



City of  
**Ipswich**

**IPSWICH  
CITY  
COUNCIL**

**AGENDA**

*of the*

**AUDIT AND RISK MANAGEMENT COMMITTEE**

**Held in the Cunningham Room, Ipswich Civic Centre  
Corner Nicholas and Limestone Street  
IPSWICH QLD 4305**

**On Wednesday, 20 May 2020  
At 1.00 pm to 3.30 pm**

<b><u>MEMBERS OF THE AUDIT AND RISK MANAGEMENT COMMITTEE</u></b>	
<b>External Member - Rob Jones (Chairperson)</b>	External Member - Martin Power External Member – Annette Quale Deputy Mayor Councillor Marnie Doyle Councillor Nicole Jonic

## AUDIT AND RISK MANAGEMENT COMMITTEE AGENDA

*1.00 pm to 3.30 pm on **Wednesday, 20 May 2020***

Cunningham Room, Ipswich Civic Centre

Item No.	Item Title	Page No.
1	Report - Audit and Risk Management Committee No. 2020(01) of 12 February 2020	10
2	Report - Risk ELT Meeting No. 2020(01) of 10 February 2020	18
3	Report - Risk ELT Meeting No. 2020(02) of 3 April 2020	25
4	**Outstanding actions	34
5	**Queensland Audit Office Briefing Paper and 2020 Interim Report	36
6	**Summary of Recent Internal Audit Reports Issued	38
7	**Internal Audit Branch Activities Report for the period 4 February 2020 to 11 May 2020	41
8	**Progress of the 2019-2020 Annual Internal Audit Plan	48
9	**Annual Internal Audit Plan for 2020-2021 including the Strategic Three Year Plan for 2020-2023	51
10	**Overdue Recommendations as at 11 May 2020	56
11	**Insurance and Risk Update	60
12	Governance and Compliance Report	77
13	ICT Strategy Update Report	88
14	**Nicholas Street/CBD Redevelopment Update	92
15	**ICT Platform Project - Update	96
16	Corporate Program Management Office	100
17	People & Culture Update	123
18	Impact of New Accounting Standards - FY 2020	140
19	2019-2020 Asset Valuation - Update	154
20	Next Meeting	-
21	General Business	-
22	Private Session of Member (if required)	-

\*\* Item includes confidential papers

**AUDIT AND RISK MANAGEMENT COMMITTEE NO. 2**

**20 MAY 2020**

AGENDA

1. **REPORT - AUDIT AND RISK MANAGEMENT COMMITTEE NO. 2020(01) OF 12 FEBRUARY 2020**

This is the report of the Audit and Risk Management Committee No. 2020(01) of 12 February 2020.

**RECOMMENDATION**

That the report be received and the contents noted.

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2. **REPORT - RISK ELT MEETING NO. 2020(01) OF 10 FEBRUARY 2020**

This is the report of the Risk ELT Meeting No. 2020(01) of 10 February 2020.

**RECOMMENDATION**

That the report be received and the contents noted.

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3. **REPORT - RISK ELT MEETING NO. 2020(02) OF 3 APRIL 2020**

This is the report of the Risk ELT Meeting No. 2020(02) of 3 April 2020.

**RECOMMENDATION**

That the report be received and the contents noted.

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4. **\*\*OUTSTANDING ACTIONS**

This is a report concerning the outstanding actions associated with the following committees:

Audit and Risk Management Committee

Risk ELT Committee

Risk – Infrastructure and Environment Committee

Risk – Corporate Services Committee

Risk – Co-ordination and Performance Committee



Risk – Planning and Regulatory Services Committee  
Risk – Community, Cultural and Economic Development Committee

RECOMMENDATION

That the report be received and the contents noted.

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5.      **\*\*QUEENSLAND AUDIT OFFICE BRIEFING PAPER AND 2020 INTERIM REPORT**

This is a report concerning a briefing paper presented by the Queensland Audit Office together with the 2020 Draft Interim Report for Ipswich City Council.

RECOMMENDATION

That the report be received and the contents noted.

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6.      **\*\*SUMMARY OF RECENT INTERNAL AUDIT REPORTS ISSUED**

This is a report concerning recently completed internal audits and the subsequent reports released since the previous report dated 4 February 2020.

RECOMMENDATION

That the report be received and the contents noted.

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7.      **\*\*INTERNAL AUDIT BRANCH ACTIVITIES REPORT FOR THE PERIOD 4 FEBRUARY 2020 TO 11 MAY 2020**

This is a report concerning the activities of Internal Audit undertaken since 4 February 2020 and the current status of these activities.

RECOMMENDATION

That the report be received, the contents noted and the recommendations in Attachments 3, 4 and 5, be considered finalised and archived.

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8.      **\*\*PROGRESS OF THE 2019-2020 ANNUAL INTERNAL AUDIT PLAN**

This is a report concerning the status of the 2019-2020 Annual Internal Audit Plan as presented in the attachment to this report.

RECOMMENDATION

That the report be received and the contents noted.

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9.        **\*\*ANNUAL INTERNAL AUDIT PLAN FOR 2020-2021 INCLUDING THE STRATEGIC  
THREE YEAR PLAN FOR 2020-2023**

This is a report concerning the proposed Annual Audit Plan for 2020-2021 that includes the Strategic Three Year Internal Audit Plan for 2020-2023.

**RECOMMENDATION**

That the draft Internal Audit Annual Plan for 2020-2021 that includes the draft Strategic Three Year Internal Audit Plan for 2020-2023 (Attachment 2) as prepared by the Chief Audit Executive be considered and approved by the Audit and Risk Management Committee.

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10.       **\*\*OVERDUE RECOMMENDATIONS AS AT 11 MAY 2020**

This is a report concerning the status of each Department's progress in actioning the internal and external audit recommendations due or overdue for implementation.

**RECOMMENDATION**

That the report be received and considered.

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11.       **\*\*INSURANCE AND RISK UPDATE**

This is a report concerning Council's Insurance Statistics for the period 1 January 2020 to 31 March 2020 and the implementation of Transformational Project Risk Management Framework (TP#7).

**RECOMMENDATION**

That the report be received and the contents noted.

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12.       **GOVERNANCE AND COMPLIANCE REPORT**

This is a report concerning the performance of the Corporate Governance Section (the Section) in relation to Council's legislative compliance in the management of Complaints, Right to Information and Information Privacy functions for the period 1 January 2020 to 31 March 2020 (the Quarter).

**RECOMMENDATION**

That the report be received and the contents noted.

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13. ICT STRATEGY UPDATE REPORT

This is a report concerning an update relating to the progress of implementation of the ICT Strategy 2019-2024. The strategy was published on 2 August 2019 and was developed in collaboration with a diverse range of internal stakeholders and includes stakeholder perspectives, key trends and influences, guiding principles and a strategy map.

RECOMMENDATION

That the report be received and the contents noted.

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14. \*\*NICHOLAS STREET/CBD REDEVELOPMENT UPDATE

This is a report concerning the progress of the Nicholas Street – Ipswich Central Project (the Project).

RECOMMENDATION

That the report be received and the contents noted.

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15. \*\*ICT PLATFORM PROJECT - UPDATE

This is a report concerning the ICT Platform Project.

RECOMMENDATION

That the report be received and the contents noted.

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16. CORPORATE PROGRAM MANAGEMENT OFFICE

This is a report concerning the process, systems and controls currently in place to manage the delivery of the Business Transformation Program and other key strategic projects.

RECOMMENDATION

That the report be received and the contents noted.

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17. PEOPLE & CULTURE UPDATE

This is a report to the Audit and Risk Management Committee on progress in the implementation of the People and Culture Strategic Plan 2019-2021.

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RECOMMENDATION

That the progress in the implementation of the People and Culture Strategic Plan 2019-2021 be noted by the Audit and Risk Management Committee.

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18. IMPACT OF NEW ACCOUNTING STANDARDS - FY 2020

This is a report concerning a request from the Queensland Audit Office (QAO) requiring Ipswich City Council (ICC) to provide a position paper regarding the impact of recently issued or amended accounting standards for Council and its controlled entities (Ipswich City Properties Pty Ltd (in Members Voluntary Liquidation), Ipswich City Enterprises Pty Ltd, Ipswich City Enterprises Investments Pty Ltd, Ipswich Arts Foundation, Ipswich Arts Foundation Trust and Cherish the Environment Foundation Ltd). In accordance with the key milestones agreed in the External Audit Plan, Council is required to provide the position paper to QAO by 31 May 2020.

RECOMMENDATION

That the report of the Principal Financial Accountant regarding the impact of the recently released or amended Accounting Standards for Ipswich City Council dated 27 April 2020 be received and the contents noted.

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19. 2019-2020 ASSET VALUATION - UPDATE

This is a report concerning the progress of the 2019-2020 asset valuation for land, buildings and infrastructure assets.

RECOMMENDATION

- A. That the report of the Principal Financial Accountant regarding the progress of the 2019-2020 asset valuation for land, buildings and infrastructure assets be received and the contents noted.
  - B. That through the Audit and Risk Management Committee Chair, the final valuation report for 2019-2020 (to be finalised by mid-June 2020) be circulated to Committee Members for discussion and endorsement and if required a special Audit and Risk Management Committee meeting be convened to approve and endorse the report prior to 30 June 2020.
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20. NEXT MEETING

The next meeting is scheduled for Wednesday, 19 August 2020.

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21. GENERAL BUSINESS

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22. PRIVATE SESSION OF MEMBER (IF REQUIRED)

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\*\* Item includes confidential papers

and any other items as considered necessary.

Doc ID No: A6219383

ITEM: 1

SUBJECT: REPORT - AUDIT AND RISK MANAGEMENT COMMITTEE NO. 2020(01) OF 12  
FEBRUARY 2020

AUTHOR: COMMITTEE MANAGER

DATE: 7 MAY 2020

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## INTRODUCTION

This is the report of the Audit and Risk Management Committee No. 2020(01) of 12 February 2020.

## RECOMMENDATION

That the report be received and the contents noted.

## ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS

1.	Audit and Risk Management Committee Report No. 2020(01) of 12 February 2020 
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12 FEBRUARY 2020

AUDIT AND RISK MANAGEMENT COMMITTEE NO. 2020(01)

**AUDIT AND RISK MANAGEMENT COMMITTEE NO. 2020(01)**

**12 FEBRUARY 2020**

**REPORT**

- MEMBERS' ATTENDANCE:** Graeme Stratford (Chairperson and External Member);  
Dr Annette Quayle (External Member), Robert Jones  
(External Member), Steve Greenwood (Interim  
Administrator)
- MEMBER'S APOLOGIES:** Nil
- OTHER ATTENDANCE:** David Farmer (Chief Executive Officer), Jeff Keech (Manager,  
Finance), Freddy Beck (Chief Audit Executive), Lisa Fraser  
(Queensland Audit Office), Patrick Fleming (Queensland  
Audit Office), Angela Harms (Governance Manager), Graham  
McGinniskin (Risk Management Coordinator), Sean Madigan  
(General Manager Coordination and Performance), Richard  
White (Manager, Procurement), Sonia Cooper (General  
Manager Corporate Services), Paula Perry (Manager, People  
and Culture), Rob Stower (ICT Strategy, Enterprise  
Architecture and Governance Manager), Josh Edwards  
(Business Improvement Manager) and Shane Andrews  
(Business Improvement Analyst)

1. **PRESENTATION - COORDINATION AND PERFORMANCE - DEPARTMENTAL RISK  
REGISTER AND CENTRAL BUSINESS DISTRICT**

Presentation by Sean Madigan (General Manager Coordination and Performance)  
regarding an overview of the Coordination and Performance Departmental Risk  
Register and Central Business District.

**RECOMMENDATION**

That the Interim Administrator of Ipswich City Council resolve:

- A. That the presentation be received and noted.
- B. That the Strategic Risk Register together with associated action plans be included as  
an agenda item for the next meeting of the Audit and Risk Management  
Committee.
- C. That minutes from the Project Steering Committee be included as a standing  
agenda item on the Audit and Risk Management Committee.

12 FEBRUARY 2020

AUDIT AND RISK MANAGEMENT COMMITTEE NO. 2020(01)]

DISCUSSION

Dr Annette Quayle suggested that the top ten risks and departments they belong to, be included in a future meeting of the Audit and Risk Management Committee. The Chief Executive Officer David Farmer stated that a register with action plans will be provided to the next Audit and Risk Committee meeting.

Rob Jones stated that the minutes of the steering committee meetings should be provided at each Audit and Risk Management Committee meeting as a standing item.

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2. REPORT – AUDIT AND RISK MANAGEMENT COMMITTEE NO. 2019(05) OF 6 NOVEMBER 2019

This is the report of the previous Audit and Risk Management Committee No. 2019(05) of 6 November 2019 for confirmation.

RECOMMENDATION

That the previous report of the Audit and Risk Management Committee No. 2019(05) of 6 November 2019 be received and confirmed.

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3. TAX RISK MANAGEMENT UPDATE 2019 –FEBRUARY 2020

This is a report by the Principal Taxation Officer dated 3 February 2020 concerning taxation risk management issues for the year ended 31 December 2019.

RECOMMENDATION

That the report be received and the contents noted.

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4. CORPORATE GOVERNANCE SECTION'S PERFORMANCE IN RELATION TO LEGISLATIVE COMPLIANCE

This is a report concerning the performance of the Corporate Governance Section (the Section) in relation to managing Council's legislative compliance in the management of Complaints, Right to Information and Information Privacy functions for the period 1 October 2019 to 31 December 2019 (the Quarter).

RECOMMENDATION

That the report be received and the contents noted.

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12 FEBRUARY 2020

AUDIT AND RISK MANAGEMENT COMMITTEE NO. 2020(01)]

5. SUMMARY OF RECENT INTERNAL AUDIT REPORTS ISSUED

This is a report concerning recently completed internal audits and the subsequent reports released since the previous report dated 29 October 2019.

RECOMMENDATION

That the report be received and the contents noted.

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The confidential papers associated with Item 6 are confidential as they relate to internal audits either being undertaken or those that have been completed.

6. INTERNAL AUDIT BRANCH ACTIVITIES REPORT FOR THE PERIOD 29 OCTOBER 2019 TO 4 FEBRUARY 2020

This is a report concerning the activities of Internal Audit undertaken since 29 October 2019 and the current status of these activities.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

That the report be received, the contents noted and the recommendations in Attachments 3, 4 and 5, be considered finalised and archived.

