

*The Chair sought and was granted leave of the meeting to bring forward items 7.4.1, 7.4.2, 7.2.1 and 7.2.2.*

## ORDERS TO EXCLUDE THE PUBLIC

### 7.4.1 Salisbury City Centre - Prudential Report

Moved Mr D Powell  
Seconded Ms P Davies

*The Audit and Risk Committee Orders:*

1. Pursuant to Section 90(2) and (3)(b)(i) and (b)(ii) of the Local Government Act 1999, that it is necessary and appropriate to exclude the public for the consideration of Agenda 7.4.1 Salisbury City Centre – Prudential Report with the exception of the following persons:

- Chief Executive Officer
- Deputy Chief Executive Officer
- Manager Governance
- Audit & Risk Manager
- Manager Technology & Digital Solutions
- Cybersecurity Compliance Coordinator
- Manager Strategic Development Projects
- General Manager City Development

*On the basis:*

- *it relates to information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and*
  - *information the disclosure of which would, on balance, be contrary to the public interest.*
2. *In weighing up the factors related to disclosure,*
- *disclosure of this matter to the public would demonstrate accountability and transparency of the Council's operations*
  - *Non-disclosure of this report at this time will protect Council's commercial position.*

*On that basis the public's interest is best served by not disclosing Item 7.4.1 **Salisbury City Centre - Prudential Report** and discussion at this point in time.*

3. Pursuant to Section 90(2) of the Local Government Act 1999 it is recommended the Council orders that all members of the public, except staff of the City of Salisbury on duty in attendance, be excluded from attendance at the meeting for this Agenda Item.

CARRIED

#### 7.4.2 Quarterly Cybersecurity Report - July to September 2024

Moved Mr D Powell  
Seconded Ms P Davies

*The Audit and Risk Committee Orders:*

1. Pursuant to Section 90(2) and (3)(e) of the Local Government Act 1999, that it is necessary and appropriate to exclude the public for the consideration of Agenda 7.4.2 Quarterly Cybersecurity Report - July to September 2024 with the exception of the following persons:
- Chief Executive Officer
  - Deputy Chief Executive Officer
  - Manager Governance
  - Audit & Risk Manager
  - Manager Technology & Digital Solutions
  - Cybersecurity Compliance Coordinator

*On the basis:*

- it relates to matters affecting the security of the council, members or employees of the council, or council property; or the safety of any person.
2. In weighing up the factors related to disclosure,
- disclosure of this matter to the public would demonstrate accountability and transparency of the Council's operations
- On that basis the public's interest is best served by not disclosing Item 7.4.2 **Quarterly Cybersecurity Report - July to September 2024** and discussion at this point in time.*

3. Pursuant to Section 90(2) of the Local Government Act 1999 it is recommended the Council orders that all members of the public, except staff of the City of Salisbury on duty in attendance, be excluded from attendance at the meeting for this Agenda Item.

CARRIED

The meeting moved into confidence at 6:31pm.

The meeting moved out of confidence at 7:15pm.

*The Committee proceeded to consider Items 7.2.1 and 7.2.2 which the Chairman brought forward as the next Items of business.*

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*For Information*

**7.2.1 Internal Audit Report - Tree Management**

Moved Mr D Powell  
Seconded Ms P Davies

That Council:

1. Notes the final internal audit report with management comments for the Tree Management internal audit as set out in attachment 1 to this report (Item: 7.2.1, Audit and Risk Committee, 12 November 2024).

**CARRIED**

**7.2.2 Better Practice Review - Procurement**

Moved Cr B Brug  
Seconded Mr D Powell

That Council:

1. Notes the final review with management comments for the Procurement Better Practice Review as set out in attachment 1 to this report (Item: 7.2.2, Audit and Risk Committee, 12 November 2024).

**CARRIED**  
Unanimously

Mr N Ediriweera provided a personal statement on the involvement of his employer KPMG in City of Salisbury's Internal Audit Services Tender process and confirmed that KPMG did not participate in the internal audit tender to avoid any potential conflict of interest. The meeting agreed to his request for this personal statement to be included in the minutes for transparency reasons.



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## REPORTS

### *For Decision*

#### **7.1.1 3-Year Internal Audit Plan**

Moved Ms P Davies  
Seconded Mr N Ediriweera

That Council:

1. Approves the updates made to the 3-year Internal Audit Plan 2024 to 2027 as set out in Attachment 1 to this report (Item: 7.1.1, Audit and Risk Committee, 12 November 2024).

**CARRIED**

## **BREAK**

In accordance with the Code of Practice for Meeting Procedures, the Chair provided a break to all present. The meeting was suspended at 8:10 pm.

The meeting reconvened at 8:16pm.

*Cr B Brug re-entered the meeting at 8:19pm.*

#### **7.2.3 Internal Audit - Statutory Legislative Compliance Review.**

Moved Ms P Davies  
Seconded Mr D Powell

That Council:

1. Notes the final audit report on the Legislative Compliance Review in relation to the *Local Government Act 1999*, Chapter 8 Administrative and financial accountability (Item: 7.2.3, Audit and Risk Committee, 12 November 2024).

**CARRIED**

#### **7.2.4 Annual Report 2023-2024**

Moved Mr D Powell  
Seconded Mr N Ediriweera

That Council:

1. Notes that the Audit and Risk Committee received the draft Annual Report 2023/2024 as contained in Attachment 1 of this report (Item: 7.2.4, Audit and Risk Committee, 12 November 2024), subject to any changes requested.
2. Notes the audited financial statements of North Adelaide Waste Management Authority (NAWMA) for the financial year 2023/2024, in accordance with section 21(4) of the *Local Government (Financial Management) Regulations 2011*.

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CARRIED

**7.2.5 Risk Management and Internal Control Activities**

Moved Mr N Ediriweera  
Seconded Cr B Brug

That Council:

1. Notes the updates on Risk Management and Internal Control Activities detailed for 2024/2025, as set out in this report (Item: 7.2.5, Audit & Risk Committee, 12 November 2024)

CARRIED

**7.2.6 Audit and Risk Committee Annual Work Plan - 2024/2025**

Moved Cr B Brug  
Seconded Ms P Davies

That Council:

1. Notes the Audit & Risk Committee Annual Work Plan 2024/2025 as set out in Attachment 1 to this report (Item: 7.2.6, Audit & Risk Committee, 12 November 2024).

CARRIED

**7.2.7 Outstanding Actions Arising from Internal Audits**

Moved Mr D Powell  
Seconded Cr B Brug

That Council:

1. Notes the report and the Internal Audit - Action Register in Attachment 1 to this report (Item: 7.2.7, Audit and Risk Committee, 12 November 2024).

CARRIED

**QUESTIONS ON NOTICE**

There were no Questions on Notice.

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**MOTIONS ON NOTICE**

There were no Motions on Notice.

**OTHER BUSINESS**

*(Questions Without Notice, Motions Without Notice, CEO Update)*

There were no Other Business Items.

The meeting closed at 8:38pm.

CHAIRMAN.....

DATE.....



<b>ITEM</b>	7.1.1
	<b>AUDIT AND RISK COMMITTEE</b>
<b>DATE</b>	11 February 2025
<b>HEADING</b>	3-Year Internal Audit Plan
<b>AUTHOR</b>	Sharon Kinsella, Audit and Risk Manager, CEO and Governance
<b>CITY PLAN LINKS</b>	4.3 Our council is recognised for delivering exceptional community experiences and quality outcomes 4.4 Our community is engaged and connected
<b>SUMMARY</b>	This report summarises the 3-year Internal Audit Plan which was last presented to the Audit and Risk Committee in November 2024.

**RECOMMENDATION**

That Council:

1. Approves the updates made to the 3-year Internal Audit Plan 2024 to 2027 as set out in Attachment 1 to this report (Item no. 7.1.1, Audit and Risk Committee, 11 February 2025).

**ATTACHMENTS**

This document should be read in conjunction with the following attachments:

1. 3-Year Audit Plan 2024-2027
2. 2024/2025 Indicative Scopes for pending Internal Audits

**1. BACKGROUND**

- 1.1 The 3-year Internal Audit Plan 2024-2027 was last considered by the Audit and Risk Committee in November 2024.

**2. DISCUSSION**

- 2.1 The 3-year Internal Audit Plan 2024 to 2027 is set out in Attachment 1 to this report.

**Update on Ongoing and Completed Audits as per 3-year Internal Audit Plan**

- 2.1.1 **Fraud and Corruption Prevention (Co-sourced Internal Audit).**  
This audit was conducted by Bentleys and is presented in the current Audit and Risk Committee meeting’s agenda (Item 7.2.1, Audit and Risk Committee, 11 February 2025)

## 2.2 Audits Scheduled

- 2.2.1 **Grants Management (Co-sourced):** the overall objective of the internal audit is to provide assurance that the grants provided to City of Salisbury community and businesses are awarded to eligible recipients and managed effectively as per adopted policies and procedures and aligned to the City Plan. Based on the findings from the Fraud and Corruption Prevention Internal Audit related to Grants Management, it is recommended to postpone this audit. This will allow sufficient time to address the identified issues before the next internal audit. The new commencement date is scheduled for July 2025, with reporting to the committee in November 2025.
- 2.2.2 **IT Disaster Recovery (co-sourced):** the overall objective of the internal audit is to provide assurance that City of Salisbury has adequate disaster recovery processes in place, and the processes are likely to be effective in the event of a disruption. The final report is expected to be presented to the Committee in August 2025; however, the work will be completed by the end of the 2024/25 financial year.
- 2.2.3 **Business Continuity (co-sourced):** The overall objective of the internal audit is to assess the adequacy of practices and procedures to manage City of Salisbury's business continuity. The internal audit will provide assurance that processes and measures in place ensure that, in the event of a disruption, critical business operations can be maintained, or restored in a timely manner, with minimal impact to the CoS and its stakeholders. The final report is expected to be presented to the Committee in August 2025; however, the work will be completed by the end of the 2024/25 financial year.
- 2.2.4 **Community Consultation Process Audit (co-sourced):** The overall objective of the audit will be to ensure that: the City has formalised, adequately designed and urgent policies, procedures and framework covering the community consultation process. All legislative compliance requirements in relation to community consultation process are met. Contemporary engagement tools and best practices are incorporated within the community consultation process. The final report is anticipated to be presented to the Committee in August 2025, with the work spanning across the 2024/25 and 2025/26 financial years.

## 2.3 Indicative Scopes for Pending Internal Audits for the 24/25 FY Internal Audit Plan

- 2.3.1 The draft scopes for pending internal audits are included in Attachment 2 for ease of reference and information.

## 3. CONCLUSION

- 3.1 This report outlines the 3-year Internal Audit Plan, with an update on the timing of Internal Audits since previous update in November 2024.

3 YEAR INTERNAL AUDIT PLAN - OVERVIEW			
Previous Reports 2025 - 2020	2024 / 2025	2025 / 2026	2026 / 2027
<b>2025</b> - Fraud & Corruption Prevention Controls <b>2024</b> - IA Strategic Reporting Process - Rates Setting and Revenue Process - Tree Management - Statutory LGA Compliance Review - Procurement Better Practice <b>2023</b> - IA Strategic Alignment of Investments in ERP Solutions - Salisbury Aquatic Centre Project - Position Paper Revenue Recognition - IA Fleet Heavy Vehicle, High Value & Portable Assets - Petty Cash & Till Floats <b>2022</b> - IA Capital Works Projects Audit - Interim Strategic Asset Management Plan - Top Cyber-Security Controls Review <b>2021</b> - IA Volunteer Management Audit - Work Health & Safety Audits - IA Events Incident Management Framework - External Audit - Tender Recommendation - IA Complaints Handling Process Audit - Emergency Management Plan <b>2020</b> - Management of Contaminated Sites - Purchase Card - Management of Road Asset Maintenance - Food Safety - Contract Management - Asset Management	Statutory LGA Compliance review (Report: November and April)	Statutory LGA Compliance review (Report: August and February)	Statutory LGA Compliance review
	Tree Management (Committee: November 2024)	Community Consultation Process (Start April / Report August)	Asset Disposal
	Procurement Better Practice (Committee: November 2024)	Grants Management (Start: July - Report November)	Strategic Asset Management Plan
	Fraud & Corruption Prevention Controls (Committee: February 2025)	Risk Management / Internal Audit (Start: July / Report November)	Project Management
	IT Disaster Recovery (Start: February / Report August)	Procurement (Start September - Report February)	
	Business Continuity (Start: March / Report: August)	Data Governance - State Records, Self Assessment (Start October / Report February)	
		Purchase Cards (Start: December / Report May)	

Internal
Co-Sourced
Information Only

Item 7.1.1 - Attachment 1 - 3-Year Audit Plan 2024-2027





2024/2025 YEAR INTERNAL AUDIT PLAN			
Audit Title	Audit Title and Summary Description	Draft proposed scope	Internal / Co-sourced
Fraud and Corruption Prevention Control	<b>Fraud and Corruption Prevention Control Audit</b> Provide assurance that current practices are effective to prevent, detect, and manage risks related to fraud, corruption, misconduct and maladministration, and ensure that controls are implemented as per agreed policies and procedures.	Presented to Audit and Risk Committee February 2025	Co-sourced
IT Disaster Recovery	<b>IT Disaster Recovery Audit</b> Provide assurance that adequate disaster recovery processes are in place at City of Salisbury and the processes are likely to be effective in the event of a disruption.	The overall objective of the audit is to provide assurance that City of Salisbury has adequate disaster recovery processes in place, and the processes are likely to be effective in the event of a disruption. The specific objectives for the audit will be to ensure that: <ul style="list-style-type: none"> <li>• A Disaster Recovery Plan exists with the exact steps to be covered if a disaster event occurs.</li> <li>• The Disaster Recovery Plan steps capture the relevant scenario expectations including Maximum Allowable Outages (MAO), Recovery Point Objective (RPO) and Recovery Time Objective (RTO).</li> <li>• The approved Disaster Recovery Plan is tested appropriately with relevant test case scenarios.</li> <li>• Critical systems required to be recovered following a disaster event have been identified.</li> <li>• Single points of failure have been identified.</li> <li>• Business Continuity Plans are fully linked with IT disaster recovery arrangements.</li> <li>• Server infrastructure includes testing of the ability to recover systems; and</li> <li>• Backups are completed and taken off-site to provide additional resilience in the event of a disaster event.</li> </ul>	Co-sourced
Business Continuity	<b>Business Continuity Audit</b> Provides assurance on the Business Continuity Management (BCM) Framework and the measures in place to ensure that, in the event of a disruption, critical business operations can be maintained, or restored in a timely manner, with minimal impact to the CoS and its stakeholders.	The specific objectives for the audit will be to ensure that: <ul style="list-style-type: none"> <li>• The City has formalised an overarching policy / procedure document covering the business continuity management process.</li> <li>• Critical systems and functions requiring Business Continuity Plans (BCPs) are identified.</li> <li>• BCPs are current and adequately developed for all critical functions and systems.</li> <li>• BCPs for critical functions and systems covers business resumption and continuity / contingency strategies.</li> <li>• Business Impact Analysis approaches and process are determined and agreed in the BCPs.</li> <li>• Effective communication plans are established to manage public and media relations in the event of a disruption.</li> <li>• There is an agreed process in place for activating BCPs when emergencies occur.</li> <li>• Business continuity plans are adequately monitored and maintained.</li> <li>• A formalized business continuity training program exists, and all individuals responsible for developing and implementing BCP have been adequately trained.</li> <li>• Business continuity plans are tested periodically, and the test results and lessons learned are reviewed, documented, and applied.</li> </ul>	Co-sourced
Grants Management	<b>Grants Management Audit</b> Provide assurance that the grants provide to City of Salisbury community and businesses are awarded to eligible recipients and managed effectively as per approved policies and procedures and aligned to the City Plan.	The scope of the audit is to ensure that the City: <ul style="list-style-type: none"> <li>• policies and procedures covering its grant management process are adequately developed for all categories of grants and communicated appropriately to the relevant stakeholders.</li> <li>• has eligibility criteria and award process for all grant categories have been established and communicated and have been complied with.</li> <li>• has a central register of fund recipients, capturing the details of previous funding received.</li> <li>• has Conflict of interest avoidance measures are incorporated and followed in the grant awarding process.</li> <li>• Grants schemes are aligned to City Plan 2035.</li> <li>• grants have terms and conditions or signed agreements specifying the expectations on usage and reporting requirements agreed by the Grant Recipient and COS.</li> <li>• has a monitoring process in place to ascertain that Grant Recipients adhere to timely reporting requirements in the Grant Agreement.</li> <li>• has any unused funding from the grant is dealt with appropriately as per the grant agreement or agreed terms and conditions.</li> <li>• has any contingency percentages included in the grant scheme are appropriately allocated and disbursed.</li> <li>• measures the effectiveness of the grant schemes and use feedback for quality assurance purposes in future planning and grant scheme designing.</li> </ul>	Co-sourced
Community Consultation Process	<b>Community Consultation Process Audit</b> Provide assurance that the City's community Consultation process is adequate and effective.	The scope of the audit will be to ensure that: <ul style="list-style-type: none"> <li>• The City has formalised, adequately designed and relevant policies, procedures and framework covering the community consultation process.</li> <li>• Any legislative compliance requirements in relation to community consultation process are met.</li> <li>• Contemporary engagement tools and best practices are incorporated within the community consultation process.</li> <li>• Community engagement strategies are developed and implemented effectively.</li> <li>• Community need assessments are undertaken effectively through the community consultative process, and applied in policy, planning, strategy formulation and service delivery.</li> <li>• Community consultation outcomes are reported to senior management and Council appropriately.</li> </ul>	Co-sourced



<b>ITEM</b>	7.1.2
	<b>AUDIT AND RISK COMMITTEE</b>
<b>DATE</b>	11 February 2025
<b>HEADING</b>	Audit and Risk Committee Performance Self-Assessment
<b>AUTHOR</b>	Sharon Kinsella, Audit and Risk Manager, CEO and Governance
<b>CITY PLAN LINKS</b>	4.3 Our council is recognised for delivering exceptional community experiences and quality outcomes 4.4 Our community is engaged and connected
<b>SUMMARY</b>	Best practice standards suggest that the performance of the Audit and Risk Committee should be reviewed on a regular basis. One method of doing this is through a self-assessment process. This report outlines the proposed methodology for self-assessment of the Audit and Risk Committee and seeks recommendation for Council approval of the assessment process, consistent with previous practice.