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The confidential papers associated with Item 7 are confidential as they relate to internal audit matters and proposed recommendations.

7. OVERDUE RECOMMENDATIONS AS AT 4 FEBRUARY 2020

This is a report concerning the status of each Department's progress in actioning the internal and external audit recommendations due or overdue for implementation.

RECOMMENDATION

That the report be received and considered.

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The confidential papers associated with Item 8 are confidential as they relate to the status of claims currently under investigation by Ipswich City Council.

8. INSURANCE AND RISK UPDATE

This is a report concerning Council's Insurance Statistics for the period 1 October 2019 to 31 December 2019 and the implementation status of Transformational Project # 7 Risk Management Framework (TP#7).

12 FEBRUARY 2020

AUDIT AND RISK MANAGEMENT COMMITTEE NO. 2020(01)]

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. That the report be received and the contents noted.
- B. That the minutes of the recently established ELT Risk Committee be presented to the Audit and Risk Management Committee.

DISCUSSION

Rob Jones queried if the Fraud Control Framework would be submitted to the Audit and Risk Management Committee. The Principal Risk and Compliance Specialist advised that the minutes of the ELT Risk Committee and supporting information would be submitted to the Audit and Risk Management Committee.

Rob Jones stated that an update report outlining items that have been finalised since the previous Audit and Risk Management Committee should be provided at each meeting of the Audit and Risk Management Committee.

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The confidential papers associated with Item 9 are confidential as they relate to ongoing strategic project delivery and confidential resourcing matters.

9. BUSINESS TRANSFORMATION AND STRATEGIC PROJECTS UPDATE

This is a report concerning the process, systems and controls currently in place to manage the delivery of the Business Transformation Program and other key strategic projects.

RECOMMENDATION

That the report be received and the contents noted.

DISCUSSION

Dr Annette Quayle stated that members would like to see the critical path from the transformational projects to what has been achieved rather than all the information relating to the projects.

The General Manager Corporate Services advised that staff will work on the timelines and include this information in future reports.

12 FEBRUARY 2020

AUDIT AND RISK MANAGEMENT COMMITTEE NO. 2020(01)]

The confidential papers associated with Item 10 are confidential as the matters outlined in the report relate to outstanding matters for Ipswich City Council

10. QUEENSLAND AUDIT OFFICE 2020 DRAFT EXTERNAL AUDIT PLAN AND BRIEFING PAPER

This is a report concerning the 2020 Draft External Audit Plan and Briefing Paper submitted by the Queensland Audit Office to the Audit and Risk Management Committee.

RECOMMENDATION

That the 2020 Draft External Audit Plan and Briefing Paper be received and the contents noted.

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11. PRESENTATION - UPDATE ON PROCUREMENT ACTIVITIES

Presentation and update provided by Richard White (Manager, Procurement) concerning the procurement framework.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. That the presentation be received and noted.
  - B. That only exceptions to the procurement process be included in future updates to the Audit and Risk Management Committee.
- 

12. ICT UPDATE

Update provided by the ICT Strategy, Enterprise Architecture and Governance Manager on the status of ICT projects since the last meeting.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. That the update be received and noted.
- B. That an ICT Strategic Implementation Status Report be included as a standing item on each Audit and Risk Management Committee.

12 FEBRUARY 2020

AUDIT AND RISK MANAGEMENT COMMITTEE NO. 2020(01)]

DISCUSSION

Rob Jones referred to the minutes of the Audit and Risk Management Committee from November where it was noted that a strategy update should be provided at each meeting of the committee to give members an understanding of how the strategy is progressing. The ICT Strategy, Enterprise Architecture and Governance Manager acknowledged that the update should have been provided and gave an undertaking that it would be provided to the next meeting.

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13. UPDATE ON PEOPLE AND CULTURE

Update on activities of the People and Culture Branch by the Manager, People and Culture.

RECOMMENDATION

That the Interim Administrator of Ipswich City Council resolve:

- A. That the update be received and noted.
- B. That the Manager, People and Culture provide a comprehensive update on the People and Culture Branch against the strategic plan including key risks to the next meeting of Audit and Risk Management Committee.

DISCUSSION

Rob Jones queried the progress of the Grievance Management Framework. The Manager, People and Culture advised that the framework was submitted to the Joint Consultative Committee for feedback. Significant feedback was provided and People and Culture are now working through the feedback with the consultant and a report would be submitted to the Audit and Risk Management Committee later in the year.

Attachments

- 1. Update on People and Culture Report
  - 2. Attachment 1 to report TP2 People and Culture Steering Committee Update
  - 3. Attachment 2 to report Recruitment Strategic Plan
  - 4. Attachment 3 to report Safety and Wellbeing Strategic Plan
  - 5. Attachment 4 to report People and Culture Strategic Plan
- 

11. NEXT MEETING

The next meeting is scheduled for May 2020 at a date yet to be determined.

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12 FEBRUARY 2020

AUDIT AND RISK MANAGEMENT COMMITTEE NO. 2020(01)]

**PROCEDURAL MOTIONS AND FORMAL MATTERS**

The meeting commenced at 1.01 pm.

The meeting closed at 3.51 pm.

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Doc ID No: A6228040

ITEM: 2

SUBJECT: REPORT - RISK ELT MEETING NO. 2020(01) OF 10 FEBRUARY 2020

AUTHOR: COMMITTEE MANAGER

DATE: 11 MAY 2020

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## INTRODUCTION

This is the report of the Risk ELT Meeting No. 2020(01) of 10 February 2020.

## RECOMMENDATION

That the report be received and the contents noted.

## ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS

1.	Report of Risk ELT Meeting of 10 February 2020  
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10 FEBRUARY 2020

ELT RISK MEETING NO. 2020(01)

**ELT RISK MEETING NO. 2020(01)**

**10 FEBRUARY 2020**

REPORT

**ATTENDANCE:** Principal Risk and Compliance Specialist – Graham McGinniskin (Chairperson); Chief Executive Officer – David Farmer, General Manager Coordination and Performance - Sean Madigan, General Manager Infrastructure Services - Charlie Dill, General Manager Community, Cultural and Economic Development - Ben Pole, General Manager Corporate Services – Sonia Cooper, General Manager Planning and Regulatory Services - Peter Tabulo, Chief Audit Executive – Freddy Beck, Governance Manager – Angela Harms, Insurance and Risk Officer – Felicity Westguard

**APOLOGIES:** Manager Legal and Governance (General Counsel) – Tony Dunleavy and Business Improvement Manager – Josh Edwards

1. **REVIEW AND UPDATE OF THE CORPORATE RISK AND DEPARTMENTAL RISK REGISTERS**

Price Waterhouse Cooper (PWC) delivered a second Corporate Risk Workshop to ELT on 25 November 2019 and the second Departmental Risk Workshop during November/December 2019. The Ipswich City Council (ICC) Corporate Risk Register and ICC Departmental Risk Register were updated and finalised during December 2019.

**RECOMMENDATION**

**That ELT note the review and update of the Corporate Risk Register and Departmental Risk Register.**

**DISCUSSION**

- Graham advised that when the workshops are run in March the risks identified will be reported back to this committee in April.
- Graham also advised that it will take at least 12 months to have registers in a mature state.

**Attachments**

1. Risk Register - CCED
2. Risk Register - CP
3. Risk Register - CS
4. Risk Register - IE
5. Risk Register - PRS

10 FEBRUARY 2020

ELT RISK MEETING NO. 2020(01)]

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2. PROPOSED ENGAGEMENT OF PWC TO DEVELOP A RISK APPETITE STATEMENT

PWC were requested to provide proposals for the development of a Risk Appetite Statement (RAS) for use in Executive decision making and a Fraud and Corruption Training Program for ELT/Branch Managers and Section Managers.

RECOMMENDATION

**That ELT endorse the proposed engagement of PWC to develop a Risk Appetite Statement (RAS) for use in executive decision making.**

DISCUSSION

- CEO advised he was open to views about this statement.
- Graham outlined the importance from an audit perspective of having a statement
- GM's queried what council's risk appetite is and if it would provide guidance on what level of control council has against risks.
- Graham outlined that this will not be undertaken lightly so that council can ensure a high level statement is in place and over the next 12 months, review the statement.

ACTIONS

- **Graham McGinniskin to forward links of other local authorities who have a RAS to all General Managers for information.**
- **That the proposal by PWC for meetings with 5 General Manager's be re-scoped to only include meetings with the Principal Risk and Compliance Specialist to review the initial draft RAS.**
- **That the outcome from the initial meeting with the Principal Risk and Compliance Specialist be included in a draft commentary format to all GM's prior to the scheduled workshop.**

Attachments

1. PWC Engagement Letter
- 

3. PROPOSED ENGAGEMENT OF PWC FOR FRAUD AND CORRUPTION TRAINING

The final PWC Fraud Control Framework Review Report was received in December 2019 and ICC's Management Responses to the key recommendations are for consideration and endorsement by the ELT Risk Committee.



10 FEBRUARY 2020

ELT RISK MEETING NO. 2020(01)

RECOMMENDATION

**That ELT endorse the proposed engagement of PWC for Fraud and Corruption Training for ELT/Branch Managers and Section Managers.**

DISCUSSION

- Query regarding e-Learning and whether this will be included as a training option. Graham advised that he will be working with the Learning and Development team to organise this.
- CEO asked if there was an opportunity to include other key players in the training. Graham advised that the workshop would be open to other identified staff.
- Query regarding new staff and the plan for ensuring that any identified new staff are trained. Graham advised that his team will work with Learning and Development to include some training modules for induction.

ACTIONS

- **Felicity Westguard to send an email to all GM's requesting nominations for other key staff to be included in training.**
- **Angela Harms raised a concern regarding the budget allocation for this training. Sonia Cooper will talk with Jeff Keech regarding this.**

Attachments

1. PWC Fraud and Corruption Awareness Training document
2. PWC Engagement Letter for Fraud Awareness Training

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4. FINAL PWC FRAUD CONTROL FRAMEWORK REVIEW REPORT AND ICC MANAGEMENT PROCESS

The final PWC Fraud Control Framework Review Report was received in December 2019 and ICC's Management Responses to the key recommendations are attached for consideration and endorsement by the ELT Risk Committee.

RECOMMENDATION

**That ELT note the final PWC Fraud Control Framework Review Report and endorse the ICC Management Responses to the key recommendations.**

DISCUSSION

- Graham advised this was an internal document and once the recommendation is endorsed this will be completed. A review will be carried out in 6 months to ensure the recommendations were actioned.

10 FEBRUARY 2020

ELT RISK MEETING NO. 2020(01)]

Attachments

1. ICC Fraud Control Framework Review
  2. ICC Management Responses to key recommendations
- 

5. ICC FRAUD AND CORRUPTION CONTROL RISK REGISTER

Following endorsement of the Fraud and Corruption Control documents by the Steering Committee, adoption of the policy by Council, the ICC Fraud and Corruption Control Risk Register has been developed for consideration and endorsement by the ELT Risk Committee.

RECOMMENDATION

**That ELT endorse the ICC Fraud and Corruption Control Risk Register.**

Attachments

1. ICC Fraud and Corruption Control Risk Register
- 

6. DEVELOPMENT OF A BUSINESS CONTINUITY TEST EXERCISE

As part of the ongoing Business Continuity Management (BCM), it is the intention to develop a business continuity test exercise, in which it is anticipated that the exercise will be carried out in the first half of 2020.

RECOMMENDATION

**That ELT note the intention to develop a business continuity exercise and that it is anticipated that the exercise will be carried out in the first half of 2020.**

DISCUSSION

- Graham advised that council has all response plans in place and that ELT are the crisis management team and all have responsible roles if ever the plan has to be invoked.
- The CEO requested a 30 minute session with ELT to work through the BCP a month before the scheduled exercise.

ACTIONS

- **Graham to ensure that this 30 minute session is scheduled for one of the Thursday ELT meetings a month prior to the scheduled exercise.**
-

10 FEBRUARY 2020

ELT RISK MEETING NO. 2020(01)

7. ESTABLISHMENT OF THE ELT RISK COMMITTEE AND DEVELOPMENT OF CHARTER

Part of the TP#7 project is the establishment of a Risk Management Committee and a separate Fraud and Corruption Control Committee. It is proposed that with the establishment of the ELT Risk Committee, that the setting up of a separate Risk Management Committee and Fraud and Corruption Control Committee not proceed at this stage until the whole of Council Enterprise Risk Management (ERM) program is more mature.

RECOMMENDATION

**That ELT endorse the establishment of the ELT Risk Committee and that a Charter for the committee be developed.**

DISCUSSION

- The CEO outlined some matters he would like to see included on the agenda and in the charter for the ELT Risk Committee. *(These matters are outlined under the actions).*
- The GM Coordination and Performance queried how the presentation of Departmental Risk Registers to the Audit and Risk Management Committee would differ from what is presented and discussed at the ELT Risk Committee and if there would be an overlap of information. Graham advised that the reporting to Audit and Risk Management Committee would be more in depth and that it would be more of an assurance to the Audit and Risk Management Committee that we are on top of the issues.
- The CEO outlined that Audit and Risk Management Committee is more of an oversight committee and adviser to council and management to set the standards to ensure that matters are being worked on and aren't getting out of control.
- Graham advised that Sean would be presenting his departmental risk register at the Audit and Risk Management Committee this week and asked which General Manager would volunteer to present to the committee in May. The General Manager Infrastructure Services advised he would present at the May meeting.
- The CEO advised that Rob Jones had been appointed as one of the external members to the Audit and Risk Management Committee and that the current Chairperson (Graeme Stratford) would be retiring after the February meeting. A new Chairperson will be commencing for the May meeting.

ACTION

- **Graham to incorporate the following suggestions from the CEO into the agenda and Charter for the ELT Risk Committee.**
  - **The inclusion of a Workplace Health and Safety representative on the committee**
  - **Discussion of one of the corporate risks at each meeting and look at the mitigation of risks associated with it as a group**

10 FEBRUARY 2020

ELT RISK MEETING NO. 2020(01)]

- Discussion around any major risk events that have occurred ie; major safety incidents
- Emerging risks
- Continual review of progress of departmental risk registers
- Review of commitments to date
- That the General Manager Infrastructure and Environment present his Departmental Risk Register at the next Audit and Risk Management Committee scheduled for May.

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#### **PROCEDURAL MOTIONS AND FORMAL MATTERS**

The meeting commenced at 10.02 am.

The meeting closed at 11.00 am.

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Doc ID No: A6219529

ITEM: 3

SUBJECT: REPORT - RISK ELT MEETING NO. 2020(02) OF 3 APRIL 2020

AUTHOR: COMMITTEE MANAGER

DATE: 7 MAY 2020

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## INTRODUCTION

This is the report of the Risk ELT Meeting No. 2020(02) of 3 April 2020.

## RECOMMENDATION

That the report be received and the contents noted.

## ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS

1.	Risk ELT Meeting Report No. 2020(02) of 3 April 2020  
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3 APRIL 2020

RISK ELT MEETING NO. 2020(02)

**RISK ELT MEETING NO. 2020(02)**

**3 APRIL 2020**

**REPORT**

**ATTENDANCE:** Graham McGinniskin (Principal Risk and Compliance Specialist - Chairperson); Members David Farmer (Chief Executive Officer), Sonia Cooper (General Manager Corporate Services), Charlie Dill (General Manager Infrastructure and Environment), Sean Madigan (General Manager Coordination and Performance), Ben Pole (General Manager Community, Cultural and Economic Development), Peter Tabulo (General Manager Planning and Regulatory Services), Freddy Beck (Chief Audit Executive), Angela Harms (Governance Manager), Chris Lee (Workplace Safety and Wellbeing Manager) and Tony Dunleavy (Manager Legal and Governance (General Counsel)

**APOLOGIES:** Josh Edwards (Business Improvement Manager)

**1. REPORT - ELT RISK MEETING OF 10 FEBRUARY 2020**

This is the report of the ELT Risk Committee No. 2020(01) of 10 February 2020.

**RECOMMENDATION**

That the report of the ELT Risk Committee No. 2020(01) of 10 February 2020 be received and the contents noted.

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**2. REPORT - RISK - INFRASTRUCTURE AND ENVIRONMENT NO. 2020(01) OF 16 MARCH 2020**

This is the report of the Risk - Infrastructure and Environment No. 2020(01) of 16 March 2020.

**RECOMMENDATION**

That the report of the Risk - Infrastructure and Environment No. 2020(01) of 16 March 2020 be received and the contents noted.

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**3. REPORT - RISK - PLANNING AND REGULATORY SERVICES NO. 2020(01) OF 16 MARCH 2020**

This is the report of the Risk - Planning and Regulatory Services No. 2020(01) of 16 March 2020.

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3 APRIL 2020

RISK ELT MEETING NO. 2020(02)]

RECOMMENDATION

That the report of the Risk - Planning and Regulatory Services No. 2020(01) of 16 March 2020 be received and the contents noted.

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4. REPORT - RISK - CORPORATE SERVICES NO. 2020(01) OF 17 MARCH 2020

This is the report of the Risk - Corporate Services No. 2020(01) of 17 March 2020.

RECOMMENDATION

That the report of the Risk - Corporate Services No. 2020(01) of 17 March 2020 be received and the contents noted.

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5. REPORT - RISK - COORDINATION AND PERFORMANCE NO. 2020(01) OF 18 MARCH 2020

This is the report of the Risk - Coordination and Performance No. 2020(01) of 18 March 2020.

RECOMMENDATION

That the report of the Risk - Coordination and Performance No. 2020(01) of 18 March 2020 be received and the contents noted.

DISCUSSION

- Graham advised that at the Coordination and Performance risk meeting it was suggested that the risk 'social infrastructure planning' be moved to the Corporate Risk Register.
- Graham advised that it was agreed to include the risk 'management of COVID-19 pandemic' with a current risk rating of high and a target risk rating of low to the Coordination and Performance Department.

ACTIONS

- That the risk 'social infrastructure planning' remain within Coordination and Performance at this stage (see Item 10).
- 

6. OUTSTANDING ACTIONS FROM ALL RISK COMMITTEES AS AT 1 APRIL 2020

This is a short report attaching the outstanding actions from each of the ELT Risk Departmental committees including the ELT Risk Committee.

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3 APRIL 2020

RISK ELT MEETING NO. 2020(02)]

RECOMMENDATION

That the outstanding actions be noted and updated where possible.

DISCUSSION

- Charlie Dill queried how the actions were notified to the organisation. Vicki advised that these were created and distributed in the same manner as all other Infocouncil actions ie: via an email notification with the action appearing under the Actions tab in Infocouncil.

7. UPDATE ON THE ENTERPRISE RISK MANAGEMENT PROGRAM - FRAUD AND CORRUPTION CONTROL AND BUSINESS CONTINUITY MANAGEMENT

This is an update on the Enterprise Risk Management Program/Fraud and Corruption Control and Business Continuity Management.

RECOMMENDATION

- A. The ELT note the review and update of the Corporate Risk Register and Departmental Risk Registers.
- B. That ELT endorse the proposed PWC "draft" Risk Appetite Statement (RAS) for use in executive decision making. That ELT note that Council did not proceed with the proposed engagement of PWC to develop a Risk Appetite Statement. Therefore, action items 1, 2 and 3 did not proceed and will be taken into account over the next 12 months so Council can ensure a high level RAS is developed and put in place.
- C. That ELT note that the Fraud and Corruption Training for ELT/Branch and Section Managers and key staff was carried out by PWC in four sessions on 19 and 20 February 2020 involving over 100 staff. General Managers were also able to nominate key staff from their Department and finance were able to secure funding for PWC's engagement.
- D. That ELT endorse, that due to the current circumstances in relation to the COVID-19 pandemic, ELT at its meeting on Monday, 23 March 2020 made a decision to postpone the development of a Business Continuity text exercise which was to be carried out in the first half of 2020. The decision to carry out the Business Continuity test exercise was endorsed at the ELT Risk Committee on Monday, 10 February 2020. Therefore, the 30 minute session scheduled for one of the ELT weekly meetings on a month prior to the scheduled exercise has been postponed.
- E. That ELT Endorse the ICC Critical Systems and Facilities on page 16 of the ICC Business Continuity Plan outlined in Attachment 9. The table identifies the key systems and facilities identified by the BIA and state their target recovery times in the circumstances of a major business disruption.



3 APRIL 2020

RISK ELT MEETING NO. 2020(02)]

- F. That ELT endorse the establishment of the five Departmental Risk Advisory Committees and the Terms of Reference for each of the Advisory Committees. All five Departmental Risk Advisory Committees at their recent meetings endorsed the Risk Advisory Terms of Reference.
- G. That ELT note that Chris Lee, Workplace Safety and Wellbeing Advisor is now a participant on the ELT Risk Committee. At the ELT Risk Committee on 10 February 2020 the CEO requested that Chris Lee attend because the Risk of Harm to a Worker is in all the risk registers – WH&S from an employee point of view and contractors and public engaged with council.
- H. That as agreed, ELT would discuss one of the corporate risks at each meeting and look at the mitigation of risks associated with it as a group. It is suggested that ELT review risk one – Transformation program does not deliver expected outcomes/benefits.
- I. That ELT discuss any major risk events that have occurred i.e. major safety incidents.
- J. That ELT discuss the following emerging risks that were identified by PWC with their one-on-one meetings with the CEO and General Manager's late last year. 1. State/Federally funded infrastructure meeting growth demands and social equity. 2. Commercial disputes, 3. Climate Change. 4. Departmental outcomes align with Council Strategy. 5. Internal Audit/Ethical Standards. 6. Policy/Procedure Approval.
- K. That ELT discuss the inclusion into the Corporate Risk Register, a risk around - Social Infrastructure Planning. This risk currently resides in the Coordination and Performance Departmental Risk Register.

#### DISCUSSION

- RECOMMENDATION B - In relation to the proposed PWC 'draft' Risk Appetite Statement, Graham McGinniskin outlined that it is proposed to do a more in-depth analysis for the 9 risk areas during 2020 and that for the next ELT Risk meeting there will be discussion around how council can look at compiling a risk appetite for council covering these 9 risk areas.
- RECOMMENDATION D - the CEO requested that a date be pencilled in towards the end of the year and this be used as an exercise that reflects on Ipswich City Council's overall response to the COVID-19 Pandemic as this has been an actual event impacting our business.
- The General Manager, Corporate Services suggested that after the LDMG stands down on COVID-19 Pandemic and response, that the risk management and business continuity team participate in a comprehensive debrief from a business continuity perspective.
- RECOMMENDATION E – General Manager, Corporate Services suggested that she take this to the new Chief Information Officer for comment.

3 APRIL 2020

RISK ELT MEETING NO. 2020(02)]

- RECOMMENDATION H - discussion was held on whether No. 1 – ‘Transformation program does not deliver expected outcomes/benefits’ – should remain as part of the Coordination and Risk Register. The CEO stated that his preference would be that it remain for 12 months and at the end of 12 months it be reviewed. Sean Madigan advised that a lot of work had been done on the projects however they are yet to embed them into BAU and realise any benefits which could be up to 12 months away.
- Graham asked if everyone was satisfied with the risk rating of high. The CEO suggested that it remain this way given the situation we are in at present.
- Graham to review this at next ELT Risk committee to see if there needs to be any further action taken or feedback provided.
- RECOMMENDATION I - Chris Lee outlined the closure of the lower levels of 143 Brisbane Street due to mould and that the area is still shut down and the issue remains significant.
- Graham McGinniskin asked if it should be a risk in either the Department risk register or the Corporate risk register.
- Chris Lee outlined the ongoing issues and the CEO stated that it doesn’t need to be added to any register and that the purpose of this matter on each agenda is just to share and discuss things that have occurred and how council might mitigate and deal with them.
- GM, CS suggested that the lessons learned from the incident and its management be debriefed.
- RECOMMENDATION J - the CEO suggested that these be kept on the agenda for review at the next meeting.
- RECOMMENDATION K – GM, CP raised that this matter came about as a result of the restructure but in terms of planning and delivering social infrastructure it didn’t really sit in the coordination and performance department. He asked if this should be escalated to the Corporate Risk Register or within CCED in terms of the Community Risk Register.
- The CEO stated that there was no organisation ownership of it at this stage and maybe it should sit in Coordination and Performance until the risk is resolved.
- It was suggested that GM, PRS and GM, IED work out whose responsibility this is and create a workflow so that the organisation have clarity and responsibility.
- The CEO outlined that there are a few other areas that need to be tidied up as well.
- GM, CP to liaise with other departments and put together a paper for ELT on the matter.

#### ACTIONS

- Graham McGinniskin to send out draft appointment towards the end of the year for a Business Continuity Test exercise and this be used as an exercise that reflects on current COVID-19 actions.
- Sonia Cooper to seek comment from Sylvia Swalling as the new Chief Information Officer on the ICC Critical Systems and Facilities as part of the Business Continuity Plan.
- Graham McGinniskin to review risk one – ‘Transformation program does not deliver expected outcomes/benefits’ at the next ELT Risk Committee to see if there needs to be any further action taken or feedback provided.

3 APRIL 2020

RISK ELT MEETING NO. 2020(02)]

- Chris Lee to organise a debrief with the contractors of 143 Brisbane Street, Ipswich.
- Peter Tabulo and Charlie Dill to discuss the responsibility for Social Infrastructure Planning so that the organisation can have clarity and responsibility for it.
- Sean Madigan to liaise with other departments in relation to corporate planning structure and ownership of responsibilities ie who is asset owner, planner, maintainer etc and prepare a paper for ELT with a possible workshop to be run at the end of the year.

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8. COVID-19 RISK MODEL

Verbal Report by the Chief Executive Officer concerning a separate risk register for COVID-19.

RECOMMENDATION

- A. That the Principal Risk and Compliance Specialist prepare a separate risk register for COVID-19 including financial risks to the organisation, risk to staff and risk to the economy.
- B. That the Principal Risk and Compliance Specialist coordinate, as a priority, a simple document outlining 3 or 4 key risks for a COVID-19 briefing with the incoming councillors.

DISCUSSION

- The CEO queried what council was doing about codifying the COVID-19 risk model and suggested two ways of undertaking this – 1. an emerging risk that will go up and down which should be dealt with in a separate risk register. This should include financial risks to the organisation, risk to staff and risk to the economy. 2. on a broader level Graham to coordinate as a priority, 3 or 4 key risks which will be a good exercise in front of elected reps. Need to include real and pressing issues keeping in mind the range of sophistication. What are the risks that will be extreme and what the organisation is doing to pull these together. Not a complex document but should codify these issues.
- Angela Harms queried if council was capturing the COVID-19 risks from the social aspect of the community.
- The CEO suggested to look at some of the social and economic impacts and what can be done to mitigate some of these and consider that they may still be very serious in 4 or 6 months' time. Need to think strategically about how to undertake this.
- Ben Pole advised that the first piece of work in this space has been done. A community capability gap analysis has been prepared where the team have looked at a variety of community groups and what normal service provision would be and how this has been impacted.

3 APRIL 2020

RISK ELT MEETING NO. 2020(02)]

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9. EMPLOYEES - USE OF OWN VEHICLE

Verbal report by the Principal Risk and Compliance Specialist concerning employees wanting to use their own vehicles for work.

RECOMMENDATION

That the General Manager, Corporate Services discuss the issues surrounding this process with the Manager, People and Culture to determine an appropriate outcome.

DISCUSSION

- Graham McGinniskin outlined that Chris Lee has been involved in matters where employees are wanting to use their own vehicles for work.
- Feedback between insurance area, workplace safety and wellbeing and others is that we don't know how many employees have been allowed to use their vehicles for various reasons and how significant an issue this may be.
- If staff use their own vehicle and they do not have insurance this could leave council vulnerable.
- The CEO outlined that in other organisations where there are novated leases in place a separate agreement is established between the employer and employee about insurance and excess and that council needs to urgently review this.
- Graham McGinniskin advised that outdoor workers are not being able to use council vehicles. Council has a situation where we have novated vehicles in fleet and have an expectation that these should be used for work purposes.
- Graham McGinniskin outlined that council does not have a policy on what happens if staff have an accident.
- The CEO outlined that this is a People and Culture issue rather than a risk issue.
- Sonia Cooper advised that she would address this with the Manager, People and Culture.

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10. AUDIT AND RISK MANAGEMENT COMMITTEE UPDATE

Verbal report by the General Manager, Corporate Services providing an update on a briefing with the Chairperson of the Audit and Risk Management Committee regarding expectations of how the Audit and Risk Management committee meetings should be structured.

RECOMMENDATION

That the verbal report be noted.

3 APRIL 2020

RISK ELT MEETING NO. 2020(02)]

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**PROCEDURAL MOTIONS AND FORMAL MATTERS**

The meeting commenced at 9.03 am.