**RECOMMENDATION**

That Council:

1. Approves the self-assessment survey questions, as set out in Attachment 1 to this report (Item No. 7.1.2, Audit and Risk Committee, 11 February 2025) for issuance to members of the Audit and Risk Committee for completion following the February 2025 Council meeting, with results to be collated and presented at the April Audit and Risk Committee meeting.

**ATTACHMENTS**

This document should be read in conjunction with the following attachments:

1. Performance Self-Assessment 2024

**1. BACKGROUND**

- 1.1 It is considered best practice to review the performance of an Audit and Risk Committee on a periodic basis. One method of conducting this performance review is through a self-assessment questionnaire, completed by the members of the Audit and Risk Committee.
- 1.2 Self-assessment surveys are an efficient method for conducting the performance review because they can be completed at the convenience of the Audit and Risk Committee members, without the need to arrange or attend any additional meetings or interviews.
- 1.3 Consistent with previous practice, it is proposed that the Audit and Risk Committee complete a self-assessment for the period 1 January 2024 to 31 December 2024. A copy of the proposed self-assessment survey questions is provided as Attachment 1 to this report.

1.4 The self-assessment was last completed for the 2023 year following the Council meeting in February 2024, and the results were collated and presented at the April 2024 Audit and Risk Committee meeting.

**2. DISCUSSION**

2.1 The focus of the self-assessment is primarily to drive continuous improvement in the performance and effectiveness of the Audit and Risk Committee.

2.2 The self-assessment survey questionnaire from last review is proposed as its relevancy remains unchanged.

2.3 It is proposed that the attached self-assessment questionnaire be circulated to members of the Audit and Risk Committee following the February 2025 Council meeting, for completion by 14 March 2025. The questionnaire will be circulated in the form of an online survey. A link to the survey will be provided to Committee members. The results of the survey will be collated and reported back to Committee and Council in April 2025.


**3. CONCLUSION**

3.1 The attached self-assessment survey is a useful tool for assessing the performance of the Audit and Risk Committee and identifying areas for improvement.

3.2 On the basis that it is good practice to conduct a self-assessment annually, it is proposed that the Audit and Risk Committee recommends to Council approval of the self-assessment process.

3.3 Consistent with previous practice, this self-assessment will be conducted by way of an online survey, with the results collated and reported anonymously to the Audit and Risk Committee in a single report.


Item 7.1.2

	<b>2024</b>
<b>Audit &amp; Risk Committee Self-Assessment Questionnaire</b>	


The Audit & Risk Committee (“the Committee”) is established as a Standing Committee within the City of Salisbury Council’s governance framework, pursuant to section 41 of the *Local Government Act 1999*, to perform its functions as per its Terms of Reference (“TOR”). It is an industry best practice for Audit & Risk Committees to undertake a self-assessment on an annual basis.

Please complete this questionnaire based on your views as a member of the Committee. Where a “Strongly Disagree” or “Disagree” rating is provided please include comments/information to clarify your response. Results from the self-assessment questionnaire will be used to identify areas for development/improvement in the operations of the Committee.


Section A – Establishment of the Committee		Rating	Comments / Suggestions for Improvement
1.	The TOR of the Committee provide clear information on the role and functions of the Committee and its oversight responsibilities on behalf of Council.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	
2.	The Committee members’ qualities (e.g. financial literacy and skills, understanding of City of Salisbury, commercial and risk acumen, industry and capital markets) as a whole, are sufficient and appropriate to discharge the Committee’s oversight responsibilities on behalf of Council.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	
3.	The Committee members demonstrate the highest level of integrity (including maintaining the utmost confidentiality and identifying, disclosing and managing conflicts of interest and acting appropriately where conflicts or interests arise).	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree	

	<b>2024</b>
<b>Audit &amp; Risk Committee Self-Assessment Questionnaire</b>	

Section A – Establishment of the Committee		Rating	Comments / Suggestions for Improvement
		5. Strongly Agree 6. N/A	
4.	New members of the Committee are provided induction information and materials to educate them on City of Salisbury, their responsibilities, and Council’s financial reporting practices.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	
5	The Presiding Member of the Committee is well prepared for the meetings and conducts the meetings effectively as required under the legislation and the Committee’s current TOR.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	
6	The other members of the Committee are well prepared for the meetings and perform effectively in the fulfilling their role of the Committee as required under the legislation and the Committee’s current TOR.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	


	<b>2024</b>
<b>Audit &amp; Risk Committee Self-Assessment Questionnaire</b>	

<b>Section B – Meetings</b>		<b>Rating</b>	<b>Comments / Suggestions for Improvement</b>
7.	Arrangements for Committee meetings are appropriate (i.e. frequency, time of day, duration, venue, location and format).	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	
8.	The Committee ensures that appropriate internal and external stakeholders attend meetings as necessary (e.g. Chief Executive Officer (CEO), Deputy Chief Executive Officer, external audit representative, etc.)	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	
9.	All members of the Committee participate actively and constructively during meetings and work collaboratively with others attending the meeting.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	
10.	The written materials (e.g. meeting agendas, reports, minutes and supporting documentation) provided to the Committee are appropriate, relevant, and concise.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	


	<b>2024</b>
<b>Audit &amp; Risk Committee Self-Assessment Questionnaire</b>	

Section B – Meetings		Rating	Comments / Suggestions for Improvement
11.	The written materials provided to the Committee are circulated with sufficient time to allow Committee members to consider the information.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	
12.	The meeting procedures and processes in place at the City of Salisbury ensure smooth operation of the Committee.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	
13.	The Committee meetings are effective in providing independent assurance and advice to the Council on accounting, financial management, internal controls, risk management and governance matters.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	




	<b>2024</b>
<b>Audit &amp; Risk Committee Self-Assessment Questionnaire</b>	

Section C – Internal Audit		Rating	Comments / Suggestions for Improvement
14.	The Committee appropriately considers internal audit reports, management’s responses, actions for improvement, and monitors the responsiveness of the Council to recommendations based on previous audits and risk assessments, including those raised by the Council’s Internal Auditor and External Auditor.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	
15.	I have direct and unrestricted access to the internal audit function.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	
16.	The Committee provides oversight of planning and scoping of the internal audit work plan, and ensure that activities in the internal audit plan address areas of concern and provide assurance to Council.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	

	<b>2024</b>
<b>Audit &amp; Risk Committee Self-Assessment Questionnaire</b>	


Section C – Internal Audit		Rating	Comments / Suggestions for Improvement
17.	The Committee regularly considers the audit plan and makes recommendations.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	

Section D – External Audit		Rating	Comments / Suggestions for Improvement
18.	I have direct and unrestricted access to the External Auditor.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	
19.	I understand the information being presented to me by the External Auditor.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	


	<b>2024</b>
<b>Audit &amp; Risk Committee Self-Assessment Questionnaire</b>	

Section D – External Audit		Rating	Comments / Suggestions for Improvement
20.	The Committee discusses significant findings from the financial and internal controls audits with the External Auditor.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	
21.	The Committee monitors and oversees the process for appointment of the external auditor in accordance with the <i>Local Government Act 1999</i> .	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	


Section E – Financial Oversight		Rating	Comments / Suggestions for Improvement
22.	The Committee assesses whether the annual financial statements reflect appropriate accounting principles.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	

	<b>2024</b>
<b>Audit &amp; Risk Committee Self-Assessment Questionnaire</b>	


Section E – Financial Oversight		Rating	Comments / Suggestions for Improvement
23.	The Committee reviews significant accounting and reporting issues, including complex or unusual transactions, highly subjective areas and significant changes in accounting policies and their corresponding impact on the financial statements.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	
24.	The Committee reviews the annual financial statements and ensure they present fairly the state of affairs of the Council.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	
25.	I am comfortable that the Committee is able to propose and review the exercise of powers under section 130A of the <i>Local Government Act 1999</i> . Namely, the examination of any matter relating to financial management, or the efficiency and economy with which the council management or uses its resources to achieve its objectives.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	

	<b>2024</b>
<b>Audit &amp; Risk Committee Self-Assessment Questionnaire</b>	


Section E – Financial Oversight		Rating	Comments / Suggestions for Improvement
26.	The Committee reviews the City of Salisbury’s key accounting policy positions.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	
27.	The Committee receives sufficient information to assess and understand the process for the evaluation of the City of Salisbury’s internal financial controls, and believes that the internal control testing supports its internal control assessment.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	
28.	The Committee understands and considers the internal control testing process conducted by the Administration, the internal auditor, and the external auditor to assess the process for detecting internal control issues or fraud. The Committee addresses and monitors significant deficiencies or weaknesses.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	

	<b>2024</b>
<b>Audit &amp; Risk Committee Self-Assessment Questionnaire</b>	

Section E – Financial Oversight		Rating	Comments / Suggestions for Improvement
29.	The Committee oversees the action taken by the Administration to resolve repeat comments from auditors, especially when related to internal controls.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	
30.	The Committee reviews adjustments to the financial statements resulting from the external audit.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	
31.	The Committee is satisfied that there is an effective risk management framework in place at the City of Salisbury.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	


	<b>2024</b>
<b>Audit &amp; Risk Committee Self-Assessment Questionnaire</b>	

Section F – Risk Management and Internal Controls		Rating	Comments / Suggestions for Improvement
32.	The Committee assures itself that the CEO and Deputy CEO take personal responsibility for risk identification and control.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	
33.	The Committee understands and discusses issues which present significant risks to the organisation.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	
34.	The Committee ensures that the controls are appropriate for achieving the Council’s goals and objectives, safeguarding the Council’s assets and as far as possible maintaining the accuracy and reliability of Council records.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	


	<b>2024</b>
<b>Audit &amp; Risk Committee Self-Assessment Questionnaire</b>	

Section F – Risk Management and Internal Controls		Rating	Comments / Suggestions for Improvement
35.	The Committee is satisfied that Council implements and maintains appropriate policies, practices and procedures of internal control.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	
36.	The Committee is comfortable that the Council and other committees take into account significant risks which may affect financial reporting.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	
37.	The Committee understands and approves the process implemented by the Administration to identify, assess, and respond to risks.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	
38.	The Committee understands the Administration’s fraud risk assessment and understands identified fraud risks.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	




	<b>2024</b>
<b>Audit &amp; Risk Committee Self-Assessment Questionnaire</b>	

Section G – Oversight of Other Activities		Rating	Comments / Suggestions for Improvement
39.	The system for reviewing outstanding items arising from external or internal audit reports is efficient and effective.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	
40.	I am satisfied that the Committee is provided with the opportunity to propose, and provide information relevant to, a review of the Council’s strategic management plans, long term financial plan and annual business plan.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	
41.	I am satisfied that Council is meeting its fiduciary and legislative responsibilities.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	

	<b>2024</b>
<b>Audit &amp; Risk Committee Self-Assessment Questionnaire</b>	

Section G – Oversight of Other Activities		Rating	Comments / Suggestions for Improvement
42.	An annual performance assessment of the Committee is conducted and any matters requiring follow-up are resolved.	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	
43	Reflecting on your level of comfort, how likely are you to offer an opinion different than other board members?	1. Strongly Disagree 2. Disagree 3. Neither agree nor disagree 4. Agree 5. Strongly Agree 6. N/A	
44	What do you consider as the Committee’s greatest strength?		
45	Conversely, in your view what is the Committee’s greatest weakness?		

	<b>2024</b>
<b>Audit &amp; Risk Committee Self-Assessment Questionnaire</b>	

46.	What's your perspective on the expectations of the Audit and Risk Committee?	
47.	Any further comments or suggestions for improvement not already covered in the sections above?	

Item 7.1.2 - Attachment 1 - Performance Self-Assessment 2024



<b>ITEM</b>	7.2.1
	<b>AUDIT AND RISK COMMITTEE</b>
<b>DATE</b>	11 February 2025
<b>HEADING</b>	Internal Audit - Fraud and Corruption Prevention Control Process
<b>AUTHOR</b>	Sharon Kinsella, Audit and Risk Manager, CEO and Governance
<b>CITY PLAN LINKS</b>	4.3 Our council is recognised for delivering exceptional community experiences and quality outcomes 4.1 Our council’s services are delivered in an effective and efficient manner

**SUMMARY** As per the adopted Internal Audit Plan 2024-27, Council's Fraud and Corruption Prevention Control Process was audited by Bentleys on a co-sourced model. The objective of the internal audit was to ensure that current practices were in place to prevent, detect, and manage fraud, corruption, misconduct, and maladministration risks.

**RECOMMENDATION**

That Council:

1. Notes the final internal audit report with management comments for Fraud and Corruption Prevention Controls as set out in attachment 1 to this report (Item no. 7.2.1, Audit and Risk Committee, 11 February 2025).

**ATTACHMENTS**

This document should be read in conjunction with the following attachments:

1. Internal Audit - Fraud and Corruption Prevention Control

**1. BACKGROUND**

- 1.1 The objective of the audit was to ensure that current practices were in place to prevent, detect, and manage fraud, corruption, misconduct, and maladministration risks. The audit focused on determining whether the Council:
  - Possesses a robust fraud control policy integrated with its overall risk management strategy.
  - Has implemented comprehensive fraud control plans addressing key organisational risks.
  - Maintains effective fraud control measures throughout its operations.
  - Employs adequate internal systems and reporting mechanisms to support fraud prevention efforts.
  - Conducts regular testing, monitoring, and reporting on the effectiveness of fraud control initiatives.

- 1.2 Bentleys conducted this audit in compliance with the International Standards for the Professional Practice of Internal Auditing established by the Institute of Internal Auditors.