The meeting closed at 9.51 am.

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Doc ID No: A6231716

ITEM: 4  
SUBJECT: OUTSTANDING ACTIONS  
AUTHOR: COMMITTEE MANAGER  
DATE: 12 MAY 2020

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### **EXECUTIVE SUMMARY**

This is a report concerning the outstanding actions associated with the following committees:

Audit and Risk Management Committee

Risk ELT Committee

Risk – Infrastructure and Environment Committee

Risk – Corporate Services Committee

Risk – Co-ordination and Performance Committee

Risk – Planning and Regulatory Services Committee

Risk – Community, Cultural and Economic Development Committee

### **RECOMMENDATION/S**

**That the report be received and the contents noted.**

### **RELATED PARTIES**

Not applicable

### **ADVANCE IPSWICH THEME**

Listening, leading and financial management

### **PURPOSE OF REPORT/BACKGROUND**

This report provides an update as to current outstanding actions associated with the various risk committees operating within council.

### **LEGAL/POLICY BASIS**

This report and its recommendations are consistent with the following legislative provisions:

*Not Applicable*

### **RISK MANAGEMENT IMPLICATIONS**

Actions exist so that there is a record of matters that council has resolved. The actions exist as a way to ensure these tasks are undertaken.

### **FINANCIAL/RESOURCE IMPLICATIONS**

Not applicable.

### **COMMUNITY AND OTHER CONSULTATION**

Not applicable.

**CONCLUSION**

The outstanding actions listing has been compiled as a record of actions still outstanding.

**ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS**

1.	CONFIDENTIAL Outstanding actions listing
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Vicki Lukritz

**COMMITTEE MANAGER**

I concur with the recommendations contained in this report.

Sonia Cooper

**GENERAL MANAGER CORPORATE SERVICES**

***“Together, we proudly enhance the quality of life for our community”***

Doc ID No: A6229161

ITEM: 5

SUBJECT: QUEENSLAND AUDIT OFFICE BRIEFING PAPER AND 2020 INTERIM REPORT

AUTHOR: COMMITTEE MANAGER

DATE: 11 MAY 2020

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## **EXECUTIVE SUMMARY**

This is a report concerning a briefing paper presented by the Queensland Audit Office together with the 2020 Draft Interim Report for Ipswich City Council.

## **RECOMMENDATION/S**

**That the report be received and the contents noted.**

## **RELATED PARTIES**

Ipswich City Council

Queensland Audit Office

## **ADVANCE IPSWICH THEME**

Listening, leading and financial management

## **PURPOSE OF REPORT/BACKGROUND**

The Queensland Audit Office have presented these two papers for the information of the Audit and Risk Management Committee.

## **LEGAL/POLICY BASIS**

This report and its recommendations are consistent with the following legislative provisions:

*Not applicable*

## **RISK MANAGEMENT IMPLICATIONS**

Not applicable

## **FINANCIAL/RESOURCE IMPLICATIONS**

There are no financial or resource implications.

## **COMMUNITY AND OTHER CONSULTATION**

No consultation has been undertaken in relation to this report.

## **CONCLUSION**

The Queensland Audit Office have presented a briefing paper and their 2020 draft Interim Report for the information of the Audit and Risk Management Committee.

## **ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS**



	CONFIDENTIAL
1.	Queensland Audit Office Briefing Paper
2.	Queensland Audit Officer 2020 draft Interim Report

Vicki Lukritz

**COMMITTEE MANAGER**

I concur with the recommendations contained in this report.

Sonia Cooper

**GENERAL MANAGER CORPORATE SERVICES**

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Doc ID No: A6177674

ITEM: 6

SUBJECT: SUMMARY OF RECENT INTERNAL AUDIT REPORTS ISSUED

AUTHOR: CHIEF AUDIT EXECUTIVE

DATE: 11 MAY 2020

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## EXECUTIVE SUMMARY

This is a report concerning recently completed internal audits and the subsequent reports released since the previous report dated 4 February 2020.

## RECOMMENDATION/S

**That the report be received and the contents noted.**

## RELATED PARTIES

Not applicable

## ADVANCE IPSWICH THEME LINKAGE

The intention is for the Internal Audit activity to support all five themes:

Strengthening our local economy and building prosperity

Managing growth and delivering key infrastructure

Caring for the community

Caring for the environment

Listening, leading and financial management

Individual internal audits and corrupt conduct investigations will to a varying degree support these themes, but the main objective for Internal Audit is to support the organisation in achieving its objectives.

## PURPOSE OF REPORT/BACKGROUND

Since 11 May 2020, Internal Audit has issued/finalised 6 Internal Audit reports/Consulting Tasks and the extracts of the reports containing the audit recommendations, management response and agreed action by date, are attached to enable any further discussion that may be required by the Audit and Risk Management Committee.

Control Environment Opinion Summary over Areas in Scope of Audits	5	4	3	2	1
Arrangements/Agreements/Leases (I&E non-construction) (A1920-01)		✓			
Grants, Sponsorships and Donations Program (A1920-08)			✓		
IMC Information Transfer (A1920-09)					✓

Payroll Transactions (A1920-13)			✓		
Receipting, Cash Handling and Floats (A1920-16)		✓			
Workplace Safety and Wellbeing (A1920-23)				✓	

## FINANCIAL/RESOURCE IMPLICATIONS

Resources are provided to internal audit through the annual audit plan and budgeting processes. No additional resources were required because of this report.

## RISK MANAGEMENT IMPLICATIONS

Rating Definitions	
5	Indicates unacceptable control environment or critical operating or control problems or extreme exposure.
4	Indicates unsatisfactory control environment or significant operational, procedural or control deficiencies or high exposure.
3	Indicates limited control environment or some operational, procedural or control deficiencies, issues or moderate exposure
2	Indicates acceptable control environment or minor operational, procedural or control deficiencies, issues or exposure.
1	Indicates well controlled environment or no or limited unfavourable audit findings, observations or exposure.

Each of the individual reports provides for a control environment opinion as well as individual risk ratings per individual findings and recommendations. The importance is for management to implement the individual recommendations well to either address or diminish the exposure for Council, or explain why it is acceptable to not implement the suggested improvements. As per the corrupt conduct investigation, the findings and risks vary in each situation and are discussed in the confidential reports. Having said that the key risks are still a reality if the information is not well presented, well understood or does not generate an appropriate response.

## LEGAL/POLICY BASIS

This report and its recommendations are consistent with the following legislative provisions:

*Local Government Act 2009*

*Local Government Regulation 2012*

## COMMUNITY AND OTHER CONSULTATION

Internal Audit mostly consults internally to the organisation and its management in conducting the internal audits and finalising the reports.

## CONCLUSION

Over this period it was still difficult to conduct audits and finalise reports mainly due to other priorities receiving preference. Having said that, through management and auditor cooperation things had improved.

## ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS

	CONFIDENTIAL
1.	Executive summaries of internal audit reports 11 May 2020
2.	Internal Audit Report No. A1920-01
3.	Internal Audit Report No. A1920-08
4.	Internal Audit Report No. A1920-09
5.	Internal Audit Report No. A1920-13
6.	Internal Audit Report No. A1920-16
7.	Internal Audit Report No. A1920-23

Freddy Beck  
**CHIEF AUDIT EXECUTIVE**

I concur with the recommendations contained in this report.

Freddy Beck  
**CHIEF AUDIT EXECUTIVE**

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Doc ID No: A6177675

ITEM: 7

SUBJECT: INTERNAL AUDIT BRANCH ACTIVITIES REPORT FOR THE PERIOD 4 FEBRUARY 2020 TO 11 MAY 2020

AUTHOR: CHIEF AUDIT EXECUTIVE

DATE: 11 MAY 2020

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## **EXECUTIVE SUMMARY**

This is a report concerning the activities of Internal Audit undertaken since 4 February 2020 and the current status of these activities.

### **RECOMMENDATION/S**

**That the report be received, the contents noted and the recommendations in Attachments 3, 4 and 5, be considered finalised and archived.**

### **RELATED PARTIES**

Not applicable

### **ADVANCE IPSWICH THEME LINKAGE**

The intention is for the Internal Audit activity to support all five themes:

Strengthening our local economy and building prosperity

Managing growth and delivering key infrastructure

Caring for the community

Caring for the environment

Listening, leading and financial management

Individual internal audits and corrupt conduct investigations will, to a varying degree, support these themes, but the main objective for Internal Audit is to support the organisation in achieving its objectives.

### **PURPOSE OF REPORT/BACKGROUND**

The purpose of this report is to keep the Audit and Risk Management Committee informed and to report on performance of the Internal Audit Branch:

- Report the status of the audits currently under way
- Summary of the activities of the Internal Audit Branch
- Annual Performance Report and Assertion on Internal Auditing Standards
- Report the status of the audit recommendations from completed audits

The supply of the information to the Mayor, the Chief Executive Officer and Audit and Risk Management Committee, is a requirement of the Internal Audit Charter.

### **Internal Audit Report Register (Attachment 1)**

This is a historic register recording the reference number of formal reports produced, audits commenced, report status and date completed for the last number of years.

### **Audits, Reviews, Projects and Activities (Attachment 2)**

This is a report on audits, reviews, projects and activities that were conducted during the period or in progress as at 11 May 2020.

### **Audit Recommendations (Attachments 3, 4 and 5)**

Extracted from the Audit Recommendations System, these reports list all Internal and External Audit recommendations as well as de-identified Investigation/Ad-hoc reports (with management comments and responses) that managers advise have been implemented since the report made to the last Audit and Risk Management Committee meeting. These reports are presented to the Audit and Risk Management Committee prior to the recommendations being finalised and/or archived.

### **FINANCIAL/RESOURCE IMPLICATIONS**

Resources are provided to internal audit through the annual audit plan and budgeting processes. No additional resources were required because of this report. However situations will dictate if internal audits and investigations have to be outsourced and also management will have to consider their implications to implement the recommendations as per the individual reports.

### **RISK MANAGEMENT IMPLICATIONS**

Each of the individual reports provides for a control environment opinion as well as individual risk ratings per individual findings and recommendations. The importance is for management to implement the individual recommendations well to either address or diminish the exposure for Council, or explain why it is acceptable to not implement the suggested improvements. As per the corrupt conduct investigation, the findings and risks vary in each situation and are discussed in the confidential reports. Having said that the key risks are still if the information is not well presented, well understood or does not generate an appropriate response.

### **LEGAL/POLICY BASIS**

This report and its recommendations are consistent with the following legislative provisions:

*Local Government Act 2009*

*Local Government Regulation 2012*

*Crime and Corruption Act 2001*

### **COMMUNITY AND OTHER CONSULTATION**

Internal Audit mostly consults internally to the organisation and its management in conducting the internal audits and finalising the reports. For investigations the appropriate consultations take place as the situation allows and requires.

### **CONCLUSION**

During the period under review the Internal Audit Branch undertook a number of activities, including as listed in Attachment 2.

During the course of Internal Audit activities, contributions to the improvement of operational procedures, practices and the control environment have been achieved.

**ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS**

1.	Internal Audit Register  
	CONFIDENTIAL
2.	Internal Audit Activity Report
3.	Internal Audit Recommendations Implemented
4.	External Audit Recommendations Implemented
5.	Investigations/Ad-hoc Report Recommendations Implemented

Freddy Beck

**CHIEF AUDIT EXECUTIVE**

I concur with the recommendations contained in this report.

Freddy Beck

**CHIEF AUDIT EXECUTIVE**

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## Internal Audit Report Status

2019/2020 Financial Year			
Reference	Audit Name	Final Report	Finalised
A1819-01	Business Case Development	07/08/2019	22/04/2020
A1819-05	Credit Cards Framework – Allocation and Use	31/07/2019	
A1819-09	Infrastructure Services Capacity Review	25/07/2019	22/01/2020
A1819-11	Objective	21/10/2019	
A1819-12	Operations of Fleet and Plant	29/10/2019	
A1819-13	Penalty Infringement Process	25/07/2019	
A1920-01	Arrangements/Agreements/Leases (I&E non-construction)	06/05/2020	
A1920-03	Conflicts of Interests	In Progress	
A1920-04	Contract Management	In Progress	
A1920-05	Cyber/Digital Security	In Progress	
A1920-06	Enterprise Resource Planning (ERP) Observation/Advice	In Progress	
A1920-08	Grants, Sponsorships and Donations Program	27/03/2020	
A1920-09	IMC Information Transfer	06/05/2020	
A1920-11	Lakes and Retention Basins	In Progress	
A1920-13	Payroll Transactions	28/04/2020	
A1920-16	Receipting, Cash Handling and Floats	26/03/2020	
A1920-17	Recruitment and Selection	In Progress	
A1920-18	Right to Information/Information Privacy Obligations	In Progress	
A1920-19	Sports Operations	In Progress	
A1920-20	Tender Evaluation	In Progress	
A1920-21	Waste Business Management Systems	In Progress	
A1920-22	Workshops	In Progress	
A1920-23	Workplace Safety and Wellbeing	06/05/2020	



Item 7 / Attachment 1.

ICC Internal Audit Activities Report

ATTACHMENT 1

<u>2018/2019 Financial Year</u>			
Reference	Audit Name	Final Report	Finalised
A1718-03	Community Lease Agreements	24/01/2019	28/11/2019
A1718-04	Construction Quality Verification	30/10/2018	30/10/2018
A1718-07	Design Certification	19/12/2018	03/07/2019
A1718-09	Environmental Plan Levy	25/07/2018	13/02/2020
A1718-10	ICT Managed Services Implementation	04/10/2018	04/10/2018
A1819-02	Civic Hall Safety and Security	03/06/2019	09/07/2019
A1819-07	Enterprise Resource Planning Observation/Advice	30/06/2019	30/06/2019
A1819-08	Fraud Prevention and Investigation Process	21/06/2019	21/06/2019
A1819-15	Pound Operations	27/06/2019	
A1819-18	Waste Business Management Systems	14/05/2019	22/07/2019

<u>2017/2018 Financial Year</u>			
Reference	Audit Name	Final Report	Finalised
A1617-05	Ethics	23/08/2017	05/06/2019
A1617-10	IT Security	10/11/2017	10/11/2017
A1617-14	Process of Communications Release	16/08/2017	31/07/2018
A1617-15	Procurement and Contract Management	15/08/2017	28/02/2020
A1617-17	Service Request Management	18/07/2017	28/02/2020
A1718-01	Arboriculture	20/04/2018	28/02/2020
A1718-08	Enterprise Resource Planning Observation/Advice	30/06/2018	30/06/2018
A1718-11	Immunisation Program	29/06/2018	
A1718-12	Line Marking and Signs	29/06/2018	14/08/2019
A1718-16	Residential Swimming Pools	16/11/2017	
A1718-17	Security and Safety Cameras	29/06/2018	23/04/2020
A1718-18	Waste Business Management Systems	20/04/2018	04/12/2018

Item 7 / Attachment 1.

ICC Internal Audit Activities Report

ATTACHMENT 1

2016/2017 Financial Year			
Reference	Audit Name	Final Report	Finalised
201602	Change Management IT	16/12/2016	16/05/2017
201603	Contributed Assets	19/09/2016	07/01/2019
201608	Governance of Controlled Entities	12/10/2016	07/08/2018
A1617-02	Data#3 (Compliance) ICT Managed Services - Probity	16/06/2017	16/06/2017
A1617-04	Enterprise Resource Planning (ERP) Observation/Advice	30/06/2017	30/06/2017
A1617-06	Fees and Charges (Revenue)	12/04/2017	07/12/2018
A1617-07	Fuel and Corporate Cards	02/06/2017	02/06/2017
A1617-08	Food Safety Program	12/04/2017	10/10/2017
A1617-09	Infrastructure Agreements	03/03/2017	16/05/2017
A1617-11	Library	27/03/2017	28/02/2018
A1617-12	Overtime and Allowances	30/01/2017	15/02/2017
A1617-13	Parks, Open Spaces and Playgrounds	28/10/2016	30/05/2018
A1617-18	SES	02/06/2017	31/01/2020
A1617-19	IWS Business Management System	03/03/2017	11/09/2017

2015/2016 Financial Year			
Reference	Audit Name	Final Report	Finalised
201509	IT Security	07/09/2015	15/02/2017
201511	Privacy/Identity Management	02/02/2016	03/08/2016
201516	Social Media	16/07/2015	15/02/2017
201601	Business Process Reengineering and Benefits Realisation	18/01/2016	17/02/2016
201604	Enterprise Resource Planning (ERP) Observation/Advice	30/06/2016	03/08/2016
201605	Enterprise Risk Management (ERM)	29/04/2016	28/02/2020
201606	Fire Safety	23/05/2016	30/06/2017
201609	Independent Validation of Internal Audit Quality Self-Assessment	30/06/2016	
201610	Internal Audit Recommendations Implementation Follow-up	03/06/2016	03/08/2016
201611	Objective – Record Storage, Clarification and Retrieval	30/06/2016	03/08/2016
201613	Procurement (External Audit Recommendations)	23/03/2016	18/05/2016

Item 7 / Attachment 1.

ICC Internal Audit Activities Report

ATTACHMENT 1

<u>2015/2016 Financial Year</u>			
Reference	Audit Name	Final Report	Finalised
201614	Program Management Process (IS) review new process	13/04/2016	18/05/2016
201618	Transport Corridor Planning	05/02/2016	18/05/2016
201619	IWS Management Systems Review	19/04/2016	03/08/2017

<u>2014/2015 Financial Year</u>			
Reference	Audit Name	Final Report	Finalised
201401	Animal Management	07/08/2014	17/02/2016
201402	Budget Management	08/01/2015	17/02/2016
201404	Cloud Computing	22/08/2014	22/10/2014
201405	Contract Management	25/09/2014	31/07/2018
201501	Abandoned Vehicles	17/10/2014	13/05/2015
201502	Appointment Process	15/04/2015	13/05/2015
201503	Asset Management – Strategic (WPR)	20/03/2015	17/02/2016
201504	Cemeteries	25/02/2015	23/04/2020
201505	Dealing with Children	07/11/2014	13/10/2016
201506	Enterprise Resource Planning (ERP) Observation/Advice	30/06/2015	05/08/2015
201508	IT Governance	16/06/2015	05/08/2015
201510	Parking Fines	27/05/2015	03/10/2007
201513	Purchase Card Industry – Data Security Standard	19/06/2015	03/08/2016
201514	Roads Rehabilitation Maintenance	19/06/2015	18/05/2016
201517	Transfer Station	11/06/2015	28/10/2015
201518	Workplace Health & Safety	20/03/2015	16/05/2017
201519	Ipswich Waste Services Management Systems Review	28/05/2015	05/08/2015
201520	Rates	21/05/2015	05/07/2017

Doc ID No: A6223690

ITEM: 8  
SUBJECT: PROGRESS OF THE 2019-2020 ANNUAL INTERNAL AUDIT PLAN  
AUTHOR: CHIEF AUDIT EXECUTIVE  
DATE: 11 MAY 2020

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### **EXECUTIVE SUMMARY**

This is a report concerning the status of the 2019-2020 Annual Internal Audit Plan as presented in the attachment to this report.

### **RECOMMENDATION/S**

**That the report be received and the contents noted.**

### **RELATED PARTIES**

Not applicable.

### **ADVANCE IPSWICH THEME LINKAGE**

The intention is for the Internal Audit activity to support all five themes:

Strengthening our local economy and building prosperity

Managing growth and delivering key infrastructure

Caring for the community

Caring for the environment

Listening, leading and financial management

Individual internal audits and corrupt conduct investigations will to a varying degree support these themes, but the main objective for Internal Audit is to support the organisation in achieving its objectives.

### **PURPOSE OF REPORT/BACKGROUND**

The attachment is an indication of the progress and indicating the number of actual audit days compared to the budgeted audit days in the approved audit plan, relative to various Internal Audit Branch activities undertaken during the year.

### **FINANCIAL/RESOURCE IMPLICATIONS**

Resources are provided to internal audit through the annual audit plan and budgeting processes. No additional resources were required because of this report. However situations will dictate if internal audits and investigations have to be outsourced and also management will have to consider their implications to implement the recommendations as per the individual reports.

### **RISK MANAGEMENT IMPLICATIONS**

Each of the individual reports provides for a control environment opinion as well as individual risk ratings per individual findings and recommendations. The importance is for management to implement the individual recommendations well to either address or diminish the exposure for Council, or explain why it is acceptable to not implement the suggested improvements. As per the corrupt conduct investigation, the findings and risks vary in each situation and are discussed in the confidential reports. Having said that the key risks are still if the information is not well presented, well understood or does not generate an appropriate response.

#### **LEGAL/POLICY BASIS**

This report and its recommendations are consistent with the following legislative provisions:

*Local Government Act 2009*

*Local Government Regulation 2012*

*Crime and corruption Act 2001*

#### **COMMUNITY AND OTHER CONSULTATION**

Internal Audit mostly consults internally to the organisation and its management in conducting the internal audits and finalising the reports. For investigations the appropriate consultations take place as the situation allows and requires.

#### **CONCLUSION**

The Internal Audit Branch continued to have another demanding year due to the push to transform the organisation, requirements regarding corrupt conduct investigations and the current disruption to normal activities.

There were six carryover internal audits from the previous year completed in this financial year.

Five internal audits in this year's plan have been postponed. These were mainly postponed into the next financial year due to the workload and being affected by the level of change in the organisation.

Asset Management in the organisation had not progressed far enough yet, Procurement was in the middle of centralisation, the Libraries were in the middle of completing two new Libraries including a change of branch manager and therefore the first two were moved to the next financial year and Libraries to 2021-2022. Financial Control; and Information and Related Technology on-boarding were also moved to next year due to work demands and readiness of the respective areas. Although the pandemic has had an effect on the organisation and availability it did not have a huge effect on the productivity of the internal audit activity due to good staff, technical support from Information, Communications and Technology and other support.

With the carry overs from the previous year added it is expected that the Internal Audit Branch will still complete about 18 of the 23 planned Internal Audit Reports/Projects/Consulting Tasks and 20 Investigations projects for the year. The total jobs completed will then be in the range of 38 to exceed the expected number of jobs of 32%.

#### **ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS**

CONFIDENTIAL
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1.	Progress of Internal Audit Plan 2019-2020
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Freddy Beck

**CHIEF AUDIT EXECUTIVE**

I concur with the recommendations contained in this report.

Freddy Beck

**CHIEF AUDIT EXECUTIVE**

***“Together, we proudly enhance the quality of life for our community”***

Doc ID No: A6222111

ITEM: 9

SUBJECT: ANNUAL INTERNAL AUDIT PLAN FOR 2020-2021 INCLUDING THE STRATEGIC  
THREE YEAR PLAN FOR 2020-2023

AUTHOR: CHIEF AUDIT EXECUTIVE

DATE: 11 MAY 2020

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### **EXECUTIVE SUMMARY**

This is a report concerning the proposed Annual Audit Plan for 2020-2021 that includes the Strategic Three Year Internal Audit Plan for 2020-2023.

### **RECOMMENDATION/S**

**That the draft Internal Audit Annual Plan for 2020-2021 that includes the draft Strategic Three Year Internal Audit Plan for 2020-2023 (Attachment 2) as prepared by the Chief Audit Executive be considered and approved by the Audit and Risk Management Committee.**

### **RELATED PARTIES**

Not applicable.

### **ADVANCE IPSWICH THEME LINKAGE**

The intention is for the Internal Audit activity to support all five themes:

Strengthening our local economy and building prosperity

Managing growth and delivering key infrastructure

Caring for the community

Caring for the environment

Listening, leading and financial management

Individual internal audits and corrupt conduct investigations will to a varying degree support these themes, but the main objective for Internal Audit is to support the organisation in achieving its objectives.

### **PURPOSE OF REPORT/BACKGROUND**

This report is submitted for review and to approve the proposed draft Internal Audit plan.

The Internal Audit Charter requires that:

### **“3. Scope, Roles and Responsibilities**

3.1 The scope of internal auditing is to determine whether the organisation’s governance, risk management and control processes, as designed and represented by management, are adequate and operating effectively so that the organisation’s objectives can be achieved. It includes, but is not necessarily limited to, the following:

3.1.1 Internal audit planning must be sufficiently comprehensive to audit/review all key facets of Council’s operations, having regard to the functions and duties imposed on Council.

3.2 The scope of internal audit function extends to include all departments, programs, sub-programs, functions, funded schemes and entities over which Council has direct management, sponsorship or financial control.

### **6. Authority**

6.3 The Chief Audit Executive and staff of the Internal Audit Branch are authorised to review all areas of Council and to have full, free, and unrestricted access to all Council’s activities, records (both manual and electronic), property, and personnel. Council activities include entities over which Council has direct management, sponsorship or financial control.

6.5 It is the policy of Council that all internal audit activities remain free of influence by any organisational elements. This will include such matters as scope of internal audit programs, the frequency and timing of examinations and the content of internal audit reports.

### **7. INTERNAL AUDIT APPROACH**

7.2 Risk Profile, Three Year Strategic and Annual Internal Audit Plans:

7.2.1 The Internal Audit Branch, in consultation with management, will consider Council’s Risk Management Framework as well as the Strategic and Departmental risks so that greater audit attention can be directed to areas of higher risk.

7.2.2 Using these key risks as a basis while considering mitigation processes and controls, the general direction of Council’s internal audit activities over the medium term is to be documented in the Three Year Strategic Internal Audit Plan. This plan shall be reviewed by the CEO and approved by the Audit and Risk Management Committee. The Plan will also be reviewed annually to take account of any change in circumstances.

7.2.3 The Annual Audit Plan projects may include financial, compliance, performance, due diligence, information systems, program evaluation, operational audits and other approaches as deemed appropriate, given the resources and also the



priorities established through the risk assessment process and other more recent considerations.

### 7.3 Responsibilities and Auditing Standards<sup>1</sup>:

#### 7.3.2 Specific standards which are to be followed include:

- Internal Audit staff must maintain an independent outlook and must ensure their independence to plan, investigate and report with honesty and objectivity.

<sup>1</sup> Standards includes as follows: The Institute of Internal Auditors' Core Principles for the Professional Practice, Definition of Internal Auditing, Code of Ethics and the International Standards for Professional Practice (Standards). This also includes the Information Systems Audit and Control Association's Statements on Information Systems Auditing Standards.

Internal Audit attended the corporate and departmental risk workshops in reviewing the risk assessment for internal audit planning purposes. As a consequence of these discussions, the more significant risks and an indication of the key controls that are relied upon in determining auditable areas within the organisation have been identified and is summarised in the Strategic Three Year Audit Plan.

This proposed Internal Audit Program was presented at the Executive Leadership Team meeting of 5 May 2020 and is now tabled at the meeting of the Audit and Risk Management Committee for consideration and approval.

### **FINANCIAL/RESOURCE IMPLICATIONS**

Resources are provided to internal audit through the annual audit plan and budgeting processes. No additional resources are considered at this moment in time. However situations will dictate if internal audits and investigations have to be outsourced and also management will have to consider their implications to implement the recommendations as per the individual reports.

### **RISK MANAGEMENT IMPLICATIONS**

Each of the individual reports provides for a control environment opinion as well as individual risk ratings per individual findings and recommendations. The importance is for management to implement the individual recommendations well to either address or diminish the exposure for Council, or explain why it is acceptable to not implement the suggested improvements. As per the corrupt conduct investigation, the findings and risks vary in each situation and are discussed in the confidential reports. Having said that the key risks are still a reality if the information is not well presented, well understood or does not generate an appropriate response.

### **LEGAL/POLICY BASIS**

This report and its recommendations are consistent with the following legislative provisions:  
*Local Government Act 2009*

*Local Government Regulation 2012*  
*Crime and Corruption Act 2001*

Internal Audit is constituted as per the *Local Government Act 2009* and *Local Government Regulation 2012* and the following are the requirements in relation to the internal audit plan:

<b>Part 11</b>	<b>Auditing</b>
<b>Division 1</b>	<b>Internal audit function</b>
<b>Subdivision 1</b>	<b>Internal auditing and reporting</b>
<b>207</b>	<b>Internal audit</b>
Requirement	Section in Plan
(1) For each financial year, a local government must—	
(a) prepare an internal audit plan;	The whole annual and strategic audit plan
(2) A local government's <b>internal audit plan</b> is a document that includes statements about—	
(a) the way in which the operational risks have been evaluated; and	3, 5 and 6
(b) the most significant operational risks identified from the evaluation; and	7, 11, 12 and 13
(c) the control measures that the local government has adopted, or is to adopt, to manage the most significant operational risks.	7, 8, 9, 10 and 13

## COMMUNITY AND OTHER CONSULTATION

Internal Audit mostly consults internally to the organisation and its management in conducting the internal audits and finalising the reports. For investigations the appropriate consultations take place as the situation allows and requires.