**2. EXTERNAL CONSULTATION / COMMUNICATION**

- 2.1 Partner | Bentleys  
2.2 Senior Consultant | Bentleys

**3. DISCUSSION**

- 3.1 Attachment 1 to this report is the final audit report.
- 3.1.1 The report identified several good practices including;
- Council's governance structure
  - Council's policies, procedures and frameworks
  - Segregation of Duties
  - Access Controls
  - Monitoring and Oversight
- 3.1.2 There was no finding rated "high risk" or above in this report.
- 3.1.3 Two medium findings were identified regarding the Council's Community Grants Process and Minor Capital Grants Process, where gaps have been detected. Both findings have been acknowledged by the business, and action plans have been established to address the issues.
- 3.1.4 One low finding was identified regarding leave balances, where some employees have accrued annual leave balances exceeding the two-year limit of 40 days and/or long service leave balances exceeding the 15-week limit. This finding has been acknowledged by the business, and an action plan has been established to address the issue.
- 3.1.5 An improvement opportunity was identified within the employee payroll processing records, affecting 6% of Council workers with multiple employment scenarios. This issue has been acknowledged by the business, and an action plan has been developed to address it.
- 3.1.6 As part of this internal audit, Bentleys conducted a better practice gap analysis of 10 fraud-related policies. Potential gaps were identified in six policies or procedures, and recommendations to enhance the Council's documentation have been provided. All recommendations have been agreed upon by the business, with an action plan in place to address them.

**4. FINANCIAL OVERVIEW**

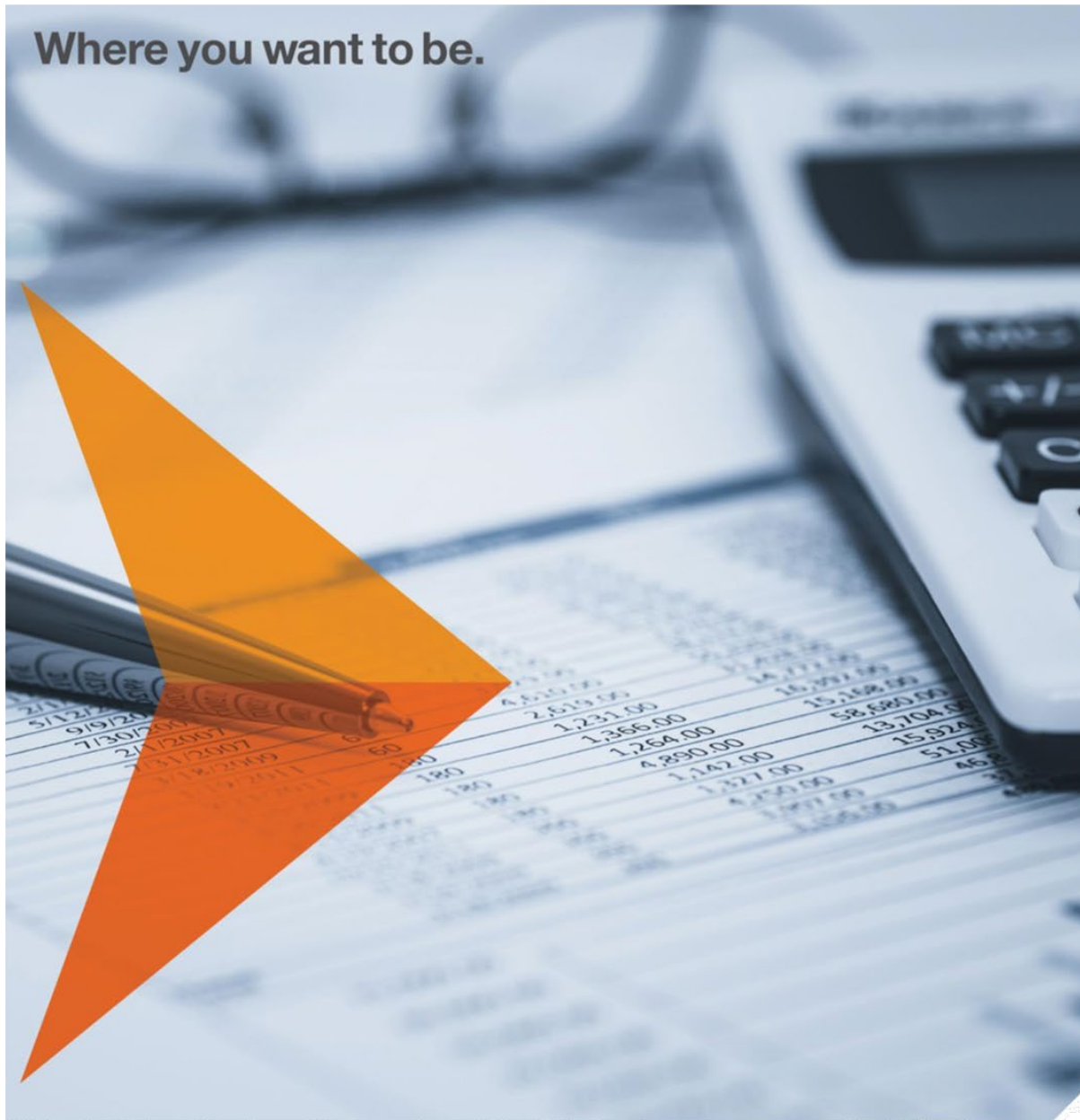
4.1 This internal audit was completed within agreed budget.

**5. CONCLUSION**

5.1 The final report confirms areas for improvement with management support and agreement. Actions will be added to the Internal Audit Actions Status Update Table to ensure they will be actioned and closed within the agreed timeframes and inform status reporting.







December 2024

### City of Salisbury

### Fraud and Corruption Prevention Control Process: Internal Audit Report

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- Advisors
- Accountants
- Auditors

Item 7.2.1 - Attachment 1 - Internal Audit - Fraud and Corruption Prevention Control

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18 December 2024

Sharon Kinsella  
Audit & Risk Manager  
Governance  
City of Salisbury  
34 Church Street, Salisbury, SA 5108

Dear Sharon

**Internal Audit Report – Fraud and Corruption Prevention Control Process**

Please find attached our report on the Fraud and Corruption Prevention Control Process for the City of Salisbury.

We would like to take this opportunity to thank management and staff for their assistance during the course of our audit.

If you have any queries, please feel free to contact me on [REDACTED] at any time.

Yours sincerely



Maurice Pagnozzi  
Partner

Enclosure



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Item 7.2.1 - Attachment 1 - Internal Audit - Fraud and Corruption Prevention Control

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City of Salisbury Internal Audit Report – Fraud and Corruption Prevention Control Process // December 2024

Version history	Date
Draft report issued	28/10/2024
Final report issued	18/12/2024
Final report incorporating management response	18/12/2024
Final report Risk and Audit Committee presentation	11/02/2025

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Inherent Limitations

Due to the inherent limitations of any internal control structure, it is possible that fraud, error or non-compliance with laws and regulations may occur and not be detected. Further, the internal control structure, within which the control procedures that have been subject to this review operate, has not been reviewed in its entirety and, therefore, no opinion or view is expressed as to its effectiveness of the greater internal control structure. This review is not designed to detect all weaknesses in control procedures as it is not performed continuously throughout the period and the tests performed on the control procedures are on a sample basis. Any projection of the evaluation of control procedures to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

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

#### Third Party Reliance

This report is solely for the purpose set out in the Official Order and for the City of Salisbury information and is not to be used for any other purpose or distributed to any other party without Bentleys (SA) Pty Ltd's prior consent.

This summary report has been prepared at the request of the City of Salisbury management or its delegate. Other than our responsibility to the management of the City of Salisbury, neither Bentleys (SA) Pty Ltd nor any member or employee of Bentleys (SA) Pty Ltd undertakes responsibility arising in any way from reliance placed by a third party, including but not limited to the City of Salisbury external advisors, on this summary report. Any reliance placed is that party's sole responsibility. Liability is limited by a scheme approved under Professional Standards Legislation.



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3

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City of Salisbury Internal Audit Report – Fraud and Corruption Prevention Control Process // December 2024

## Executive summary

The City of Salisbury (the Council) engaged Bentleys SA Pty Limited to conduct an internal audit project, Fraud and Corruption Prevention Control Process, in September 2024. This audit aligned with the Council's approved 3-year Internal Audit Plan.

The audit was linked to the Council's strategic risks as highlighted below:

Table 1 – Strategic risk alignment

Strategic Pillar	Risk Description	Related Cause
Innovation and Business Development	There is a risk that the long-term financial sustainability is compromised and may impact the Council's capacity to respond to emerging needs of the Council and meet the financial commitments and requirements for the Council's operations and delivery of services	1.6 - Fraud, Corruption, Misconduct or Maladministration

To ensure responsible and transparent governance, South Australian councils are required to actively combat fraud and corruption. They adhere to a legislative framework that includes:

- The Local Government Act 1999 requires Councils to establish and maintain internal controls to prevent fraud (Section 125).
- ICAC Act 2012 mandates that Councils cooperate with ICAC investigations.
- PID Act 2018: This Act protects individuals who report wrongdoing.
- Fraud and Corruption Prevention Policies: Councils develop and implement policies outlining procedures and responsibilities.

As a result, councils are compelled to:

- Maintain internal controls, including robust financial systems and regular audits.
- Promote ethical conduct through training and codes of conduct.
- Protect whistleblowers from reprisal.
- Cooperate with investigations by ICAC and other authorities.
- Regularly review and update their fraud and corruption prevention policies.

## Audit objectives

The objective of the audit was to ensure that current practices were in place to prevent, detect, and manage fraud, corruption, misconduct, and maladministration risks. The audit focused on determining whether the Council:

- Possesses a robust fraud control policy integrated with its overall risk management strategy.
- Has implemented comprehensive fraud control plans addressing key organisational risks.
- Maintains effective fraud control measures throughout its operations.
- Employs adequate internal systems and reporting mechanisms to support fraud prevention efforts.
- Conducts regular testing, monitoring, and reporting on the effectiveness of fraud control initiatives.



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4

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City of Salisbury Internal Audit Report – Fraud and Corruption Prevention Control Process // December 2024

## Audit scope and approach

The audit covered the previous 12 months (from October 2023) and included a review of the following areas:

- **Policies and Procedures:** We assessed policies and procedures related to fraud and corruption prevention to identify areas for improvement.
- **Fraud Control Implementation:** We evaluated the implementation of fraud prevention and detection controls across key business processes, such as payments/procurement, payroll, grants, and IT access controls, this encompassed data analysis review to identify potential fraud red flags, we did perform detailed testing on all the areas tested as this was a fraud investigation.
- **Internal Systems and Reporting:** We assessed the adequacy of internal systems, data quality, and reporting capabilities for fraud identification.
- **Incident Response:** We reviewed procedures for reporting, investigating, and responding to fraud incidents.
- **Monitoring and Reporting:** We reviewed fraud-related reports and management's response to findings.

Internal Audit conducted this audit in compliance with the International Standards for the Professional Practice of Internal Auditing established by the Institute of Internal Auditors. Our methodology included a review of relevant policies and procedures, interviews with key personnel, direct observations, procedural walkthroughs, and controls testing where applicable. For a detailed list of the documents examined and stakeholders consulted, please refer to Appendix 2.

## Good practices

In relation to the Council's **Fraud and Corruption Prevention Control Processes**, we noted the following good practices were in place:

- **Governance Structure:** The Council has a governance structure that includes several sub committees and committees (the sub committees report to the committees, which report to Council). Some of the committees include, Audit and Risk Committee, the CEO Review Committee, and the Council Assessment Panel. These committees provide oversight and ensure accountability. The structure operates under the Local Government Act 1999 and includes CEO Working Groups and Project Control Groups to support the CEO in their role.
- **Policies, Procedures and Framework:** The Council has documented relevant policies, including some on ethical behaviour, conflicts of interest, and fraud and corruption prevention. These policies provide a base on which Fraud prevention could be enforced.
- **Segregation of Duties:** Several policies and procedures have been documented, with some providing roles and responsibilities to enhance the separation of duties. Specifically, the financial delegation procedures provide guidelines on required limits for approval amounts of procurement amounts by the level of seniority and value of the transaction, thereby aligning with Section 101 of the Local Government Act 1999.
- **Access Controls:** The Council has documented several policies and procedures to enforce access controls, including an Access Control Policy, an Information Management Policy, and a Special Access Policy.
- **Monitoring and Oversight:** The Council has a governance and risk team that regularly performs internal audits and reviews to assess fraud-related instances.

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City of Salisbury Internal Audit Report – Fraud and Corruption Prevention Control Process // December 2024

## Summary of findings

Based on the internal audit work completed, limited sample testing, documents inspected and interviews with key stakeholders, the internal audit identified **four** observations that include **three** findings requiring management attention and action and **one** process improvement opportunity for management consideration and response. **There were no findings rated high or above.**

Our findings are summarised as follows:

Table 2 – summary of findings

Rating (1)		Number of observations
Findings	Very High	0
	High	0
	Medium	2
	Low	1
Process Improvement Opportunities		1
Policies and procedures Gaps identified		12

(1) Refer Appendix 3 for the Councils risk rating matrices

Refer to Table 3 for a summary of our observations related to each Finding and Process Improvement Opportunity and Table 4 for Policies and Procedures gaps.

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City of Salisbury Internal Audit Report – Fraud and Corruption Prevention Control Process // December 2024

Table 3. Summary Audit Observations

Ref.	Findings	Key Recommendations	Rating	Accepted (Y/N)	Summary of Management response and agreed action date
F1	<b>Community Grants Process</b> The review of the Community Grants Program identified incomplete documentation, funding amount discrepancies, and missing conflict-of-interest declarations, exposing control breakdowns and risks to program integrity.	Management should standardise grant application procedures, establish a conflict-of-interest policy, and implement a system of checks and balances to ensure grant program integrity.	Medium	Y	Agree to standardise procedures as recommended, which will include conflict of interest.  May 2025
F2	<b>Minor Capital Grants Process</b> A review of the Minor Capital Works Grants program revealed weaknesses in grant administration, including missing documentation, project evaluation and monitoring frameworks, and missing conflict of interest declarations.	Management should implement a standardised record-keeping system, gather stakeholder feedback to develop a formal evaluation process, establish a clear conflict of interest policy, and implement a system to monitor grant projects.	Medium	Y	Business agreement with recommendation.  July 2025
F3	<b>Leave balances</b> The audit identified instances of employees accruing annual leave balances exceeding the two-year limit (304 hours) and long service leave balances exceeding the 15-week limit (507 hours), as defined in the City of Salisbury Municipal Officers Agreement and the City of Salisbury, AWU and Local Government Employees document, respectively.	Management should implement controls to enforce leave accrual limits, develop a clear policy and procedure for managing excess leave, and review and update relevant agreements for clarity and alignment with leave management practices.	Low	Y	Power BI reporting has been developed to ensure the visibility of high balances. People and Performance will commence quarterly reports to DMs to manage leave balances.  July 2025
No.	Process Improvement Observation	Improvement opportunity	Rating	Accepted (Y/N)	Summary of Management response and agreed action date
O1	<b>Employee payroll processing records</b> The audit identified multiple payroll anomalies, including duplicate employee entries due to multiple employment roles, manual interventions for mid-fortnight pay changes, incorrect backpay processing, and redundant entries for employees with multiple roles now paid at the same rate.	Management should assess the payroll system's ability to handle multiple employment scenarios and mid-fortnightly pay changes without manual intervention, consider system upgrades or enhancements if necessary, and develop clear procedures for managing complex pay situations to minimise manual intervention.	NA	Y	Mid-fortnightly pay changes are a current payroll system issue (impacting 6% of Council workers) and are managed through pay run checklists and audits, ensuring accuracy.  All other items were connected to the previous payroll system, Empower, which is now redundant.

### Policies and procedures better practice gap analysis

Our review of 10 fraud-related policies and procedures identified opportunities to close several gaps in the policies and/or procedures that could enhance the control environment related to the risk of fraud, as summarised in the table below and detailed in Appendix 1. Noting that these findings are considered improvement opportunities, they have not been rated as an audit finding.

\*The Procurement Framework was reviewed, and the opportunities identified are included in the 'City of Salisbury Procurement Review', presented to the Audit and Risk Committee in November 2024 and not duplicated in this report.