## CONCLUSION

The process of audit planning by the Chief Audit Executive has been completed and has been reviewed by Council's Executive Leadership Team.

## ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS

	CONFIDENTIAL
1.	Assurance Map Briefing
2.	Annual 2020-2021 and Strategic 2020-2023 Internal Audit Plan

Freddy Beck

**CHIEF AUDIT EXECUTIVE**

I concur with the recommendations contained in this report.

Freddy Beck

**CHIEF AUDIT EXECUTIVE**

***“Together, we proudly enhance the quality of life for our community”***

Doc ID No: A6177676

ITEM: 10  
SUBJECT: OVERDUE RECOMMENDATIONS AS AT 11 MAY 2020  
AUTHOR: CHIEF AUDIT EXECUTIVE  
DATE: 11 MAY 2020

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### EXECUTIVE SUMMARY

This is a report concerning the status of each Department's progress in actioning the internal and external audit recommendations due or overdue for implementation.

### RECOMMENDATION/S

**That the report be received and considered.**

### RELATED PARTIES

Not applicable

### ADVANCE IPSWICH THEME LINKAGE

The intention is for the Internal Audit activity to support all five themes:

Strengthening our local economy and building prosperity

Managing growth and delivering key infrastructure

Caring for the community

Caring for the environment


Listening, leading and financial management


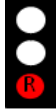
Individual internal audits will, to a varying degree, support these themes, but the main objective for Internal Audit is to support the organisation in achieving its objectives.

### PURPOSE OF REPORT/BACKGROUND


Every month each Department Head is requested to update the status of both the internal and external audit recommendations due for implementation within their area of responsibility.


Traffic lights have been introduced based on the request of the Audit and Risk Management Committee. The following is an indication of what each indicator could mean:

Light	Green	Light	Orange	Light	Red
					

Under control Reasonable number Low overall risk		Need to monitor Number increasing Moderate overall risk		Need to be addressed Number problematic High overall risk
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The following Departments' progress towards the implementation of Internal Audit recommendations, for which they are responsible, is summarised below:

Corporate Services					
Date of Report	Total overdue	Catastrophic	High	Moderate	
11 May 2020	1	0	0	1	
In relation to: Credit Cards Framework- Allocation and Use (A1819-05)					

Planning and Regulatory Services					
Date of Report	Total overdue	Catastrophic	High	Moderate	
11 May 2020	4	0	0	2	
In relation to: Immunisation Program (A1718-11), Residential Swimming Pools (A1718-16), Penalty Infringement Process (A1819-13), Animal Management Branch – Pound Operations (A1819-15)					

All other departments had no recommendations overdue for more than 3 months.

#### FINANCIAL/RESOURCE IMPLICATIONS

Resources are provided to internal audit through the annual audit plan and budgeting processes. No additional resources are required because of this report. However management will have to consider their implications to implement the recommendations as per the individual reports.

#### RISK MANAGEMENT IMPLICATIONS

Each of the individual reports provides for a control environment opinion as well as individual risk ratings per individual findings and recommendations. The importance is for management to implement the individual recommendations well to either address or diminish the exposure for Council, or explain why it is acceptable to not implement the suggested improvements.

#### LEGAL/POLICY BASIS

This report and its recommendations are consistent with the following legislative provisions:

*Local Government Act 2009*

*Local Government Regulation 2012*


#### COMMUNITY AND OTHER CONSULTATION

Internal Audit mostly consults internally to the organisation and its management in conducting the internal audits and finalising the reports.

#### CONCLUSION

Total Internal Audit recommendations overdue for more than 3 months and level of risk:

Minimal and Low not indicated.

Date of Report	Total overdue	Catastrophic	High	Moderate	
11 May 2020	5	0	0	3	
4 February 2020	15	0	1	8	

Total Internal Audit recommendations open and level of risk:

Date of Report	Total open	Catastrophic	High	Moderate	
11 May 2020	60	0	6	40	
4 February 2020	32	0	1	21	

Total External Audit recommendations overdue and level of risk:

Ratings as used by QAO.

Date of Report	Total overdue	High	Moderate	Low	
11 May 2020	1	1	0	0	
4 February 2020	6	1	2	3	

Total External Audit recommendations open and level of risk:

Date of Report	Total open	High	Moderate	Low	
11 May 2020	7	3	2	2	
4 February 2020	7	2	2	3	

Total Investigation/Ad Hoc Report recommendations overdue and level of risk:

Minimal and Low not indicated.

Date of Report	Total overdue	Catastrophic	High	Moderate	
11 May 2020	3	0	0	2	
4 February 2020	2	0	0	1	

Total Investigation/Ad Hoc Report recommendations open and level of risk:

Date of Report	Total open	Catastrophic	High	Moderate	
11 May 2020	3	0	0	2	
4 February 2020	6	0	0	4	

Overall Status	
The total number of overdue recommendations have gone down, but the overall number of open recommendations have gone up significantly. This is a positive result for the moment, but managers will need to monitor the open recommendations.	

## ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS

	CONFIDENTIAL
1.	Recommendations Statistics and Overdue Summary
2.	Internal Audit Recommendations overdue for more than 3 months
3.	External Audit Recommendations overdue for more than 3 months
4.	Investigations/Ad-hoc report recommendations overdue for more than 3 months

Freddy Beck

**CHIEF AUDIT EXECUTIVE**

I concur with the recommendations contained in this report.

Freddy Beck

**CHIEF AUDIT EXECUTIVE**

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Doc ID No: A6194053

ITEM: 11  
SUBJECT: INSURANCE AND RISK UPDATE  
AUTHOR: PRINCIPAL RISK AND COMPLIANCE SPECIALIST  
DATE: 27 APRIL 2020

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## EXECUTIVE SUMMARY

This is a report concerning Council's Insurance Statistics for the period 1 January 2020 to 31 March 2020 and the implementation of Transformational Project Risk Management Framework (TP#7).

### RECOMMENDATION/S

That the report be received and the contents noted.

### RELATED PARTIES

All members of ELT, Business Transformation Program Steering Committee members, Council's third level Managers. Principal Risk and Compliance Specialist, Senior Insurance Officer and the Corporate Governance Manager. There are no perceived conflict of interest issues regarding this report.

### ADVANCE IPSWICH THEME

Listening, leading and financial management.

### PURPOSE OF REPORT/BACKGROUND

To inform the Committee of:

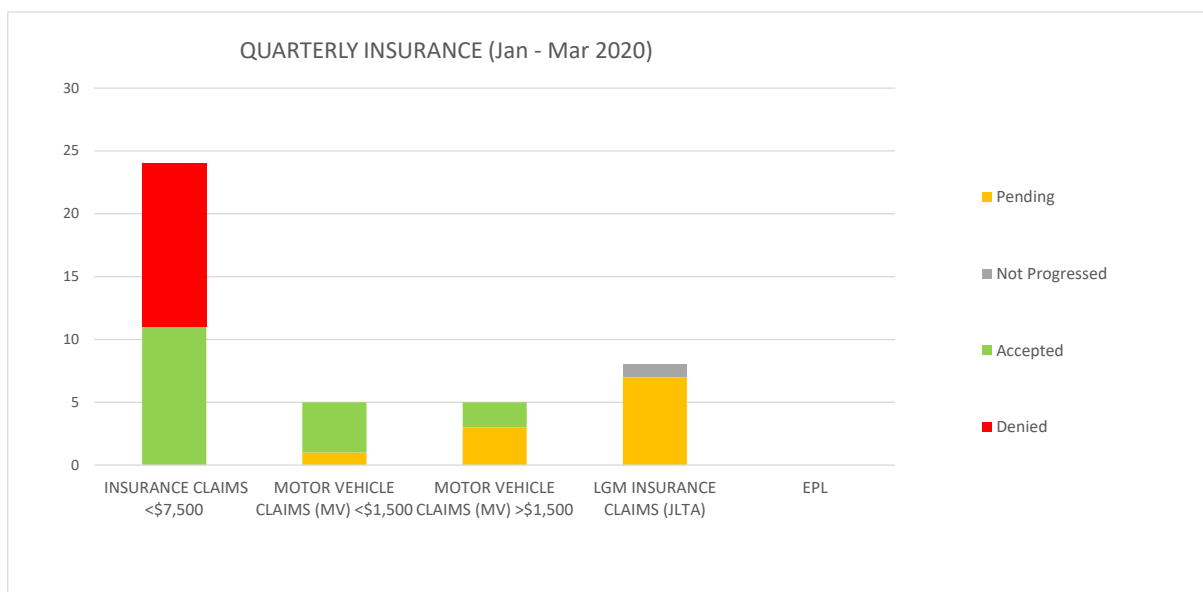
1. Corporate Insurance Statistics for the Quarter
2. Status of Transformation Project Risk Management TP#7

## 1. Corporate Insurance Statistics for the period 1 January 2020 to 31 March 2020

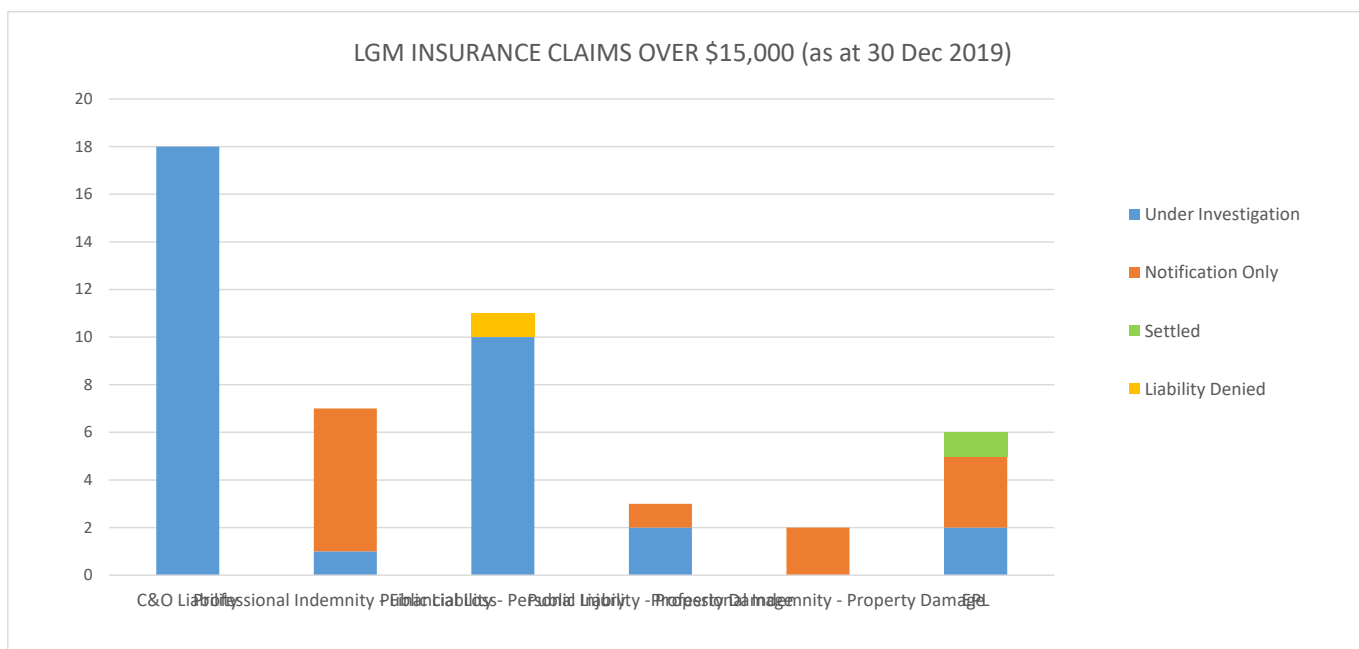
The following tables and graphs provide a high-level summary of insurance claims for the period (refer Attachment No. 1 and No. 2 for detail):

QUARTERLY REPORTING INSURANCE - Jan - Mar 2020	Pending	Not Progressed	Accepted	Denied	TOTAL
INSURANCE CLAIMS <\$7,500			11	13	24
MOTOR VEHICLE CLAIMS (MV) <\$1,500	1		4		5
MOTOR VEHICLE CLAIMS (MV) >\$1,500	3		2		5
LGM INSURANCE CLAIMS (JLTA)	7	1			8
EPL	0		0		0
TOTAL	11	1	17	13	42





LGM INSURANCE CLAIMS OVER \$15,000 - as at 31 March 2020	Under Investigation	Notification Only	Settled	Liability Denied	TOTAL
C&O Liability	18				18
Professional Indemnity - Financial Loss	1	6			7
Public Liability - Personal Injury	10			1	11
Public Liability - Property Damage	2	1			3
Professional Indemnity - Property Damage		2			2
EPL	2	3	1		6
<b>TOTAL</b>	<b>33</b>	<b>12</b>	<b>1</b>	<b>1</b>	<b>47</b>



## 2. Status of Transformational Project No. 7 Risk Management Framework (TP#7)

The purpose of the TP#7 project was to develop a better practice and consistent whole of Council approach to Enterprise Risk Management (ERM) in order to proactively identify, manage and respond to issues that represent risks to achieving Council's strategic objectives. The TP#7 Project was finalised as at 31 March 2020.

The project consisted of five (5) sub-projects:

1. Enterprise Risk Management program (ERM Program)
2. Fraud and Corruption Control Program (FCCP)
3. Good Decision Making and Ethics Principles
4. Business Continuity Planning (BCP)
5. Project Risk Management Model

#### SUB-PROJECT UPDATES AS AT 31 MARCH 2020:

##### **1. Enterprise Risk Management Program (ERM Program)**

- First ELT Risk Committee held on 10 February 2020 and the second ELT Risk Committee was held on 3 April 2020.
- The first Departmental Risk Advisory Committee for each of the five Departments was held in the third week of March 2020 with the Committee being chaired by the General Manager. All the five Committees endorsed the Advisory Committee Terms of Reference.
- Charlie Dill, GM Infrastructure and Environment will be presenting at today's committee on how he is managing his departmental risks.

#### Corporate Risk Register

A review was undertaken to review the risk descriptions, the causes, the impacts, likelihood and consequence ratings and the development of the action plans for the eight risks which are the primary area of focus for review at the February 2020 and April 2020 ELT Risk Committee. At Attachment No. 3 is: ICC Corporate Risk Register.