Table 4 – Summary of Fraud related gaps from selected Policies and Procedures

Document Reviewed	No of Gaps	Summary of Gaps Identified
Fraud, Corruption, Misconduct and Maladministration Prevention Policy	2	The policy does not contain measures to assess and monitor the ethical and compliant culture and specific fraud awareness training programs. The policy could be revised to include measures, such as surveys, audits, and feedback systems, to regularly assess and monitor the ethical culture. Training programs tailored to different roles and responsibilities should also be considered, covering fraud awareness, prevention, and reporting procedures.
Financial Delegations Procedure	2	The procedure lacks clear metrics for assessing effectiveness and preventing fraud. Employees in backfilling positions may act beyond their DOA, and there is no process for reviewing DOA limits; we recommend updating the procedure to incorporate processes to monitor for fraud in backfilling positions and establish a review process for DOA limits.
Procurement Policy	1	The policy lacks clearly defined criteria for evaluating unsolicited proposals.
Purchase Card Guidelines	0	None
Behavioural Management Policy	0	None
Elected Member Allowances and Benefits Policy	1	The current policy does not include a process for verifying reimbursable expenses. While the administration reviews the expenses submitted by elected members, we recommend the Council consider updating the policy to clarify the administration's role.  To enhance accountability, all elected members should be required to submit detailed documentation for any reimbursable expenses. In accordance with the Australian Taxation Office (ATO) Tax Invoice guidance, invoices must meet specific criteria. For invoices totalling less than \$82.50, including GST, the invoice should provide the amount, a description of the service, and the provider's information, including their full name and address.  For invoices between \$82.50 and \$1,000, the following information must also be included: the provider's full name and address, Australian Business Number (ABN), the date the invoice was issued, a brief description of the services provided, and the GST amount (if any) payable.
Employee Conduct Policy	0	None
Evaluation and Probity Guidelines	5	The guidelines are unclear and lack specific procedures for "high-risk" activities, mandatory assessments, and risk management. This ambiguity raises the risk of fraud and inconsistent practices. Consider updating the Evaluation and Probity Guidelines to include clear, objective criteria for identifying "high-risk" activities, a mandatory detailed checklist or scoring system for consistent and objective assessments, a detailed negotiation protocol ensuring transparency and clear evaluation criteria, specific criteria and procedures for appointing probity auditors and robust security measures for protecting sensitive information.
IT Access Controls	1	The current policies and procedures have gaps that put the Council at risk for security breaches, data loss, and non-compliance. These gaps arise from unclear guidance regarding user access management, the protection of confidential information, and the handling of electronic records. To reduce these risks, management should update and or establish clear procedures for reporting changes in user access, securing information during printing and scanning, conducting reviews, and deleting electronic records. Additionally, a comprehensive framework for data retention, storage, and secure offsite transfer must be implemented.
<b>Total</b>	<b>12</b>	

Refer appendix 1 for the detailed gap analysis





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City of Salisbury Internal Audit Report – Fraud and Corruption Prevention Control Process // December 2024

### Controls assessment

The control effectiveness assessment below is an indicator of the current state of the control environment within business operations and its ability to mitigate against the risk exposures.

The findings highlight the need for stronger controls and clearer procedures in Fraud and Corruption Prevention Controls. Based on the internal audit work performed, documents inspected, and interviews with key stakeholders, the control environment is assessed as **Partially Effective**.

Table 5: control assessment

Overall Controls Assessment <sup>(1)</sup>		
Effective	Partially Effective	Not Effective

(1) Limited to audit scope and based on test results.

Control / Mitigating Factor	Description
Effective	Controls are properly designed and operating as intended.
Partially Effective	Key controls are in place, with significant opportunities for improvement identified.
Ineffective	Controls are non-existent or have major deficiencies and don't operate as intended.



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Item 7.2.1 - Attachment 1 - Internal Audit - Fraud and Corruption Prevention Control

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City of Salisbury Internal Audit Report – Fraud and Corruption Prevention Control Process // December 2024

## Contents

<b>Executive summary</b> .....	<b>4</b>
Audit objectives .....	4
Audit scope and approach.....	5
Good practices .....	5
Summary of findings.....	6
Policies and procedures better practice gap analysis .....	8
Controls assessment .....	9
<b>Detailed findings and agreed action plan</b> .....	<b>11</b>
<b>Improvement opportunities</b> .....	<b>16</b>
<b>Appendix 1 – Gap analysis of key policies and procedures</b> .....	<b>17</b>
<b>Appendix 2 – Documents accessed and consultation</b> .....	<b>22</b>
<b>Appendix 3 – Risk rating matrices</b> .....	<b>24</b>



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## Detailed findings and agreed action plan

<b>Finding 1 (F1).</b>	<b>Community Grants Process</b>	<b>Risk Category</b>	<b>Reputational; Finance</b>													
		<b>Impact:</b>	<b>Moderate</b>													
		<b>Likelihood:</b>	<b>Possible</b>													
		<b>Risk Rating:</b>	<b>Medium</b>													
<b>Finding(s)</b>																
<p>The Council's Community Grants Program provides essential resources to local groups and organisations. We reviewed grant applications and supporting documentation to ensure program integrity and effectiveness. This review assessed:</p> <ul style="list-style-type: none"> <li>Adherence to procedures</li> <li>Decision-making effectiveness</li> <li>Documentation completeness</li> <li>Discrepancy identification</li> </ul> <p>We noted some areas of potential control breakdowns:</p> <ul style="list-style-type: none"> <li>Incomplete Documentation: Some grant files lacked essential information. For example, Sample 1 omitted the recommended funding amount, hindering decision tracking and accountability.</li> <li>Missing Conflict-of-Interest Declarations: We were not provided with Conflict of interest declarations for Individuals involved in grant evaluation on the selected samples, risking biased decision-making.</li> </ul> <p>The following table details the specific samples examined:</p> <p>Table 6. Samples reviewed for Community Grants testing</p> <table border="1"> <thead> <tr> <th>Sample</th> <th>Grant Number</th> <th>Purpose</th> <th>Recommended Funding Amount</th> <th>Approved Funding Amount</th> <th>Observation</th> </tr> </thead> <tbody> <tr> <td>Sample 1</td> <td>29-2023/24</td> <td>Uniforms, Camping Expenses and Activities</td> <td>Not Recorded</td> <td>\$5,000</td> <td>Council approval was for \$5,000, but the accepted community grant offer is \$4,600.</td> </tr> </tbody> </table>					Sample	Grant Number	Purpose	Recommended Funding Amount	Approved Funding Amount	Observation	Sample 1	29-2023/24	Uniforms, Camping Expenses and Activities	Not Recorded	\$5,000	Council approval was for \$5,000, but the accepted community grant offer is \$4,600.
Sample	Grant Number	Purpose	Recommended Funding Amount	Approved Funding Amount	Observation											
Sample 1	29-2023/24	Uniforms, Camping Expenses and Activities	Not Recorded	\$5,000	Council approval was for \$5,000, but the accepted community grant offer is \$4,600.											
<b>Risk</b>																
<ul style="list-style-type: none"> <li>Misallocation of scarce funds</li> <li>Lack of transparency and accountability</li> <li>Reputational damage</li> <li>Inequitable distribution of funds</li> </ul>																
<b>Recommendation</b>																
<p>We recommend management:</p> <ol style="list-style-type: none"> <li>Standardise procedures for grant applications to ensure completeness and accuracy.</li> <li>Implement the conflict-of-interest policy incorporated in the Employee Code of Conduct and s109 of the LG Act for staff and individuals involved in the evaluation process.</li> </ol>																
<b>Management Response and Agreed Action Plan</b>			<b>Acceptance (Y/N)</b>	<b>Target Date</b>												
(1) Agree to standardise procedures as recommended.			(1) Y	(1) 30/05/2025												
(2) Agree to include COI to standardise procedures.			(2) Y	(2) 30/05/2025												



<b>Finding 2. (F2)</b>	<b>Minor Capital Grants Process</b>	<b>Risk Category</b>	<b>Reputational; Finance</b>
		<b>Impact:</b>	<b>Moderate</b>
		<b>Likelihood:</b>	<b>Possible</b>
		<b>Risk Rating:</b>	<b>Medium</b>

**Finding(s)**

The Minor Capital Works Grants program funds community projects that enhance the Council's and privately owned assets. Its goal is to boost community participation and improve organisational viability, in line with the Salisbury City Plan Eligible applicants include incorporated associations, registered charities, or groups operating under an incorporated association or charity. A program review revealed several weaknesses in how the program administers grants:

- Salisbury Sportsman Association (Salisbury Football Club) missing certificate of incorporation.
- *The Minor Capital Works Guidelines and Eligibility* document includes Assessment Criteria; however, no supporting evidence has been provided to verify its use in the review process. Individuals involved in evaluating the grant applications for recommendation did not declare any potential conflicts of interest for the grants reviewed.
- Financial statements for Northern Districts Woodworkers Shed provided were not certified by a qualified auditor and only covered three months.

Table 7. Samples reviewed for Minor Grants testing

Name of Grant Applicant	Date	Award Application				Evaluation Process		Award Process
		Financial Statements	Concept Plans	Certificate of Incorporation	Applicant Committee Endorsing Application	Evaluating Team Conflict of Interest	Assessment Criteria	Award Letter/Committee Approval
Northern Districts Woodworkers Shed – Spray Booth	July 2024	Y	Y	Y	Y	N	N	Y
Salisbury North Football Club – 2 Story Coaches box	February 2024	Y	Y	Y	Y	N	N	Y
Salisbury Sportsman Association (Salisbury Football Club)	September 2023	Y	Y	N	Y	N	N	Y

**Risk**

- Biased decision-making
- Reputational damage



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**Recommendation**

We recommend management:

- (1) Implement a systematic record and filing review process to ensure approval letters and other critical documentation are present and correctly filed.
- (2) Develop and document clear assessment criteria for the grant application assessment process.
- (3) Require all individuals involved in evaluating grant applications to complete a formal conflict of interest declaration before their review.
- (4) Require financial statements to be certified by a qualified auditor or certified chartered accountant as part of the standard grant application review process.
- (5) Ensure all applicants provide a valid Certificate of Incorporation or equivalent documentation demonstrating their non-profit status.

Management Response and Agreed Action Plan	Acceptance (Y/N)	Target Date
(1) Implement a systematic file review process to ensure approval letters and other critical documentation are present and correctly filed. This work will be tied to the development of Objective, our new Electronic Document Management System (EDMS), which will be delivered next year 2025.	(1) Y	31/12/2025
(2) Agreed, administration to develop and document clear evaluation criteria for the grant application assessment process.	(2) Y	30/06/2025
(3) Require all individuals involved in evaluating grant applications to complete a formal conflict of interest declaration before their review.	(3) Y	Immediately
(4) Develop a formal process to undertake appropriate health checks and clubs annually (in relation to recommendation 4 & 5). This will be done in partnership with Sport and Recreation Division.	(4) Y	30/06/2025



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<b>Finding 3. (F3)</b>	<b>Leave balances</b>	<b>Risk Category</b>	<b>Finance</b>												
		<b>Impact:</b>	<b>Insignificant</b>												
		<b>Likelihood:</b>	<b>Likely</b>												
		<b>Risk Rating:</b>	<b>Low</b>												
<b>Finding(s)</b>															
<p>The audit identified annual and long service leave balances exceeding the limits defined in the relevant agreements.</p> <ul style="list-style-type: none"> <li><b>Annual Leave:</b> Clause 6.1.6 of the City of Salisbury Municipal Officers Agreement states: "Notwithstanding the provisions of this clause, an Employee may elect, with the consent of the Employer, to: Accrue and carry forward any amount of annual leave for a maximum of two (2) years from the date the Employee becomes entitled to the leave. Take annual leave in single days." The audit found instances of employees accruing annual leave balances in excess of the two-year limit (304 hours).</li> <li><b>Long Service Leave:</b> Clause 26.13 of the City of Salisbury, AWU and Local Government Employees document states: "Employees should not allow their Long Service Leave to accumulate beyond the maximum of 15 weeks." The audit noted long service leave balances exceeding the 15-week limit (507 hours).</li> </ul> <p>The Senior Payroll Officer stated that excess leave is currently being managed at the Executive/General Manager level through increased payroll reporting. "This has been implemented through PowerBI and enables GMs to see who in their department is carrying excess leave balances, which allows them to manage staff and direct them to take leave if/when required and in line with operational requirements."</p>															
<p><b>Annual Leave</b></p> <table border="1"> <caption>Annual Leave Distribution</caption> <thead> <tr> <th>Category</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Employees with more than 304 leave units</td> <td>8%</td> </tr> <tr> <td>Employees with Less than 304 leave units</td> <td>92%</td> </tr> </tbody> </table>		Category	Percentage	Employees with more than 304 leave units	8%	Employees with Less than 304 leave units	92%	<p><b>Long Service Leave</b></p> <table border="1"> <caption>Long Service Leave Distribution</caption> <thead> <tr> <th>Category</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>Employees with more than 507 leave units</td> <td>13%</td> </tr> <tr> <td>Employees with Less than 507 leave units</td> <td>87%</td> </tr> </tbody> </table>		Category	Percentage	Employees with more than 507 leave units	13%	Employees with Less than 507 leave units	87%
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Category	Percentage														
Employees with more than 507 leave units	13%														
Employees with Less than 507 leave units	87%														
<b>Risk</b>															
<ul style="list-style-type: none"> <li>Financial burden: Excessive leave accruals represent a significant financial liability for the City of Salisbury.</li> <li>Operational disruption: Large leave balances can disrupt workflow and productivity when employees take extended time off.</li> <li>Non-compliance: Failure to adhere to leave accrual limits outlined in the agreements may result in legal or contractual challenges.</li> <li>Potential Fraud Risk: Failure to take annual leave could result in undetected fraudulent activities within the Council.</li> </ul>															
<b>Recommendation</b>															
<p>We recommend management:</p> <ol style="list-style-type: none"> <li>Implement controls to enforce and prevent employees from accumulating leave beyond the defined limits, to eliminate any potential fraud occurring.</li> <li>Develop a clear policy and procedure for managing and reducing excess leave balances. This should include Regular monitoring of leave balances, Proactive communication with employees regarding excess leave and Clear guidelines for approving leave requests.</li> <li>Consider reviewing and updating the relevant agreements to ensure clarity and alignment with the Council's leave management practices and practical requirements.</li> </ol>															



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City of Salisbury Internal Audit Report – Fraud and Corruption Prevention Control Process // December 2024

Management Response and Agreed Action Plan	Acceptance (Y/N)		Target Date	
(1) Leave liability is now captured and will be reported quarterly to the Executive	(1)	Y	(1)	31/12/2024
(2) Executive to review risk and inform their leaders to put action plans into place	(2)	Y	(2)	31/03/2025
(3) Quarterly report to the Executive by the People and Performance Team to confirm the progress of leave management.	(3)	Y	(3)	30/06/2025

Item 7.2.1 - Attachment 1 - Internal Audit - Fraud and Corruption Prevention Control



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## Improvement opportunities

<b>Opportunity 1. (O1) Employee payroll processing records</b>			
<b>Observation(s)</b>			
The audit identified several payroll anomalies related to employee records and pay processing:			
<ul style="list-style-type: none"> <li>• Duplicate employee entries<sup>1</sup>: Employees appeared multiple times within pay runs. The Senior Payroll Officer attributed this to employees holding two positions with different pay policies, requiring separate entries.</li> <li>• Mid-fortnightly pay policy changes: The payroll system requires manual intervention when an employee's pay policy changes mid-fortnightly. This occurs because the system automatically calculates pay based on the rate applicable at the beginning of the fortnight.</li> <li>• Backpay processing errors: Annual leave backpay payable in period 5 was processed in period 6 (19/9/23).</li> <li>• Redundant multiple employment entries: Due to annual increases, employees engaged in two roles with previously different pay rates now have the same rate. The old system continues to separate these roles.</li> </ul>			
These issues may indicate:			
<ul style="list-style-type: none"> <li>• Manual workarounds: Reliance on manual interventions increases the risk of errors and inconsistencies in pay calculations.</li> <li>• The current setup may lead to unnecessary complexity and increased workload for payroll staff.</li> </ul>			
<b>Recommendation</b>			
We recommend management:			
<ol style="list-style-type: none"> <li>(1) Assess the system's ability to handle multiple employment scenarios and mid-fortnightly pay changes without manual intervention. If necessary, consider system upgrades or enhancements.</li> <li>(2) Develop clear procedures for managing complex pay situations and minimise manual intervention.</li> </ol>			
<b>Management Response and Agreed Action Plan</b>		<b>Acceptance (Y/N)</b>	<b>Target Date</b>
(1) The administration will investigate potential remedies with the supplier of the payroll system.		(1) Y	(1) 31/03/2025
(2) A checking procedure has been developed and utilised. This was completed in October 2024.		(2) Y	(2) Complete

<sup>1</sup> Due to the confidentiality of personal information, the sample tested, and the results obtained have not been included in this report. These have been separately shared and discussed with the Senior Payroll Officer.