#### Departmental Risk Registers

A review was undertaken of the five Departmental risk registers to review the risk descriptions, the causes, the impacts, likelihood and consequence ratings and the development of the action plans for the risks which are the primary area of focus for each Department for review at the March 2020 Departmental Risk Advisory Committee and April 2020 ELT Risk Committee.

#### Risk Profile

Due to the COVID-19 Pandemic the CEO at the ELT Risk Committee held on 3 April 2020 suggested that the corporate risks are retained and further discussed once the threat of COVID-19 has lessened.

### Risk Appetite

At the ELT Risk Committee held on 3 April 2020 ELT endorsed the proposed PWC “Draft” Risk Appetite Statement (RAS) for use in executive decision-making.

The Principal Risk and Compliance Specialist outlined that it is proposed to do a more in-depth analysis for the nine (9) risk areas during 2020 and that for the next ELT Risk meeting there will be discussion around how Council can look at compiling a risk appetite for Council covering these nine (9) risk areas.

### Reporting

Work is still progressing with the reporting timeframes and reporting templates.

### Implementation of the Risk Management Framework and Training

The risk management training is in the process of being developed by the Learning and Development Section within the People and Culture Branch based on the Framework, Procedure and Administrative Directive and will be rolled out commencing in the third quarter of 2020.

## **2. Fraud and Corruption Control**

The ELT Risk Committee held on 3 April 2020 noted that the Fraud and Corruption Training for ELT/Branch and Section Managers and key staff was carried out by PWC in four sessions on 19 and 20 February 2020 involving 100 staff. General Managers were also able to nominate key staff from their Department and Finance were able to secure funding for PWC’s engagement.

Further Fraud and Corruption Training for all Ipswich City Council Staff will be rolled out commencing in the third quarter of 2020.

### Fraud and Corruption Control Risk Register

The ELT Risk Committee held on 10 February 2020 endorsed the ICC Fraud and Corruption Control Risk Register.

### Reporting

Work is still progressing with the reporting timeframes and reporting templates.

## **3. Good Decision-Making and Ethics Principles**

Due to resource issues all other key deliverables/planned outcomes are work in progress. The project schedule for this sub-project will be reviewed and new deliverable dates approved by the ELT Risk Committee.

#### 4. Business Continuity Planning

The ELT at its meeting on 23 March 2020 endorsed that due to the current circumstances in relation to the COVID-19 Pandemic, that the planned development of a business continuity test exercise, which was to be carried out in the first half of 2020 be postponed.

At the ELT Risk Committee held on 3 April 2020 the CEO requested that a date be pencilled in towards the end of the year and this is to be used as an exercise that reflects on current COVID-19 actions.

At the ELT Risk Committee held on 3 April 2020 the committee endorsed the CEO's request that the Principal Risk and Compliance Specialist prepare a separate risk register for COVID-19 as a priority, a simple document outlining 3 or 4 risks, including financial risks to the organisation, risk to staff and risk to the economy for a COVID-19 briefing with the incoming councillors.

#### 5. Project Risk Management Model

Completed and now operationalised and BAU.

#### LEGAL/POLICY BASIS

In managing risk and insurance for the organisation Council officers perform their duties in keeping with the Local Government Principles of:

- Transparent and effective processes, and decision-making in the public interest;
- Good governance of, and by, local government; and
- Ethical and legal behaviour of Councillors and local government employees

The following table outlines the relevant legislation and the administrative functions and services provided by the Section:

Relevant Legislation	Corporate Services Section Functions and Services Provided
<i>Local Government Act 2009</i> <i>Local Government Regulation 2012</i> AS/NZS ISO 31000:2018 Risk Management – Principles and Guidelines	Manage and coordinate: <ul style="list-style-type: none"> <li>• the implementation of Council's Risk Management Framework</li> <li>• public liability claims from external customers</li> <li>• public liability claims for Councillors and staff</li> <li>• negotiate (within Delegated Authority), on behalf of Council any insurance resolutions</li> <li>• the insurance of Council assets including but not limited to Council buildings, machinery and</li> </ul>

Relevant Legislation	Corporate Services Section Functions and Services Provided
	<p>equipment, park infrastructure, swimming pools, sports centres, club houses, fleet vehicles, etc.</p> <ul style="list-style-type: none"> <li>the renewal of Council insurance policies (excluding Workers Compensation)</li> <li>the provision of expert insurance and risk advice to both external and internal stakeholders</li> <li>recover costs from damaged made by third parties to Council assets</li> </ul>

#### RISK MANAGEMENT IMPLICATIONS

It was essential that TP#7 Risk Management be successfully implemented and that risk management is embedded in the organisation. The management of corporate risks lies with the CEO and all General Managers, with departmental risk management the responsibility of the respective General Manager. The Corporate Governance Section and the Principal Risk and Compliance Specialist can provide the necessary framework, policy, procedures, advice etc., but successful risk management will only be achieved if senior management takes responsibility for managing the risk and fraud registers, implements appropriate controls and leads the organisation in developing a strong risk management culture and increasing the organisation's risk management capabilities.

#### FINANCIAL/RESOURCE IMPLICATIONS

TP#7 has a financial year (FY) budget of \$87,000. FY actuals and commitments to date (costs incurred with engagement of PWC) total \$176,437. The project budget is monitored by the Project Lead and by the TPCT.



#### COMMUNITY AND OTHER CONSULTATION

This report did not require community engagement.

#### CONCLUSION

With the implementation of an Enterprise Risk Management Framework and an increase in the capability of the organisation to manage risk efficiently and effectively, Council has positioned itself to be an exemplar Council in the management of Risk and Insurance.

#### ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS

1.	ICC Corporate Risk Register 
2.	ICC Critical Systems and Facilities Table 
	CONFIDENTIAL
3.	Insurance Claims for the period 1 January to 31 March 2020
4.	LGM Insurance Claims over \$15,000 for the period

Graham McGinniskin

**PRINCIPAL RISK AND COMPLIANCE SPECIALIST**




I concur with the recommendations contained in this report.

Angela Harms  
**GOVERNANCE MANAGER**

I concur with the recommendations contained in this report.


Sonia Cooper  
**GENERAL MANAGER CORPORATE SERVICES**

***“Together, we proudly enhance the quality of life for our community”***

Ipswich City Council Risk Register – Corporate Risk Register										
Risk Name and Number	Risk Description	Key Causes	Potential Impacts	Current Controls	Current Risk Rating	Target Risk Rating	Action Plan	Owner	Milestone	Status
1. Transformation program does not deliver expected outcomes / benefits. (Opportunity to continue to monitor and report on progress)	As a key strategic priority the transformation program is both wide-ranging and complex and as such presents significant challenge if benefits are to be achieved	C1. Ability to execute constrained by capability and capacity C2. Benefits are not clearly defined C3. Key assumptions are incorrect / unreliable (timing, cost, effort, etc) C4. Loss of corporate knowledge C5. Changing strategic priorities C6. Change is not embedded into BAU operations	I1. Disengaged staff I2. Loss of stakeholder confidence I3. Unplanned / additional costs to deliver I4. Future business initiatives constrained by lack of core capability in key supporting areas I5. Impact on financial sustainability I6. Impact on quality of BAU service delivery	A5442167  Risks and Issues Model.doc	High	Medium	Business Transformation Team will continue to monitor and report quarterly to ELT and Council on the progress of the various initiatives under the program	GM Coordinator & Performance	End of year report to be completed for December Council meeting	Some delay for some projects.
2. Failure to reset corporate culture to support future state strategy and vision	The delivery of the transformation agenda as well as ongoing business as usual services is dependant upon implementing and encouraging an appropriate culture to support effective service delivery and governance practices	C1. Staff do not understand expectations / vision - failure to communicate C2. Change program is not adequately supported C3. Sub-optimal organisational design / span of control and governance arrangements C4. Leadership action is not consistent with vision - tone from the top C5. Reward and recognition is not aligned to performance and behaviours	I1. Financial impact I2. Poor recruitment outcomes I3. Loss of corporate knowledge I4. Lack of available resources I5. Reputational damage I6. Inability to provide core services	 BTP Wire page - Comms plan.xlsx  Internal Comms Plan BTP 2019.xlsx	High	Medium	1. ELT are developing change plans for each department which include initiatives to address causal factors identified in the last culture survey. In addition to this ELT are focusing on leadership across the organisation, which was a significant causal factor in many of the adverse outcomes identified in the survey. 2. Enhance reporting and monitoring of culture indicators through the establishment of a culture framework. Including various information sources such as employee surveys, 'pulse check' surveys and metrics related to performance and compliance.	GM Coordination & Performance	Change plans will be finalised in December and implemented in 2020.	Some delay
3. Immature corporate governance arrangements	Execution of business strategies and plans should occur within the boundaries of robust governance arrangements that ensure the Council's business is conducted in	C1. Limited capacity to address due to competing priorities and capacity C2. Future-state governance model not yet defined C3. Staff fail to operate in accordance with	I1. Loss of confidence by stakeholders I2. Increased risk of corporate governance breaches / control failures I3. Staff disengagement I4. Sub-optimal / unwanted business outcomes I5. Strategy execution	Governance Policy <a href="https://wire.ipswich.qld.gov.au/Documents/CS/Governance%20Policy.pdf">https://wire.ipswich.qld.gov.au/Documents/CS/Governance%20Policy.pdf</a>  Governance Framework	Extreme	Medium	Adoption of a Corporate Governance Framework and Good Governance Guide Development and implementation of a governance capability plan for the organisation	GM Corporate Services	Adoption of Framework and Guide January 2020 Capability Plan to be finalised by March 2020 with	On track





	accordance with regulatory requirements; business decisions are based on defensible and transparent criteria; and staff are held accountable for their performance. This also depends upon adequate leadership capability to drive change and improvement where required	governance requirements C4. Accountabilities and authorities still being defined C5. Limited internal capability to execute change / improvement	made more difficult to achieve	 Governance Framework.docx					implementation as per plan milestones	
<b>4. Sub-optimal service delivery - misalignment with community needs</b>	A core challenge for Council is to ensure that funding, service delivery, capital investment revenue (rates and charges, etc) are balanced to meet community priorities and expectations	C1. Inadequate strategic portfolio investment decision process C2. Political directives / priorities C3. Lack of understanding of community needs C4. Failure to review catalogue of services C5. No overarching strategy to aggregate service / infrastructure strategies C6. Longer-term investments based on current rather than future needs	11. Strategy execution fails 12. Reduced funding available for future investment 13. Community disengagement 14. Financial sustainability impacted 15. 'Stranded' assets or services	Budget: <a href="https://www.ipswich.qld.gov.au/data/assets/pdf_file/0018/114732/Ipswich-City-Council-Budget-2019-2020.pdf">https://www.ipswich.qld.gov.au/data/assets/pdf_file/0018/114732/Ipswich-City-Council-Budget-2019-2020.pdf</a> 5 year corporate plan: <a href="https://www.ipswich.qld.gov.au/data/assets/pdf_file/0016/81421/Corporate-Plan-2017-2022.pdf">https://www.ipswich.qld.gov.au/data/assets/pdf_file/0016/81421/Corporate-Plan-2017-2022.pdf</a> Operational Plan: <a href="https://www.ipswich.qld.gov.au/data/assets/pdf_file/0010/118639/City-of-Ipswich-Operational-Plan-2019-2020.pdf">https://www.ipswich.qld.gov.au/data/assets/pdf_file/0010/118639/City-of-Ipswich-Operational-Plan-2019-2020.pdf</a> Advance Ipswich: <a href="https://www.ipswich.qld.gov.au/about_council/corporate_publications/advance-ipswich">https://www.ipswich.qld.gov.au/about_council/corporate_publications/advance-ipswich</a> Vision2020: <a href="https://www.ipswich.qld.gov.au/data/assets/pdf_file/0019/117163/Vision-2020-August-2019.pdf">https://www.ipswich.qld.gov.au/data/assets/pdf_file/0019/117163/Vision-2020-August-2019.pdf</a>	Medium	Low	Further intervention has not been identified and this risk will continue to be mitigated through current controls and monitored through existing processes.	Infrastructure and Environment and Community, Cultural and Economic Development	Being Monitored	
<b>5. Infrastructure does not support future growth and social equity</b>	A critical objective for the Council is to drive and support increased population growth and social equity which requires timely investment in strategic infrastructure assets	C1. Incorrect planning assumptions C2. Infrastructure plan is not aligned integrated with partners C3. Funding requirements exceed sustainable revenue / funding C4. Inadequate strategic	11. Over-investment in assets and / or stranded assets 12. Population growth is constrained 13 Failure to attract new business into the region 14. Ongoing financial sustainability impacted 15. Infrastructure does not	5 Year Corporate Plan: <a href="https://www.ipswich.qld.gov.au/data/assets/pdf_file/0016/81421/Corporate-Plan-2017-2022.pdf">https://www.ipswich.qld.gov.au/data/assets/pdf_file/0016/81421/Corporate-Plan-2017-2022.pdf</a> Planning & Development Departmental Business Plan: <a href="#">Business Plan 2014-2016</a>	Medium	Low	Further intervention has not been identified and this risk will continue to be mitigated through current controls and monitored through existing processes.	Infrastructure and Environment and Planning and regulatory Services	Being Monitored	