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City of Salisbury Internal Audit Report – Fraud and Corruption Prevention Control Process // December 2024

### Appendix 1 – Gap analysis of key policies and procedures

No	Clause	Gap Identified	Recommendation	Management Response	Responsible Officer and Target Date
<b>Fraud, Corruption, Misconduct and Maladministration Prevention Policy</b>					
1	5.3 The council expects Employees and Council Members to assist in facilitating a sound ethical culture and preventing fraud, corruption, misconduct, and maladministration.	The policy emphasises a culture of lawful and ethical behaviour but lacks concrete measures to assess and monitor this culture.	Revise the policy to include mechanisms such as surveys, audits, or feedback systems to regularly assess and monitor the ethical culture.	The Policy will be reviewed and updated accordingly	March 2025
2	7. Educating for Awareness	The policy mentions educating Employees and Council Members but lacks specific training programs or initiatives.	Consider revising the policy to incorporate training programs designed for various roles and responsibilities, focusing on fraud awareness, prevention, and reporting procedures.	The Policy will be reviewed and updated accordingly	March 2025
<b>Financial Delegations Procedure</b>					
1	4.1 Acting in or backfilling a different role	Fraud may occur if employees act beyond their Delegation of Authority (DOA) or split procurement requirements to circumvent DOA processes.	Revise monitoring and reporting systems procedures to detect and investigate potential fraud or abuse of Delegation of Authority (DOA) processes when filling a different role.	Employee delegations are configured within Tech 1, and when acting, they move into an alternate role with appropriate delegations.  Monitoring of split procurement can be implemented and included in documentation.	March 2025  March 2025
2	6. Schedule	There is no established process for reviewing or updating the DOA limits.	Update the procedure to incorporate a process for regularly reviewing and updating the DOA limits, ensuring they align with the Council's risk tolerance.	Requests for updated delegations are appropriately signed off by the respective DM, GM and CEO.  Agree that annual review of delegation limits is appropriate, with reporting to the Executive to be included in documentation	July 2025



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City of Salisbury Internal Audit Report – Fraud and Corruption Prevention Control Process // December 2024

No	Clause	Gap Identified	Recommendation	Management Response	Responsible Officer and Target Date
<b>Procurement Policy</b>					
1	Section 6.7 A clear procedure for unsolicited proposals	Bid rigging: A pre-arranged proposal from a favoured company disguised as unsolicited.	Clearly define the criteria for evaluating unsolicited proposals and implement safeguards against bid rigging. Provide the criteria for this type of procurement category in the procurement framework or in the evaluation module of the procurement system.	Noted for Updating.	Procurement Team - July 2025
<b>Elected Member Allowances and Benefits Policy</b>					
1	9.3.2: "Expenses incurred for the care of a child of an Elected Member or a dependant of the Elected Member requiring full-time care as a consequence of the Elected Member's attendance at a function or activity on the business of Council (other than expenses for which the Member is reimbursed under section 77(1)(a) of the Local Government Act). An Elected Member is not entitled to be reimbursed if the care is provided by a person who ordinarily resides with the Member."	The clause lacks a process for verifying reimbursable expenses. The administration performs an exercise on the expenses of elected members.	<p>The current policy does not include a process for verifying reimbursable expenses. While the administration reviews the expenses submitted by elected members, we recommend the Council consider updating the policy to clarify the administration's role.</p> <p>To enhance accountability, all elected members should be required to submit detailed documentation for any reimbursable expenses. In accordance with the Australian Taxation Office (ATO) Tax Invoice guidance, invoices must meet specific criteria. For invoices totalling less than \$82.50, including GST, the invoice should provide the amount, a description of the service, and the provider's information, including their full name and address.</p> <p>For invoices between \$82.50 and \$1,000, the following information must also be included: the provider's full name and address, Australian Business Number (ABN), the date the invoice was issued, a brief description of the services provided, and the GST amount (if any) payable.</p>	The Policy will be reviewed and presented to the Council for consideration and adoption.	Governance - April 2025

Item 7.2.1 - Attachment 1 - Internal Audit - Fraud and Corruption Prevention Control



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City of Salisbury Internal Audit Report – Fraud and Corruption Prevention Control Process // December 2024

No	Clause	Gap Identified	Recommendation	Management Response	Responsible Officer and Target Date
<b>Evaluation and Probity Guidelines</b>					
1	"High Risk" activities (Page 3)	The definition of "high-risk" procurement activities is vague. This ambiguity could lead to inconsistent application of the guidelines and potentially allow fraudulent activities to go unnoticed.	Define "high-risk" activities with clear, objective criteria. This could include factors like: <ul style="list-style-type: none"> <li>Financial thresholds</li> <li>Sensitivity of goods/services</li> <li>History of corruption in similar projects</li> <li>Complexity of the procurement process</li> </ul>	Noted for updating guidelines.	Procurement Team - July 2025
2	Mandatory criteria assessment (Page 4)	The guidelines state that mandatory criteria will be assessed by the Strategic Procurement representative (SP), but there is no detail on how this assessment will be conducted or documented. This lack of transparency could create opportunities for fraud.	Develop a detailed checklist or scoring system for mandatory criteria. This will ensure consistent and objective assessment, reducing the risk of bias or fraud.	We currently have checklists and scoring for the mandatory criteria around WHS and the Northern Region, ensuring consistency in review by the procurement team. These have been developed in conjunction with the relevant area (e.g., P&P for WHS) and Northern Region employment based on the State Government's local purchase guidelines.  Noted for making this clearer in the guidelines	Procurement Team - July 2025
3	Negotiation process (Page 9)	Although the guidelines outline negotiation objectives, they lack specific procedures or safeguards for the negotiation phase. This absence of guidance may lead to opportunities for unfair practices or collusion.	Develop a detailed negotiation protocol that includes: <ul style="list-style-type: none"> <li>Transparency requirements (e.g., record-keeping, disclosure of conflicts of interest)</li> <li>Limits on the number of negotiation rounds</li> <li>Clear criteria for evaluating best and final offers</li> </ul>	Noted for Development and Implementation where multiple vendors are being negotiated with for the same procurement	Procurement Team - July 2025
4	Probity auditor appointment (Page 10)	The guidelines mention the potential appointment of a probity auditor for large or complex procurements but do not provide clear criteria or procedures for this appointment. This ambiguity could	Develop clear criteria and procedures for appointing probity auditors, including:	Noted for development and implementation	Procurement Team - July 2025



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Item 7.2.1 - Attachment 1 - Internal Audit - Fraud and Corruption Prevention Control

OFFICIAL - SENSITIVE

City of Salisbury Internal Audit Report – Fraud and Corruption Prevention Control Process // December 2024

No	Clause	Gap Identified	Recommendation	Management Response	Responsible Officer and Target Date
		lead to inconsistent use of probity auditors and potential gaps in oversight.	<ul style="list-style-type: none"> <li>• Thresholds for mandatory appointment (e.g., project value, risk level)</li> <li>• Selection process for the auditor</li> <li>• Terms of reference defining the auditor's role and responsibilities</li> </ul>		
5	Information leaks during document storage and communication (Page 12)	The guidelines address the security of procurement-related information but would benefit from more specific security measures. There is a risk of unauthorised access, disclosure, or manipulation of sensitive documents.	Implement more robust security measures, including: <ul style="list-style-type: none"> <li>• Access controls (e.g., password protection, encryption)</li> <li>• Version control and audit trails for documents</li> <li>• Secure document disposal protocols</li> <li>• Data breach response plan</li> </ul>	Currently there are good system controls regarding access to information and documentation with security models in Tech 1 and ECM, and with limited roll out of Ready Contracts  Noted for review as part of the implementation of new systems/modules as part of Project Connect.	Already in place  Ongoing

**IT Access Controls**

1	Access Control Policy, Information Management Policy, and Special Access Policy	Policies and Procedures: <ul style="list-style-type: none"> <li>• No mechanism to ensure managers promptly report significant changes in user duties or employment status to the IT Help Desk.</li> <li>• Lack of guidance for securing confidential information during printing, scanning, and faxing.</li> <li>• Unclear scope of information subject to random management reviews.</li> <li>• Unclear process for deleting or disposing of electronic records.</li> </ul> Data Management: <ul style="list-style-type: none"> <li>• The policies do not specify the location of approved corporate information repositories.</li> </ul>	We recommend management: <p>Develop and/or update procedures for securing information, clarify the scope of random management reviews, and establish a process for deleting electronic records.</p> <p>Designate secure and accessible repositories for corporate information, specifying their location and type.</p> <p>Establish clear guidelines for determining retention periods based on legal, regulatory, and operational needs. Create a standardised "Intention to Destroy Form" and an authorisation process for deleting electronic records, outlining the roles and responsibilities involved.</p> <p>To ensure data security during offsite transfer, develop and implement guidelines for encryption, access</p>	The Access Control Policy will be reviewed and updated accordingly.  Processes for onboarding, crossboarding and offboarding are currently being reviewed as part of the implementation of new system functionality due to be completed at end 2025.  All SaaS Solutions have recommended encryption and access controls.  Information Assets team will update the relevant suite of policy and procedural documents accordingly.	Technology & Digital Solutions team - December 2025  Information Assets team - April 2025
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Item 7.2.1 - Attachment 1 - Internal Audit - Fraud and Corruption Prevention Control

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City of Salisbury Internal Audit Report – Fraud and Corruption Prevention Control Process // December 2024

No	Clause	Gap Identified	Recommendation	Management Response	Responsible Officer and Target Date
		<ul style="list-style-type: none"> <li>No guidance on determining appropriate retention periods for different types of information.</li> <li>A clearly defined process for documenting electronic records to be deleted, including the "Intention to Destroy Form" and the authorisation process, is missing.</li> </ul> <p>Data Security: The policies lack specific guidance on protecting archives of business information transported offsite.</p>	controls, secure storage, and chain-of-custody procedures.		

Item 7.2.1 - Attachment 1 - Internal Audit - Fraud and Corruption Prevention Control



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City of Salisbury Internal Audit Report – Fraud and Corruption Prevention Control Process // December 2024

## Appendix 2 – Documents accessed and consultation

Documents provided and reviewed throughout the audit accessed through other platforms and provided by Salisbury Council include:

### General Documents

- Criminal Law Consolidation Act 1935
- Lobbyists Act 2015
- Local Government Act 1999
- Ombudsman Act 1972
- Public Corporations Act 1993
- Public Interest Disclosure Act 2018
- Public Interest Disclosure Regulations 2019
- Public Sector (Honesty and Accountability) Act 1995

### Provided by Council

- Fraud, Corruption, Misconduct and Maladministration Prevention Policy
- Financial Delegations Procedure
- Procurement Policy
- Procurement Framework
- Behavioural Management Policy
- Fair Treatment Policy
- Code of Practice for Access to Meetings and Associated Documents
- Elected Member Allowances and Benefits Policy
- Employee Conduct Policy - 2023\_Final
- Defence Reserve Leave Policy
- Behavioural Standards for Council Members (formerly Code of Conduct)
- Purchase Card Guidelines
- Drug and Alcohol Policy
- Drug and Alcohol Management Procedures
- Guidelines for Expenditure of Public Funds
- Information Management Policy
- Internet Use Policy
- Communication and Mobile Devices Policy
- Laptop And Tablet Security Policy
- Computers for Elected Members Policy
- Computer Systems and Equipment Use Policy
- Cyber Crime and Security Incident Policy
- Access Control Policy
- Special Access Policy
- Cloud Computing
- IT – Confirmed 2024 User Access List
- Payroll system access 2024
- The Lookout Way – Data Management System - Access 2024
- Finance System Security - System Admin User Access Report



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22

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City of Salisbury Internal Audit Report – Fraud and Corruption Prevention Control Process // December 2024

- Finance System Security - User Access Report - 2 Oct 24
- Pathway Modules Users Access
- Strategic Risk Register Aug 2024 ARC
- Salisbury Organisational Chart
- City of Salisbury – City Plan 2035
- Evaluation and Probity Guidelines – Strategic Procurement
- Treasury Policy
- Financial Delegation Report by Department and Division as at 01/09/2024
- Grants Register 2023-2024
- Active-and-Connected-Community-Grant-Guidelines
- Community Grant Eligibility Criteria and Guidelines
- Economic-Growth-Community-Grant-Guidelines
- Sustainability-Community-Grant-Guidelines
- Purchase Card Guidelines
- Accrual Liability 30 June 2024
- Checklist Fortnightly Pay Run
- Employee Listing 23.09.24
- Payroll Calculation Spreadsheet

Other additional documents were provided to enable us to perform our detailed internal controls testing and performance of walkthroughs.

We would like to extend our appreciation to the following individuals who participated in and provided information during this internal audit review.

- Sharon Kinsella, Audit & Risk Manager
- Rudi Deco, Governance Manager
- Kate Fennell, Senior Payroll Officer
- Michelle Collins, Manager Technology and Digital Solutions
- Hayley Berrisford, PA to General Manager Community Development
- Melissa Hamilton, Team Lader Accounting Services
- Kate George, Manager Finance & Procurement Services
- Matthew Coldwell, Team Leader Procurement & Systems



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23

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City of Salisbury Internal Audit Report – Fraud and Corruption Prevention Control Process // December 2024

## Appendix 3 – Risk rating matrices

Below is an audit assessment of the residual risk based on the Council's risk framework for the process reviewed regarding the issues identified by the audit.

**Risk Matrix**

Likelihood Score	Almost Certain	5	Medium 5	Medium 10	High 15	Very High 20	Very High 25
	Likely	4	Low 4	Medium 8	High 12	High 16	Very High 20
	Possible	3	Low 3	Medium 6	Medium 9	High 12	High 15
	Unlikely	2	Low 2	Low 4	Medium 6	Medium 8	Medium 10
	Rare	1	Low 1	Low 2	Low 3	Low 4	Medium 5
				1	2	3	4
			Insignificant	Minor	Moderate	Major	Catastrophic
			Consequence Score				

The Council has developed a risk rating framework to prioritise findings based on their potential impact. Considering existing controls, this framework helps determine the likelihood of a risk occurring.

RATING	SCORE	DESCRIPTION
Rare	1	The event may occur only in exceptional circumstances (i.e. extremely low probability, and will only occur in exceptional circumstances - could occur once in a period greater than 20 years).
Unlikely	2	The event could occur at some stage (i.e. probability of occurrence at least once within a 10 to 20-year period)
Possible	3	The event might occur at some time (i.e. probability of occurrence within 3 to 9 years)
Likely	4	The event will probably occur at most times (i.e. probability of occurrence within 1 to 2 years)
Almost Certain	5	The event is expected to occur in most times (i.e. probability of occurrence at least once within 1 year)

### Measures of corporate risk consequence or impact

Where a risk has implications across several areas of impact, the highest rating should be used to determine the overall level of risk. However, each identified risk should be assessed using mitigation/action.

RATING	Score	AREA OF IMPACT / CONSEQUENCE FACTORS (aligned to LGA sector recommended factors)					
		Environment / Political / Community	Reputation	Finance	Legal / Regulatory	Injury / Operational Management	Service Interruption
Insignificant	1	Nil	Nil	Less than \$20,000	None	Nil	Minor interruption to service provision capability, e.g. less than 4 hours.
Minor	2	Minor short-term environment, conservation, political or community issue.	Minor media interest	\$20,000 - \$100,000	Minor legal, regulatory or internal policy failure.	<ul style="list-style-type: none"> <li>Unexpected/unplanned absence of a staff member.</li> <li>Potential for minor injury.</li> <li>First aid treatment required.</li> </ul>	Limited disruption to service provision requiring altered operational arrangements for a short period, e.g. up to 1 day
Moderate	3	Environment, conservation, political or community incident requiring City intervention.	Moderate media interest	\$100,000 - \$500,000	Limited legal, regulatory or internal policy failure.	<ul style="list-style-type: none"> <li>Unexpected/unplanned absence of a key staff member.</li> <li>Medical treatment required.</li> </ul>	Some disruption to service provision capability requiring altered operational arrangements, e.g. between 1 day and 1 week.
Major	4	Medium-term issue with major environment, conservation, political or community impact.	High media interest	\$500,000 - \$1 million	Major legal, regulatory or internal policy failure.	<ul style="list-style-type: none"> <li>Unexpected/unplanned absence of several key staff members from a single area.</li> <li>Significant injury to staff disabling them/dangerous near miss.</li> </ul>	Significant impairment of service provision (capability or period), e.g. between 1 week and 1 month.
Catastrophic	5	Long-term issue with major environment, conservation, political or community impact.	Public censure or government inquiry	More than \$1 million	Critical legal, regulatory or internal policy failure.	<ul style="list-style-type: none"> <li>Unexpected/unplanned absence of a significant number of staff, e.g. during a pandemic.</li> <li>Death / critical injury to staff.</li> </ul>	Total loss of service provision capability for extended period, e.g. more than 1 month.



OFFICIAL: Sensitive

Item 7.2.1 - Attachment 1 - Internal Audit - Fraud and Corruption Prevention Control



<b>ITEM</b>	7.2.2
	<b>AUDIT AND RISK COMMITTEE</b>
<b>DATE</b>	11 February 2025
<b>HEADING</b>	Audit and Risk Committee Annual Work Plan - 2024/2025
<b>AUTHOR</b>	Sharon Kinsella, Audit and Risk Manager, CEO and Governance
<b>CITY PLAN LINKS</b>	4.3 Our council is recognised for delivering exceptional community experiences and quality outcomes 4.4 Our community is engaged and connected
<b>SUMMARY</b>	The Audit & Risk Committee Annual Work for 2024/2025 is attached for review by the Audit and Risk Committee.

**RECOMMENDATION**

That Council:

1. Notes the Audit and Risk Committee Annual Work Plan 2024/2025 as set out in Attachment 1 to this report (Item No. 7.2.2, Audit and Risk Committee, 11 February 2025).

**ATTACHMENTS**

This document should be read in conjunction with the following attachments:

1. Audit and Risk Committee - Annual Plan

**1. BACKGROUND**

- 1.1 The Annual Work Plan 2024/2025 was last presented to the Audit and Risk Committee at its meeting held on 12 November 2024.
- 1.2 Section 126 of the *Local Government Act 1999* (the Act) states that:

*The functions of a council audit and risk committee include—*

- (a) *reviewing annual financial statements to ensure that they present fairly the state of affairs of the council; and*
- (b) *proposing, and providing information relevant to, a review of the council's strategic management plans or annual business plan; and*
- (c) *monitoring the responsiveness of the council to recommendations for improvement based on previous audits and risk assessments, including those raised by a council's auditor; and*
- (d) *proposing, and reviewing, the exercise of powers under section 130A; and*
- (e) *liaising with the council's auditor in accordance with any requirements prescribed by the regulations; and*
- (f) *reviewing the adequacy of the accounting, internal control, reporting and other financial management systems and practices of the council on a regular basis; and*
- (g) —

- (i) if the council has an internal audit function—
  - (A) providing oversight of planning and scoping of the internal audit work plan; and*
  - (B) reviewing and commenting on reports provided by the person primarily responsible for the internal audit function at least on a quarterly basis; or**
- (ii) if the council does not have an internal audit function, reviewing and commenting on an annual report provided by the chief executive officer in relation to the policies and processes adopted by the council to evaluate and improve the effectiveness of its internal control practices and procedures; and*
- (h) reviewing and evaluating the effectiveness of policies, systems and procedures established and maintained for the identification, assessment, monitoring, management and review of strategic, financial and operational risks on a regular basis; and*
- (i) reviewing any report obtained by the council under section 48(1); and*
- (j) performing any other function determined by the council or prescribed by the regulations.*

## **2. DISCUSSION**

- 2.1 The purpose of the Audit and Risk Committee Annual Work Plan is to ensure that all essential areas are covered by the Audit and Risk Committee, in performing its roles and responsibilities under section 126 of the *Local Government Act 1999* (the Act).

## **3. CONCLUSION**

- 3.1 This report outlines the Audit and Risk Committee Annual Work Plan for the 2024/2025 financial year.

## Audit and Risk Committee Annual Plan 2024/2025

Activity	Responsible officer	Timing 2024 / 2025				Comments
		Q1 (Jul- Sept)	Q2 (Oct- Dec)	Q3 (Jan- Mar)	Q4 (Apr- Jun)	
<b>Audit &amp; Risk Committee performance</b>						
- Recommendations of the Audit and Risk Committee presented to Council.	Audit and Risk Manager (A&RM)	✓	✓	✓	✓	
- Present annual work plan	Audit and Risk Manager	✓		✓		
- Draft self-assessment recommendation for Councils endorsement.	Audit and Risk Manager	✓		✓		
- Present self-assessment results	Audit and Risk Manager				✓	
- Review of Terms of Reference (alternate years)	Audit and Risk Manager					Next review date Nov 2026
<b>Financial Reporting</b>						
- Review annual financial statements	Finance Manager		✓			
- Review asset valuations	Finance Manager		✓			
- Review methodology and approach to depreciation	Finance Manager		✓			
- Review significant accounting and reporting issues, changes to accounting standards and industry updates	Finance Manager		✓			
<b>Management Plans &amp; Business Plans</b>						
- Review of annual business plan and budget	Finance Manager				✓	
- Review of long-term financial plan (s.122(4)(a) on an annual basis)	Finance Manager				✓	
- Review of infrastructure and asset management plan(s)	City Infrastructure				✓	
- Review of strategic plan (s.122(4)(b) within 2 years after each general election)		N/A				
<b>Risk Management</b>						

## Audit and Risk Committee Annual Plan 2024/2025

Activity	Responsible officer	Timing 2024 / 2025				Comments
		Q1 (Jul- Sept)	Q2 (Oct- Dec)	Q3 (Jan- Mar)	Q4 (Apr- Jun)	
- Review strategic risk register	Audit and Risk Manager	✓				All changes will be reported to committee.
<b>Internal Controls</b>						
- Review internal controls self-assessment	Control Owners				✓	
- Review internal control policies and procedures	Audit and Risk Manager	✓				
<b>Internal Audit</b>						
- Oversight of planning and scoping of internal audit plan [within 3-Year Internal Audit Plan quarterly report]	Audit and Risk Manager	✓	✓	✓	✓	
- Review (as presented) internal audit reports	Audit and Risk Manager	✓				
- Internal Audit – Action status report	Audit and Risk Manager	✓	✓	✓	✓	
- CEO's annual report to the Audit & Risk Committee; COS's internal audit processes (S.99)	CEO	✓				
- Annual report of the Audit & Risk Committee activities, for inclusion in the COS's annual report	Audit and Risk Manager	✓				
<b>External Audit</b>						
- Submission of Annual Audit Plan	BDO / Audit and Risk Manager				✓	
- Review interim audit report	BDO / Audit and Risk Manager	✓				
- Review final external audit report	BDO / Audit and Risk Manager		✓			
- Review management representation letters	CEO		✓			
- Meet with External Auditor (in confidence)	BDO		✓			
<b>Other Reporting</b>						
- Cybersecurity report	Technology Manager	✓	✓	✓	✓	

## Audit and Risk Committee Annual Plan 2024/2025

Activity	Responsible officer	Timing 2024 / 2025				Comments
		Q1 (Jul- Sept)	Q2 (Oct- Dec)	Q3 (Jan- Mar)	Q4 (Apr- Jun)	
- CEO's consultation report to the Committee on appointment of a 'person primarily responsible for the internal audit function'.	CEO	N/A				Ad-hoc
- Litigation risk update	Manager of Governance					Ad-hoc



<b>ITEM</b>	7.2.3
	<b>AUDIT AND RISK COMMITTEE</b>
<b>DATE</b>	11 February 2025
<b>HEADING</b>	Risk Management and Internal Control Activities
<b>AUTHOR</b>	Sharon Kinsella, Audit and Risk Manager, CEO and Governance
<b>CITY PLAN LINKS</b>	4.3 Our council is recognised for delivering exceptional community experiences and quality outcomes 4.4 Our community is engaged and connected
<b>SUMMARY</b>	This report provides an update on the Risk Management and Internal Control activities undertaken and planned since the last update to the Audit and Risk Committee in November 2024.

**RECOMMENDATION**

That Council:

1. Notes the updates on Risk Management and Internal Control activities detailed for 2024/2025, as set out in this report (Item No. 7.2.3, Audit and Risk Committee, 11 February 2025).

**ATTACHMENTS**

There are no attachments to this report.

**1. BACKGROUND**

- 1.1 This report provides an update on the risk management and internal control activities undertaken and planned since the November 2024 Audit and Risk Committee meeting.
- 1.2 The report allows the Audit and Risk Committee to monitor and review these activities and assurances they provide.

**2. OPERATIONAL RISK REGISTER REVIEW**

- 2.1 A project is nearing completion to establish, review, or update the Operational Risk Registers across the entire Council.
- 2.2 As per the recommendation following the Local Government Risk Services review and following suggestion from the Audit and Risk Committee, Operational Risk Registers have been prepared for all divisions within the organisation. These document the key operational risks with mitigating controls in place, and where required an action plan to address gaps identified.
- 2.3 Training workshops have taken place with General and Divisional Managers, and drafting of risk assessments are being finalised.

- 2.4 Upon completion, a report will be presented to the Executive, followed by a review and update of the Strategic Risk Assessment.

### **3. STRATEGIC RISK REGISTER**

- 3.1 A Strategic Risk Register is a living document and continuous work in progress. This is demonstrated by the following points:
  - 3.1.1 October 2023 – The causes, controls and ratings were expanded for the approved risk descriptions and a draft new strategic risk register was shared with the Senior Leadership Team (SLT - all Divisional Managers).
  - 3.1.2 November 2023 - Feedback from SLT was incorporated.
  - 3.1.3 January 2024 – Further review and consideration by Executive.
  - 3.1.4 February 2024 – Audit and Risk Committee consultation.
  - 3.1.5 August 2024 – Strategic Risk Register was presented to Audit and Risk Committee in August.
  - 3.1.6 November 2024 – Training completed on our Operational Risk Assessment with all Divisional Managers, the Strategic Risk Register will be reviewed and updated with the CEO and the Executive team post this review.
  - 3.1.7 All changes to the Strategic Risk Register will be tabled at the Audit and Risk Committee as they occur.

### **4. ASSURANCE MAP**

- 4.1 Work has commenced to update the City’s Assurance Map; the aim of this review is to determine the overall assurance level in key functions and areas.
- 4.2 This map helps Council to visualise and assess how well different assurance activities are aligned with the risk management framework. By mapping out what is providing assurance, what risks are being addressed, and the effectiveness of these assurances, it can help us identify gaps, overlaps, and areas for improvement in risk management and assurance processes.
- 4.3 A review of the assurance map will be presented to Audit and Risk Committee in August 2025.

### **5. CLIMATE CHANGE**

- 5.1 Following completion of a Climate Change Risk Assessment in March 2024, Council approved development of a Climate Change Adaptation Action Plan to guide and prioritise risk controls and next steps.
- 5.2 The Audit and Risk Committee noted a report on the Climate Change Risk Assessment on 13 August 2024 and an update on progress of next steps was provided in November 2024.



- 5.3 As advised in November 2024, a consultant has been engaged to undertake a technical analysis to identify vulnerabilities, refine risk ratings and target adaptation measures more effectively for community services provided by assets and infrastructure.
- 5.4 The consultant facilitated a workshop with key staff on 12 December 2024 to discuss spatial data and methodology for the technical analysis project. Following the workshop, a draft methods paper was provided by the consultant for review and spatial data is progressively being provided to the consultant to inform the spatial analysis.
- 5.5 Over the next 3 months the technical analysis project will be completed to inform development of a Climate Change Adaptation Action Plan for consideration by Council in mid-2025.

**6. CONCLUSION**

- 6.1 This report provides a summary of the risk management and internal controls activities undertaken since its last presentation to the Audit and Risk Committee in November 2024.



<b>ITEM</b>	7.2.4
	<b>AUDIT AND RISK COMMITTEE</b>
<b>DATE</b>	11 February 2025
<b>HEADING</b>	Internal Audit Actions Status Update
<b>AUTHOR</b>	Sharon Kinsella, Audit and Risk Manager, CEO and Governance
<b>CITY PLAN LINKS</b>	4.3 Our council is recognised for delivering exceptional community experiences and quality outcomes 4.4 Our community is engaged and connected
<b>SUMMARY</b>	This report provides an update on actions in progress arising from previously completed internal audits

**RECOMMENDATION**

That Council:

1. Notes the report and the Internal Audit - Action Register in Attachment 1 to this report (Item No.7.2.4, Audit and Risk Committee, 11 February 2025).

**ATTACHMENTS**

This document should be read in conjunction with the following attachments:

1. Internal Audit - Action log
2. Management of Contaminated Sites - Audit Log Action #35
3. Project Management - Audit Log Action #75

**1. BACKGROUND**

1.1 This report provides a status update on the actions from past internal audits, showing a summary position, number of actions by risk rating and the movement of actions since it was last presented to the November 2024 Audit & Risk Committee meeting.

**2. CONSULTATION / COMMUNICATION**

2.1 Audit Action Process Owners

**3. DISCUSSION**

- 3.1 The total number of Audit actions in progress reported to the November 2024 Audit and Risk Committee was 11.
- 3.2 A total of two (2) actions were closed for this reporting period from November 2024 to February 2025, which included one medium rated risk and one better practice recommendation.
- 3.3 Following the completion of the Tree Management Internal Audit, presented to Audit and Risk Committee (Item 7.2.1, 12 November 2024), thirteen (13) actions were added to the Internal Audit Log.

- 3.4 Following the completion of the Procurement Better Practice Review, presented to the Audit and Risk Committee (Item 7.2.2, 12 November 2024), eight (8) actions were added to the Internal Audit Log. While these are recommendations rather than internal audit actions, they will be tracked for full accountability to ensure they are addressed within the agreed timeframes.
- 3.5 New actions for the Fraud and Corruption Prevention Control internal audit will be incorporated into the action log and reported quarterly to the Audit and Risk Committee until completion.
- 3.6 A summary of the actions in progress remaining as at 11 February 2025, their status and risk ratings, and the level of completion relative to the total number of actions for the respective audit, are below:

Audit	Total # Actions	Actions Completed	% Complete	Actions Outstanding	% Outstanding	Status of Outstanding Actions
Management of Contaminated Sites - Oct 2020	14	13	93%	1	7%	1 extended (see attachment 2 for further information)
Capital Works Project Audit - Nov 2021	3	2	67%	1	33%	1 extended (see attachment 3 for further information)
Fleet Heavy Vehicle, High Value and Portable Assets Audit – Feb 2023	9	7	78%	2	22%	(2 medium risks)
Strategic Reporting Process - Feb 2024	7	5	71%	2	29%	(1 high risk, 1 med risk)
Rates Setting and Revenue Process	7	3	43%	4	57%	(2 med risk and 1 low risk, 1 better practice)
Tree Management	13	1	8%	12	92%	(11 med risk and 1 better practice)
Procurement Better Practice	8	0	0%	8	100%	Better practice recommendations
<b>TOTAL</b>	<b>61</b>	<b>31</b>	<b>51%</b>	<b>30</b>	<b>49%</b>	

3.7 The status of all actions with agreed target dates, relevant action owners and updated commentary is included in Attachment 1, 2 and 3.

**4. CONCLUSION**

- 4.1 This report provides a summary of the position on actions from past internal audits, since the November 2024 Audit & Risk Committee meeting.
- 4.2 Two actions were closed in this reporting period; 10 actions are due to close within the next reporting period. A total of 21 new actions have been added to the action log, bringing the total to 30 actions, all of which will be tracked to completion.

Audit Log Actions Register - 11 February 2025										
Log #	Audit	Risk Rating	Title: Finding/Opportunity for Improvement	Recommendations	Management Response / Action Agreed	Responsible Officer	Target Date	Revised Date	Audit Manger comment as at 30/10/2024	Resolved
35	Management of Contaminated Sites	Better Practice	Management of Contaminated Sites Integrated into a Single Framework	The management of contaminated sites should be integrated into a single framework, providing documented feedback mechanisms, and ensuring the overall risk to the CoS and the Recycled Water Systems are appropriately managed.	a) Noted b) At this point in time the Contaminated Site Register sits in the Corporate GIS system and is managed by City Infrastructure, however there is no mechanism to provide ongoing reporting in this area, other than on an incident by incident basis. c) Also agree that a more integrated approach across Council Departments is required. This is proposed to be done by revising the Integrated Water Cycle Management Plan into a new Integrated Catchment Risk Management Plan and up-dating all Stormwater Management Plans (SMPs) to ensure they model and monitor water quality issues as well as water quantity (i.e. flood management).	Beth / Craig Johansen (Team Leader Streetscape and Open Space Assets)		Jun-26	There are 10 sub-components to this action, final action due to close by June 2026. <b>One</b> sub-components closed in this reporting period. See attachment 2 for further details.	No
75	Capital Works Projects Audit	High	Project Management Pressure Points - Action Plan Items	Recommendation from Feb 2023 Audit & Risk Committee was to track the status of Capital Works Project Audit Pressure Point Action Plan presented to the A&RC and include that in the Audit Log Action Items Register.	The Action Plan items are included as a separate attachment and status update tracked from the action owners and reported to every A&RC meeting until fully resolved. See Attachment 2 for details.	Jarred Collins, Manager Infrastructure Delivery.	Dec-24	Jun-25	There are 11 sub-components to this action, 7 are closed, the remaining have been extended (see attachment 3 for details) . Extension does not effect any business process.	No
79	Fleet Heavy Vehicle High Value and Portable	Medium	Private Use Vehicles and Salary Sacrifice Calculator	1) Considering the 20% pool discount benefit entitlement applied for Private-Use vehicles, for clarity it is recommended that Administration ensures that all such vehicles are either made available for car pool booking on a common standard platform accessible to all employees as per current Motor Vehicle Policy or revise the Motor Vehicle Policy specifying any exceptions. 2) Ensure employees are appropriately briefed on the vehicle use policy, terms and conditions, and establish a sign-off induction checklist document for private use vehicle handover process. 3) Consider the engagement of an independent external consultant to benchmark with other councils and industry better practice processes, to review the current Motor Vehicle Policy, including a review of the salary sacrifice calculator, and current vehicle usage options.	Agree with the recommendation. A working group has been established to review and update the Vehicle Policy.	Mark Purdie (Manager Field Services)	30/06/2023	30/11/2023 May-2024 Jun-2025	Motor Vehicles policy was presented to Executive in January 2025 further review to be undertaken on the risk management of the use of private vehicles for work purposes. People and Performance working with Field Service.	No
81	Fleet Heavy Vehicle High Value and Portable	Medium	Policies and Procedures	1. Review the following policies and procedures that have gone beyond their current stated next review dates: a) Asset Management Policy. b) Motor Vehicle Policy. c) Procurement Framework.  2. It may be beneficial to incorporate the following specific process enhancements or clarifications: a) In the Disposal of Assets Other than the Land Policy, clarify the responsible authority for approval of asset disposals. b) In the Disposal of Assets Other than the Land Policy, clarify the process for disposal or write off of minor assets as this category is not clearly articulated.	Recommendation 1a): Agree with recommendation. Work is underway to review and update the Asset Management Policy. Recommendation 1b): Agree with recommendation. Work is underway to review and update the Motor Vehicle Policy. Recommendation 1c and 2: Agree with recommendation. Will be resolved by 30 September 2023	1a) Chris Haskas <del>Jonathan Foong</del> (Manager Urban, Recreation and Natural Assets)  1b) Mark Purdie (Manager Field Services);  1c&2) Kate George (Manager Finance & Procurement)	1) 30 Sep 2023 2) 30 September 2023	31/12/2023 June-2024 June 2025	1) Policy and Frameworks all currently being worked on. Asset Management policy will be presented to Council for adoption in March 2025. Motor Vehicle policy was presented to Executive in January 2025 further review to be undertaken on the risk management of the use of private vehicles for work purposes. Procurement Framework, further enhancement required post the Procurement Better Practice review presented to Committee in Nov 24.  2) <b>CLOSED:</b> Draft Portable items and Stocktake procedure in place to be approved by Executive in August. Procedure includes disposal of assets	No

Log #	Audit	Risk Rating	Title: Finding/Opportunity for Improvement	Recommendations	Management Response / Action Agreed	Responsible Officer	Target Date	Revised Date	Audit Manger comment as at 30/10/2024	Resolved
86	Strategic Reporting Process	3 Medium	2.1 Opportunities exist to strengthen governance over strategic planning	Recommendation 2: Legislative non-compliance (Minor)	2) The following specific actions will be undertaken to ensure full compliance with the Act: - s122(1)(d): SMART KPIs will be considered for next City Plan. - s122(1)(e): Budget allocations breakdown for City Plan critical actions will be considered where possible, to implement recommendations in finding 2.3 - s122 (1)(g): COS will give consideration to implementing further organisational delivery frameworks which provides for separation of regulatory activities and other activities, and incorporate within the City Plan an overview of functional structure of the business. - s122(1)(h): COS's only subsidiary is NAWMA, which is an independently managed and operated entity. NAWMA Business Plan and Charter, is reviewed by COS, and a reference to include this will be added to the new City Plan as a review requirement. - s122 (8): Administration will incorporate a schedule in the New City Plan declaring what would constitute the strategic planning documents that are deemed relevant, e.g. City Plan, LTFF, SAMP, ABP and other key strategic documentations such as North West Growth Strategy, Thrive Strategy, Transportation Plan, Sustainability Strategy, Business Transformation project and Customer Services etc.Low (4)	CEO	Jul-24	Mar-25	Development of the Organisational Delievery Plan has commenced and will be finalised in Q3 2024/25	No
88	Strategic Reporting Process	High	2.2 Reporting and transparency in achieving the City Plan	Recommendation 4: Detailed delivery plan	4)Agreed. It is intended to develop a Departmental Delivery Plan as part of the development of the next City Plan being finalised.	CEO	Dec-24	Mar-25	Development of Divisional Plans has commenced and content will be incorporated in the Organisational Delivery Plan. A system to track delivery of the plan will be developed once the plan is finalised.	No
93	Rates Setting and Revenue Process	Low	The Community Consultation Policy	The Community Consultation Policy on the Council's website is out of date for review.	As an interim measure, the Administration will administratively review the current policy (i.e. no actual change in policy position; rather, editorial update) and then, in due course, seek the Council to consider and adopt the new CEC and Community Engagement Policy position.	Manager Community Experience	Apr-24	Mar-25	The Administration has commenced a review of the current policy to be complete in March 2025.	No
94	Rates Setting and Revenue Process	Medium	Meeting for the consultation on the ABP.	The Public Meeting was held before the 21 days had been completed from the date of the notice of the meeting for the consultation on the ABP.	For the next ABP process cycle, these timeframes will be incorporated into the scheduling. Noted that the meeting was held on day 20 for the 2023/24 ABP consultation process.	Manager Finance & Procurement Services	Jun-24	May-25	The next ABP will be scheduled to reflect requirement (this will be in May 2025)	No

Log #	Audit	Risk Rating	Title: Finding/Opportunity for Improvement	Recommendations	Management Response / Action Agreed	Responsible Officer	Target Date	Revised Date	Audit Manger comment as at 30/10/2024	Resolved
98	Rates Setting and Revenue Process	Better Practice	If an instalment is not paid when due, a fine of 2% is payable, and after each full month after the date due, interest accrues.	If an instalment is not paid when due, a fine of 2% is payable, and after each full month after the date due, interest accrues. Rate Notices with Fines and Interest only show one figure labelled 'Fines', which includes both the fines and the interest. Business Improvement Opportunity: Showing Fines and Interest separately on rates notices may make it easier for ratepayers to understand what they are being charged for when their payments are late.	This is unable to be done in the current system. UHY Response: The Council is changing software. This should be noted as an improvement for the new software.	Manager Finance & Procurement Services	Mar-25		Will be considered in system optimisation commencing March 2025	No
99	Rates Setting and Revenue Process	Medium	Postponed rates can be charged interest, but the interest on the postponed rates notices uses the description fines.	Postponed rates can be charged interest, but the interest on the postponed rates notices uses the description fines. Recommendation: R18 (6)(b)(ii) Legislation requires that subsequent rates notices must show information about the amount of interest that has accrued under the postponement. The Council's rate notices only show one line, labelled fines, that includes fines and interest. The Notices should show interest separately.	This is unable to be done in the current system. UHY Response: The Council is changing software. This should be noted as a requirement in the new software.	Manager Finance & Procurement Services	Mar-25		Will be considered in system optimisation commencing March 2025	No
100	Tree Management Framework	Medium	Recommendation1 : Defining the City's strategic intention for trees.	Clarify and define the COS' strategic intention around trees (for example – retain current levels, increase, decrease levels), including why trees are of importance to the environment/community. This direction can then be used to inform ongoing planning and operations of COS staff. Note – this will need to be informed by SA Government expectations (eg Urban Greening Strategy), new legislative requirements and Council's financial capacity. For example, in-house estimations are that the cost of planting/maintaining and watering a new tree in initial years is \$500.	Develop a strategy to provide clarity and direction.	GMCI	Dec-25		Next update will be in August Audit and Risk Committee.	No
101	Tree Management Framework	Medium	Recommendation 2: Updating the Tree Management Procedure	Update and finalise the Tree Management Procedure. Note, one element to update and strengthen is around the management of significant/regulated and landmark trees – including roles/responsibilities for this across teams.	Complete review and update of Tree Management Procedure.	GMCI	Mar-25		On track for closure, next update at April Audit and Risk Committee.	No
102	Tree Management Framework	Medium	Recommendation 3: Clear Understanding of Council's approach to tree protection.	Confirm the Council's intended approach to the protection of trees. For example: Is the current approach sufficient/in line with expectations, Is there an appetite to pursue additional action when tree vandalism/damage is identified. This decision is subject to internal appetite, budget and capacity to prove wrongdoing. The recommendation is aimed at ensuring consistent understanding of the intended approach to tree protection.	Confirm expectations as part of update of Tree Management Procedure (refer Recommendation #2). Council's overall intent to protect trees/ not support tree damaging activity will be reflected in our defined strategic direction around trees (refer Recommendation #1).	GMCI	Mar-25		On track for closure, next update at April Audit and Risk Committee.	No

Log #	Audit	Risk Rating	Title: Finding/Opportunity for Improvement	Recommendations	Management Response / Action Agreed	Responsible Officer	Target Date	Revised Date	Audit Manger comment as at 30/10/2024	Resolved
103	Tree Management Framework	Better Practice	Recommendation 4: Education around tree management, updating internet information.	Continue work to educate the community around trees. For example, continue work to update the website/social media with broader information including: information about the strategic intent for trees, information about current tree strategic projects/success stories, update around change of legislation/links to the PDI Act, and Biodiversity of species planted. This approach is included as an example only, other education approaches may also be pursued. Note - this recommendation is considered better practice and a risk rating has not been applied.	Noted and ongoing. Council also work with other partners, including Green Adelaide, to educate the community around trees. Development of the strategic intent (per Recommendation 1) will also be publicised to promote community education. Website will be updated to reflect changes to legislation.	GMCI	Dec-24		<b>Closed</b> - Updates have been made to the website to educate the community regarding the changes to the legislation. As supported by recommendation 1 Tree strategy to be developed and will include community education for completion by year end 2025.	Yes
104	Tree Management Framework	Medium	Recommendation 5: Review service levels around tree requests.	Clarify the City's expected service levels associated with tree requests. For example, consider: clear timelines requirements for notifying residents of council's intent, allocating a short timeframe to higher-risk requests, allocating a longer timeframe to lower-risk requests. In line with this, review the adequacy of available resources to meet expected service levels. Note - suggested action only - service levels are at the City's description and IA note that an increase in service levels is likely to correlate to an increase in resources required.	Review Service Levels, workflows, processes and response timeframes.	GMCI	Jun-25		On track for closure, next update at April Audit and Risk Committee.	No
105	Tree Management Framework	Medium	Recommendation 6: Potential contractor access to Confirm system.	Work to reduce in-house double-handling of tree-related data provided by contractors. This may be achieved by providing tree contractors with access to the Confirm system and/or development of another automated solution. Note - the intent of this recommendation is to reduce inefficiencies, however the security of the City's asset data is important. Appropriate controls must be achieved before access is potentially provided.	Automate solution and improve confirm/salesforce interface.	GMCI	Dec-25		Next Committee update in August.	No
106	Tree Management Framework	Medium	Recommendation 7: Managing tree-related input into development applications.	Conduct a workshop to review the current approach to providing tree-related input into development applications. Options to consider include but are not limited to whether: additional resources are required (for example, additional arborists or targeted administrative support), Current processes are as efficient as possible (for example, referral occurs at the optimal time), there is potential to reduce the number of applications referred by upskilling City Development staff about tree matters, and/or services of an external arborist/consultant can be used to assist when demand peaks.	Workshop as recommended	GMCI	Sep-25		On track for closure, next update at April Audit and Risk Committee.	No
107	Tree Management Framework	Medium	Recommendation 8: Strengthening communication for tree-related customer requests.	Review communication provided for tree-related customer requests and ensure that it clearly establishes expectations for timelines, where a request is closed, that communication clearly identifies the action taken/not taken and enables residents to follow up.	Review timeframes and communication (in conjunction with Recommendation 5).	GMCI	Jun-25		On track for closure, next update at April Audit and Risk Committee.	No



Log #	Audit	Risk Rating	Title: Finding/Opportunity for Improvement	Recommendations	Management Response / Action Agreed	Responsible Officer	Target Date	Revised Date	Audit Manger comment as at 30/10/2024	Resolved
108	Tree Management Framework	Medium	Recommendation 9: Finalising the forward approach to tree asset management.	Clarify and finalise the City's forwards approach to tree asset management, in particular: if a Tree Asset Management Plan is required as outlined in the SAMP, ensure that it is developed, and if a Tree Asset Management Plan is not supported (noting it has been in draft since 2015), clarify how the asset management will occur and where the expected approach will be documented.	Prepare Tree AMP. Connected to Recommendation 1.	GMCi	Dec-25		Next Committee update in August.	No
109	Tree Management Framework	Medium	Recommendation 10: Implement the planned review of tree asset hierarchy and Levels of service for Street Trees/Trees Management.	Continue work to implement the Strategic Asset Management Plan's deliverable of 'Undertake a review of [tree] asset hierarchy and Community Levels of Service for Street Trees and current Tree Management Practices.' Note - this item is included as a recommendation as it has been included in more than one year's version of the SAMP.	Undertake review as per recommendation.	GMCi	Oct-25		On track for closure, next update at April Audit and Risk Committee.	No
110	Tree Management Framework	Medium	Recommendation 11: Urban trees - ensuring tree inspection and remediation work is scheduled and funded.	For urban trees, ensure that: repeat audit/condition inspection and associated risk rating of urban trees is scheduled, and associated remediation work and inspection regimes are funded on an ongoing basis and implemented.	Undertake audit followed by remedial works identified. Include ongoing funding in future budgets. Condition audits of trees continue to be part of regular operational activities (including via unit pruning contract).	GMCi	Dec-25		Next committee update in August.	No
111	Tree Management Framework	Medium	Recommendation 12: Reserve trees - programming and ongoing funding of remediation work.	Ensure that remediation and inspection work associated with recent audit of reserve trees is: programmed, and funded on an ongoing basis (including for 2024-25 and ongoing).	Undertake audit followed by remedial works identified. Include ongoing funding in future budgets.	GMCi	Dec-24		<b>Closed</b> - Budget bid for 25/26 prepared for ongoing funding of the program.	Yes
112	Tree Management Framework	Better Practice	Recommendation 13: Confirming legislative compliance.	Develop/update a legislative compliance register that tracks all tree-related legislative obligations. Schedule a reminder to periodically ensure this register aligns with current legislation.	Through the Local Government Association Statutory Compliance Register (recently launched for use by the sector), the Audit and Risk Manager will initiate a rolling compliance review. Regular review updates will be provided to the Audit and Risk Committee.	Audit and Risk Manager	Apr-25		On track for closure, next update at April Audit and Risk Committee.	No

Log #	Audit	Risk Rating	Title: Finding/Opportunity for Improvement	Recommendations	Management Response / Action Agreed	Responsible Officer	Target Date	Revised Date	Audit Manger comment as at 30/10/2024	Resolved
113	Procurement Process Improvement Review	Better Practice	<b>Procurement Lifecycle</b> 1. Needs Assessment 2. Risk Management 3. Continuous Improvement	1. Conduct thorough analysis and documentation of procurement needs before initiating the tendering process. Develop procurement category specific processes including details around responsibility. 2. Implement risk assessment and mitigation strategies at each stage to ensure a robust procurement process. 3. Initiate continuous improvement processes like ongoing quantitative and qualitative performance monitoring mechanisms to evaluate supplier performance and contract compliance and establish a feedback loop with suppliers and stakeholders to continually improve procurement processes. By embedding these continuous improvement mechanisms into the council's processes and systems.	1. We note and agree with the recommendation to enhance the analysis and documentation of procurement needs before initiating the tendering process but will need to review and consider the benefits of moving to a developing a procurement category specific process. 2. We note and agree with this recommendation to enhance existing risk assessments. 3. This will be actioned via the re-establishment of the Strategic Procurement Group focussed on overseeing the recommendations of this report and continuing to enhance processes as a key focus	Procurement Team Leader	Dec-25		Next committee update in August.	No
114	Procurement Process Improvement Review	Better Practice	<b>Planning and Strategy:</b> 1. Integrated Needs Identification 2. Procurement Strategy Framework 3. Proactive Project Management & Procurement Integration	1. Integrate the needs identification process into the new system to ensure alignment with procurement activities. Enhance stakeholder collaboration in the initial stages to gather comprehensive input. Define a clear value proposition for procurement to guide decision-making. 2. Develop clear criteria for selecting the most suitable procurement approach for all procurements, including low-value purchases. This will ensure consistency and transparency in procurement decisions. 3. Based on the annual City Plan and Budget, project management should collaborate with the procurement team to proactively create forward procurement plans. This will help with resource planning and ensure timely procurement activities.	1. To be considered within the system functionality and enhancements 2. Noted and agreed to review current process to assess market and selecting the most suitable procurement approach to the market to maximise value for Council and ensure appropriate probity considerations 3. Noted and agreed with the aim to align with the preparation of the 2025/26 budget to better understand procurement needs in 2025/26	Procurement Team Leader	Mar-25		Work is ongoing - next committee update in April.	No
115	Procurement Process Improvement Review	Better Practice	<b>Sourcing and Solution</b> 1. Standardised and Tailored Templates 2. Efficient Tender Documentation 3. SME Accessibility	1. Develop standardised, tailored templates based on the type of procurement, such as low-risk, high-risk, low-value, or high-value. This approach will: • Make it easier for tenderers to respond efficiently. • Reduce the administrative burden on both tenderers and the council. • Ensure that only necessary information is requested, leading to a more seamless process for everyone. 2. For tender documentation, add a cover page with a table of contents format to help navigate the content more efficiently. Ensure accurate naming and prioritisation of files to aid tenderers in understanding the requirements.	1. Noted and agreed with various templates created within the new system for use by the business 2. Noted and agreed 3. Noted and agreed with this to be considered by the re-establishment of the Strategic Procurement Steering Group	Procurement Team Leader	Mar-25		Work is ongoing - next committee update in April.	No
116	Procurement Process Improvement Review	Better Practice	<b>Evaluation and Award</b> 1. Panel Contract Evaluation 2. Transparency and Communication	1. Ensure no duplication of evaluation criteria for panel contracts or panel requests for tenders. For example, location-based criteria should not be evaluated twice when a tenderer from the panel is requested to quote for a particular requirement. 2. Maintain transparency in the tender evaluation process by informing unsuccessful tenderers early on, before the final choice is declared. This will help maintain positive relationships with vendors.	1. Noted and agreed with clear guidelines in tender documentation and ongoing management of panels to assist the market and staff to better understand the process 2. Noted and agreed in principle but will need to consider the appropriate process and timing to ensure the revised process is appropriate for Council needs	Procurement Team Leader	Jun-25		Next committee update in April.	No
117	Procurement Process Improvement Review	Better Practice	<b>Contract Management and Supplier Relationships</b> 1. Performance Management 2. Strategic Partnerships 3. Feedback Mechanism	1. Implement a formal performance management system with KPIs to track supplier performance and identify areas for improvement. 2. Identify key suppliers and establish formal partnerships to foster long-term collaboration and value creation. 3. Include a step to gather feedback from suppliers after complex tender processes in addition to providing feedback to the suppliers. Capture relevant feedback and improvement opportunities and implement them as part of a continuous improvement process.	1. Noted and agreed and will be considered as part of the new system implementation to track contractor performance 2. Agree in principle but will need further consideration as to how this will be progressed and any implications on this approach 3. Notes and agreed	Procurement Team Leader	Dec-25		Next committee update in August.	No

Log #	Audit	Risk Rating	Title: Finding/Opportunity for Improvement	Recommendations	Management Response / Action Agreed	Responsible Officer	Target Date	Revised Date	Audit Manger comment as at 30/10/2024	Resolved
118	Procurement Process Improvement Review	Better Practice	<b>Continuous Improvement</b> 1. Procurement Steering Committee 2. KPI Development	1. Extend the role of the procurement steering committee to lead continuous improvement activities. Gather feedback from tenderers during briefing sessions, list improvements identified as lessons learned, and flag implementable suggestions as actions for the committee.  2. Develop KPIs to evaluate the success of a procurement process by assessing it against the procurement principles identified in the framework. Include these KPIs in the executive's dashboards.	1. Notes and agreed  2. Noted and agreed with the Strategic Procurement Group leading this work	Procurement Team Leader		11 April 25	1) Work has commence, consideration required on the composition, frequency and agenda for the committee. Extended to end April.	No
119	Procurement Process Improvement Review	Better Practice	<b>Risk Management</b> 1. Comprehensive Requirements Gathering	1. Ensure an extensive requirement gathering process, especially for high-value procurements. This will help identify risks appropriately, and contractors will not have to worry about design changes during the tender process. Assign a Subject Matter Expert (SME) to identify and document requirements clearly, along with known and unknown risks in the tender documentation. If an SME is not available within the Council, consider an SME on a contract term to help drafting the tender requirements. The Council could consider retaining the contractor as an evaluator throughout the procurement process until contract award for all high-value, high-risk, and strategically important procurements.	1. Noted and agreed to review and enhance current process	Procurement Team Leader	Sep-25		Next Committee update in August.	No
120	Procurement Process Improvement Review	Better Practice	<b>Systems Related Improvement Recommendations</b>	Process related  Controls related  (Further information available in report)	Noted and agreed	Procurement Team Leader	Mar-25		Project Connect and Procurement Team working together to implement system recommendations. Next committee update April 2025	No



Attachment 2: Management of Contaminated Sites - Audit Log Action #35 - Follow up of Action Status  
 (Status Updated for 11 February 2025 A&RC)

Task No	Task Description	Resources Required	Timing	Updated timing	Update
1	Review historical land use within the catchments of City of Salisbury. A comprehensive report has been prepared previously by a consultant so an internal review to update this is proposed in order to reduce expenditure.	Reviewed internally – savings on consultant Estimated time – 0.2 FTE (from existing budget)	During 2022 (Feb to June)	Completed	CSIRO historical land-use mapping – internal review completed Dec.2023
2a	Investigate data management and analysis systems/software requirements and available suitable products	Internal	1 <sup>st</sup> Half 2022	Completed	Investigation complete. Information provided to IT for procurement and business requirements document.
2b	Purchase and set-up a suitable software package to store, analyse and present data from sampling across the City.	Approximately \$50K to purchase and \$40K per year for licensing and support	2 <sup>nd</sup> Half 2022	Completed	Procurement team have executed a contract with ienviro.co for Water Quality Testing Software. The vendor will now work with the Water Business Unit and IT to on board the system.
3	Sample and test water from waterways and Salisbury Water injection sites to screen for a wide variety of analytes to establish a baseline	Salisbury Water – already included in budget (no additional cost) City Infrastructure - \$50K	June – Nov. 2023	Completed	Full laboratory analyses for ‘all pollutants of concern’ completed Jan. Action closed, and evidence saved.
4	Review the baseline data collected to identify risks	Internal review and data analysis Estimated resourcing – 0.2 FTE (from existing budget)	Oct 2023 – June 2024	Oct 2024 - June 2025	Baseline data analysis is underway.
5	Revise and update the contaminated sites register. A review of the register was undertaken during 2021, however including new/additional information and sites to keep the register current is an ongoing task. This will also be an internal review, as part of the newly established review procedure for the register.	Undertaken internally – savings on consultant Estimated resourcing – 0.2 FTE (from existing budget)	2 <sup>nd</sup> half 2023	Completed	Updated August 2023. Regular reviews will continue. Refer to Beth McGilvray (Senior Engineer, City Infrastructure).
6	Discuss identified risks (determined from data obtained) with EPA to highlight priorities within the catchments and the City of Salisbury area.	Internal resources, within existing budgets	Mid 2024	Oct 2024 - June 2025	2025
7	Undertake additional sampling and analysis to refine data regarding identified key contaminants.	Will depend on findings. Allowance of up to \$100K	Late 2024 - 2025	July - Dec 2025	2025
8	Prepare Integrated Framework document, based on catchment information and contaminant data obtained. Risk management plans, including monitoring programs/plans for key areas or sites to be prepared as outworkings of the integrated framework.	Consultants engaged to prepare Integrated Framework document and risk management plans - \$150K	Mid 2025 – early 2026	Nov 2025 - June 2026	2026
9	Assessment undertaken to determine required resources in the year 2025 and following to maintain the integrated contaminated management system.	Internal Report to Executive and subsequent update of Strategic Asset Management Plan	2025	2025	2025
10	Feedback and refinement prior to the next round of sampling and analysis.	Internal resources	Mid 2026	Mid 2026	2026

Item 7.2.4 - Attachment 2 - Management of Contaminated Sites - Audit Log Action #35



Attachment 3: Project Management Audit Action Group - Follow up of Action Status  
11th February 2025

No.	Action Tasks	Pressure Point Identification	Responsible Group	Due Date	Status	Comments
1	Determine and create portal / option for organisation wide access to view project status information and contact details for person responsible. Needs to be completed in line with the new ERP system solution.	1 – Cross collaboration between teams	Infrastructure Delivery	<del>31/12/2023</del> <del>31/12/2024</del> 30/06/2025	Extended	<b>11/7/23:</b> In line with ERP system roll out <b>13/2/24:</b> Ongoing with the roll out of the ERP System <b>13/08/24:</b> Action due date December 2024 <b>30/09/24:</b> The Projects and Contracts module is progressing, working closely with the new Finance Module, in line with the organisational wide ERP delivery, this is scheduled to be completed on 30/06/25
2	Completed projects by asset have been mapped and is accessible via Power BI, with the roll out of the new ERP system solution, create the ability to view projects in progress geographically. Completed projects may transition to the same view as active projects, pending ERP system solution.	1 – Cross collaboration between teams 3 – Community consultation 5 – Resident and EM information requests 6 – Reporting	Infrastructure Delivery	<del>31/12/2023</del> <del>31/12/2024</del> 30/06/2025	Extended	<b>11/7/23:</b> In line with ERP system roll out <b>13/2/24:</b> System has been created in Power BI to track projects and will be rolled out in line with the ERP system <b>13/08/24:</b> Action due date December 2024 <b>30/09/24:</b> The Projects and Contracts module is progressing, working closely with the new Finance Module, in line with the organisational wide ERP delivery, this is scheduled to be completed on 30/06/25
3	Pending ERP system solution enable organisational wide access to project documents such as briefs and design drawings to enable review and feedback from any location	1 – Cross collaboration between teams 5 – Resident and EM information requests 6 – Reporting	Infrastructure Delivery	<del>31/12/2023</del> <del>31/12/2024</del> 30/06/2025	Extended	<b>13/2/24:</b> Ongoing with the roll out of the ERP System <b>13/08/24:</b> In line with ERP system roll out <b>13/08/24:</b> Action due date December 2024 <b>30/09/24:</b> The Projects and Contracts module is progressing, working closely with the new Finance Module, in line with the organisational wide ERP delivery, this is scheduled to be completed on 30/06/25
4	A1 digital drawing review solution implemented, subject to funding availability. - Schedule working group to discuss and determine requirements - Investigate options and estimated pricing - Determine funding source - Schedule tender - Schedule install - Schedule training	1 – Cross collaboration between teams 2 – Resourcing 3 – Community Consultation 4 – Procurement 5 – Resident & EM requests 7 – Clarity of Roles and Responsibilities 8 – Prioritisation of Projects 9 – Bespoke design work	Design Team, Infrastructure Delivery	<del>31/08/2024</del> 30/06/2025	Extended	<b>14/11/23:</b> Workshop has been completed, reviewing available funding sources for implementation. <b>13/2/24:</b> Still determining funding source with a view to implement in 24/25 financial year <b>13/08/24:</b> IT are reviewing the proposed plan table, in particular from a cyber security and maintenance perspective. Funding will be sourced from within existing internal budgets. Action on track to close by end August. <b>30/09/24:</b> The proposed table is being reviewed by the TDS team, in addition we are reviewing this against the ERP roll out and business process that will occur as part of the Projects and Contracts Module role out. The Projects and Contracts module is progressing, working closely with the new Finance Module, in line with the organisational wide ERP delivery, this is scheduled to be completed on 30/06/25
5	Develop process to maintain Major Project information on the City of Salisbury website - Document process - Upload updated Major Project information - Schedule periodical reviews	2 – Resourcing 3 – Community consultation 5 – Resident & EM information requests	City Infrastructure Administration	45170	Completed	Completed, pilot projects have been loaded and these will be continued to be developed and reviewed. <a href="https://www.salisbury.sa.gov.au/development/council-projects/capital-works">https://www.salisbury.sa.gov.au/development/council-projects/capital-works</a>
6	Schedule bi-annual workshops to review overarching project risk register	1 – Cross collaboration between teams 6 – Reporting 8 – Prioritisation of projects	Infrastructure Delivery	1/03/2023	Completed	The Project Risk Register has been updated and included on the intranet for reference, it is proposed to review this inline with preparation of the new Financial Year in July 2023 and mid year in January 2024 consecutively.
7	Schedule bi-annual workshops to review a small set of completed projects, so what worked well and what didn't work so well can be discussed and captured. Include a section for acknowledgements	1 – Cross collaboration between teams 6 – Reporting 8 – Prioritisation of projects	Infrastructure Delivery	1/03/2023	Completed	Workshops scheduled to occur in July and January each year, and a sample of 3-4 completed projects to be reviewed for lessons learned. Register of Lessons Learnt to be kept within the Capital Delivery Framework page on Intranet.
8	Schedule workshop to review Change RACI (Roles Accountability Consulted Inform) Chart	1 – Cross collaboration between teams 2 – Resourcing 7 – Clarity of Roles and Responsibilities	Infrastructure Delivery	<del>01/04/2023</del> <del>30/06/2023</del> 31/12/2023	Completed	<b>14/11/23:</b> Workshop has been completed - New RACI will be uploaded to the Capital Delivery Templates workspace by 31/12/2023 <b>13/2/24:</b> Completed and uploaded
9	Create Project Management Plan template to support Project Managers with the delivery of their assigned projects	7 – Clarity of Roles and Responsibilities	Infrastructure Delivery	<del>3/06/2023</del> 31/07/2023	Completed	<b>11/7/23:</b> Underway, to be completed by the end of July. <b>14/11/23:</b> Completed <a href="http://intranet.cos.ad/Our_Business/Capital_Delivery_Framework/Capital_Delivery_Framework_Templates">http://intranet.cos.ad/Our_Business/Capital_Delivery_Framework/Capital_Delivery_Framework_Templates</a>
10	Re-establish asset-based project meetings to aid in decision making, communication sharing and project monitoring. Consider membership and options for online participation.	1 – Cross collaboration between teams 6 – Reporting	Infrastructure Delivery	1/05/2023	Completed	Completed

11	Explore the expansion of costing internal wages to capital projects, staff not within City Infrastructure or Strategic Property Development but are staff involved with project delivery.	2 – Resourcing	Financial Services Community Development Infrastructure Delivery	1/06/2023 31/12/2024	Completed	In line with ERP system roll out, working with Project Support Team and Financial Services <b>13/2/24:</b> Completed - considered business partners working with departments as projects arise on an as needed basis.
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