		portfolio investment decision process C5. Infrastructure planning is not aligned with land use planning C6. Infrastructure planning is not aligned with social policy	meet community expectations I6. Increased community issues and social exclusion	<a href="#">(PDF, 928 KB)</a> Advanced Ipswich: <a href="https://www.ipswich.qld.gov.au/about_council/corporate_publications/advance-ipswich">https://www.ipswich.qld.gov.au/about_council/corporate_publications/advance-ipswich</a> Population Growth Monitoring Policy: <a href="https://www.ipswich.qld.gov.au/data/assets/pdf_file/0016/86101/Population-Growth-Monitoring-Policy.pdf">https://www.ipswich.qld.gov.au/data/assets/pdf_file/0016/86101/Population-Growth-Monitoring-Policy.pdf</a> Population Growth Monitoring Policy: <a href="https://www.ipswich.qld.gov.au/data/assets/pdf_file/0016/86101/Population-Growth-Monitoring-Policy.pdf">https://www.ipswich.qld.gov.au/data/assets/pdf_file/0016/86101/Population-Growth-Monitoring-Policy.pdf</a>						
<b>6. Aging infrastructure assets</b>	Existing infrastructure assets owned and operated by ICC assets are not fit for their intended purpose arising from lack of investment and maintenance.	C1. Unclear maintenance responsibilities with leased assets C2. Asset condition is unknown / out of date C3. Inadequate costing strategies to support capital and operational investment decisions C4. Unplanned / unforeseen damage to assets, e.g. through natural disaster C5. Maintenance / replacement / refurbishment demand exceeds available funding C6. Inadequate investment prioritisation strategies C7. Infrastructure planning is not aligned with land use planning	I1. Loss of asset I2. Injury or death to public I3. Reputational damage I4. Litigation costs I5. Remediation costs I6. Pressure on revenue	Infrastructure Asset Management Policy: <a href="https://www.ipswich.qld.gov.au/data/assets/pdf_file/0003/86124/Infrastructure-Asset-Management-Policy.pdf">https://www.ipswich.qld.gov.au/data/assets/pdf_file/0003/86124/Infrastructure-Asset-Management-Policy.pdf</a>	Medium	Low	Further intervention has not been identified and this risk will continue to be mitigated through current controls and monitored through existing processes.	Infrastructure and Environment	Being Monitored	
<b>7. Ability to effectively plan and respond to natural</b>	Risks relating to ICC's ability to adequately plan to or respond to natural disasters	C1. Inability to accurately forecast and model significant events C2. Lack of coordination with / from external organisations	I1. Injury or death of community member I2. Damage to property I3. Economic and financial impact I4. Inability to provide core	Floodplain Management Strategy: <a href="https://www.ipswich.qld.gov.au/data/assets/pdf_file/0003/75441/ICC-Floodplain-Management-">https://www.ipswich.qld.gov.au/data/assets/pdf_file/0003/75441/ICC-Floodplain-Management-</a>	Medium	Low	Further intervention has not been identified and this risk will continue to be mitigated through current controls and monitored through existing processes.	Infrastructure and Environment	Being Monitored	

disasters		C3. Roles and responsibilities not clearly defined and communicated C4. Plans are out of date / not reflective of the risk environment C5. Resource and capacity requirements not understood	service I5. Reputational damage	<a href="#">Strategy.pdf</a> Local Disaster Management Plan: <a href="https://www.ipswich.qld.gov.au/data/assets/pdf_file/0003/85413/CURRENT-Local-Disaster-Management-Plan-LDMP-Web-Low-Res-A3739033.pdf">https://www.ipswich.qld.gov.au/data/assets/pdf_file/0003/85413/CURRENT-Local-Disaster-Management-Plan-LDMP-Web-Low-Res-A3739033.pdf</a> Emergency and Evacuation Procedures: <a href="https://www.ipswich.qld.gov.au/residents/emergency_management/emergency-evacuation-procedures">https://www.ipswich.qld.gov.au/residents/emergency_management/emergency-evacuation-procedures</a> Emergency Management Dashboard: <a href="http://emd.ipswich.qld.gov.au/">http://emd.ipswich.qld.gov.au/</a>						
8. Workforce model, capability and flexibility	The current environment is presenting challenges in terms of what and how talent at all levels is acquired and deployed to meet both current and future needs at market competitive costs to serve. An appropriate workforce model (including remuneration structures, EBA, safety framework, etc.) is needed to support business agility and strategic business outcomes	C1. Shortage of available skills in the market C2. Value proposition is not competitive C3. High rate of turnover C4. Restrictive EBA C5. Current workforce capability is not aligned to future business model and business needs C6. Corporate culture affecting attractiveness of ICC as a place to work C7. Future uncertainty	I1. Cost of alternative resourcing models (contractors and consultants) I2. Corporate capability is constrained - strategy execution impacts I3. Loss of corporate knowledge I4. Capacity constraints to deliver on priorities I5. Business as usual services impacted I6. Staff engagement impacted	Flexible Working Hours Policy: <a href="https://www.ipswich.qld.gov.au/data/assets/pdf_file/0012/85989/Flexible-Working-Hours-Policy.pdf">https://www.ipswich.qld.gov.au/data/assets/pdf_file/0012/85989/Flexible-Working-Hours-Policy.pdf</a> Ipswich City Council Website: Why Choose Ipswich City Council: <a href="https://www.ipswich.qld.gov.au/about_council/careers/why_choose_us">https://www.ipswich.qld.gov.au/about_council/careers/why_choose_us</a>	High	Medium	1. Successful delivery of TP2 Develop and Implement a People and Culture Performance Framework, specifically Phase 2 – Develop an organisational capability framework which has deliverables: <ul style="list-style-type: none"><li>List of universal capabilities with detailed descriptions to ensure clear understanding of employee performance expectations aligned to business plans, organizational goals and</li><li>Create framework and necessary processes through which capabilities will be implemented</li><li>Integration with performance review processes to capture development needs</li><li>Analyse training and development needs to create training and development strategy</li><li>Creation of universal learning pathways for employees and managers</li></ul>	GM Corporate Services	Adoption of Framework and Guide January 2020 Capability Plan to be finalised by March 2020 with implementation as per plan milestones	Some delays
9. Inadequate technology, digital capability and technology infrastructure	The application of technology is a critical business enabler, but is currently presenting challenges given the extensive change agenda occurring across the	C1. Legacy systems that are difficult to support and maintain C2. Scale and pace of technology change exceeds capacity and capability to respond C3. Incomplete /	I1. Demand on resources I2. Loss of data assets I3. Loss of system availability and performance I4. Impact on customer experience I5. Business agility	Information and Communications Technology (ICT) Policy <a href="https://www.ipswich.qld.gov.au/data/assets/pdf_file/0004/86017/Information-and-Communications-">https://www.ipswich.qld.gov.au/data/assets/pdf_file/0004/86017/Information-and-Communications-</a>	High	Medium	1. Develop project plan and commence implementation commencing 2020 and finalising in 2024	GM Corporate Services	As per project plan milestones	Some delays

	organisation. The ability to effectively execute on a sustainable information systems strategy is a risk to business agility and delivery of front and back office services	immature core IT governance practices (asset mgmnt, access mgmnt, change mgmnt, etc.) C4. Technology strategy not aligned to business priorities	impacted	<a href="#">Technology-ICT-Policy.pdf</a> ICC ICT Access Management Directive (The Wire) <a href="https://wire.ipswich.qld.gov.au/Documents/ICT/ICC%20ICT%20Access%20Management%20Directive.pdf">https://wire.ipswich.qld.gov.au/Documents/ICT/ICC%20ICT%20Access%20Management%20Directive.pdf</a> ICC ICT Change Management Directive (The Wire) <a href="https://wire.ipswich.qld.gov.au/Documents/ICT/ICC%20ICT%20Change%20Management%20Directive.pdf">https://wire.ipswich.qld.gov.au/Documents/ICT/ICC%20ICT%20Change%20Management%20Directive.pdf</a> ICT Performance Monitoring & Reporting Framework: (The wire) <a href="https://objprd.council.ipswich.qld.gov.au/id:A4892218/document/versions/published">https://objprd.council.ipswich.qld.gov.au/id:A4892218/document/versions/published</a>						
<b>10. Ineffective regulatory regime(s)</b>	ICC has a role to play in setting and enforcing regulations that protect the local community and environment. Failure to effectively discharge this regulatory oversight role effectively may impact on both reputation as well as the safety, environment and community experience for local residents	C1. Ineffective / disproportionate response to non-compliance C2. Reactive strategy to compliance C3. Regime design is not risk-based / risk environment changes C4. Inadequate records management C5. Inconsistent application of legislation C6. Resource allocation is not aligned to demand / risk	I1. Potential litigation I2. Harm to the environment I3. Adverse media / activist focus I4. Reputational damage I5. Fines and penalties / cost to remediate	Compliance Handbook: <a href="https://wire.ipswich.qld.gov.au/Documents/HSRS/Compliance%20Handbook.pdf">https://wire.ipswich.qld.gov.au/Documents/HSRS/Compliance%20Handbook.pdf</a>  Local Laws	Medium	Low	Further intervention has not been identified and this risk will continue to be mitigated through current controls and monitored through existing processes.	Planning and Regulatory Services	Being Monitored	
<b>11. Failure to deliver anticipated CBD Development outcomes</b>	The CBD project is a major initiative for ICC to rejuvenate the central precinct, but presents risk due to the inherent uncertainty associated with a development of this nature and the dependence upon other	C1. Unforeseen cost blowout C2. Inherent uncertainty of demand C3. Tenancies are not taken up C4. Failure to attract third-party investment C5. Community does not perceive the	I1. Loss of revenue I2. Reduced capital available for other investments I3. Loss of utility for the community I4. Stranded assets I5. Community disengagement	Vision 2020: <a href="https://www.ipswich.qld.gov.au/data/assets/pdf_file/0019/117163/Vision-2020-August-2019.pdf">https://www.ipswich.qld.gov.au/data/assets/pdf_file/0019/117163/Vision-2020-August-2019.pdf</a> Business Attraction and Investment: <a href="https://www.ipswich.qld.gov.au/business/business">https://www.ipswich.qld.gov.au/business/business</a>	High	Medium	Development outcome is an activated CBD district. Capital projects are on track and new focus of management team is around the events and activation of the precinct.	GM Coordination & Performance	Activation and Events program to be released December 2019.	On track



	parties to back the scheme	development as a CBD C6. Unable to dispose of assets		<a href="#">s-attraction-and-investment</a>						
<b>12. Significant fraud / corruption / probity event</b>	Risk of significant fraud being committed both internally and externally to Ipswich City Council	C1 Poor corporate culture C2. Immature governance arrangements (internal control environment) C3. Risks not identified C4. Non-adherence to policy and procedure across key activities (e.g. grants, procurement, etc) C5. Known risks not addressed	I1. Reputational Damage I2. Financial Impact I3. Potential regulatory breaches I4. Fines and penalties I5. Loss of assets / resources	What is Corrupt Conduct: (The Wire) <a href="https://wire.ipswich.qld.gov.au/Pages/What-is-corrupt-conduct.aspx">https://wire.ipswich.qld.gov.au/Pages/What-is-corrupt-conduct.aspx</a> Ipswich City Council Fraud and Corruption Control Plan (The Wire) <a href="https://wire.ipswich.qld.gov.au/Documents/CS/ipswich_city_council_fraud_and_corruption_control_plan_10_feb_2016.pdf">https://wire.ipswich.qld.gov.au/Documents/CS/ipswich_city_council_fraud_and_corruption_control_plan_10_feb_2016.pdf</a> Corruption Prevention <a href="https://wire.ipswich.qld.gov.au/Pages/Corruption-prevention.aspx">https://wire.ipswich.qld.gov.au/Pages/Corruption-prevention.aspx</a> Use of Probity Auditors and Advisors in Procurement <a href="https://wire.ipswich.qld.gov.au/Documents/Proc/Procurement%20guide%20probity%20auditors%20and%20advisors.pdf">https://wire.ipswich.qld.gov.au/Documents/Proc/Procurement%20guide%20probity%20auditors%20and%20advisors.pdf</a>	High	Medium	Fraud and Corruption control plan is currently out for review and feedback. 1. Currently developing a Fraud and Corruption education and learning program 2. Policy and admin directive, Fraud / Corruption and control plan to be added to The Wire 3. Corporate Fraud and Corruption risk register will be reviewed and updated in December	GM Corporate Services	Policy and admin directive / fraud, corruption and control plan to be added to The Wire	On track
<b>13. Preventable harm to worker</b>	Failure to reasonably respond to risks to the physical, mental and/or financial wellbeing of staff, as a result of events occurring both in and related to our workplaces and work activities, and in staff members' personal lives	C1. Inherently high risk work environment C2. Failure to adhere to policies and safe work procedures / staff unaware C3. Risk have not been identified / assessed C4. Failure to take action / investigate accidents and near misses C5. Poor safety culture	I1. Physical / mental injury - lost time I2. Increased WorkCover costs I3. Lack of available resources / lost productivity I4. Reputational damage - media, regulatory, legal/ coronial I5. Withdrawal of labour I6. Enforced changes to working practices	Public Interest Disclosure Procedure: <a href="https://wire.ipswich.qld.gov.au/Documents/CS/Public%20Interest%20Disclosure%20Procedure%20-%20FCS-062.pdf">https://wire.ipswich.qld.gov.au/Documents/CS/Public%20Interest%20Disclosure%20Procedure%20-%20FCS-062.pdf</a> Contact Officer Network: <a href="https://wire.ipswich.qld.gov.au/Pages/Contact-Officer-Network.aspx">https://wire.ipswich.qld.gov.au/Pages/Contact-Officer-Network.aspx</a> Access EAP <a href="https://wire.ipswich.qld.gov.au/Documents/People%20and%20Culture/access_eap_poster.pdf">https://wire.ipswich.qld.gov.au/Documents/People%20and%20Culture/access_eap_poster.pdf</a> Workplace Safety and Wellbeing – Safety Framework (The Wire)	High	Medium	1. Successful delivery of TP2 Develop and Implement a People and Culture Performance Framework, specifically Phase 4 – Safety Management and Employee Wellbeing Plan deliverables: • Develop & implement WHS Strategic Plan • Conduct Safety and Wellbeing Framework Review • Implement Safety and Wellbeing Framework Recommendations • Implement Corporate and Department Safety Management Plans	GM Corporate Services	TP2 Phase 4 Completion 30/06/2020	On track

				<a href="https://wire.ipswich.qld.gov.au/Pages/Safety-Framework.aspx">https://wire.ipswich.qld.gov.au/Pages/Safety-Framework.aspx</a> Workplace Relations Policy: <a href="https://www.ipswich.qld.gov.au/data/assets/pdf_file/0004/112639/Workplace-Relations-Policy.pdf">https://www.ipswich.qld.gov.au/data/assets/pdf_file/0004/112639/Workplace-Relations-Policy.pdf</a> Workplace Health and Safety Policy: <a href="https://www.ipswich.qld.gov.au/data/assets/pdf_file/0011/86087/Workplace-Health-and-Safety-Policy.pdf">https://www.ipswich.qld.gov.au/data/assets/pdf_file/0011/86087/Workplace-Health-and-Safety-Policy.pdf</a>						
<b>14. Preventable harm to a member of the public</b>	Risk of injury or death as a result of Ipswich City Council undertaking provision of service or negligence	C1. Potential sources of risk not identified C2. Improper use of equipment and facilities C3. Not adhering to safe operating procedures C4. Ineffective disaster management preparedness and response	11. Reputational Damage 12. Potential Litigation 13. Compensation \$ 14. Injury / death 15. Regulatory Breach	Footpath Inspection and Maintenance Policy: <a href="https://www.ipswich.qld.gov.au/data/assets/pdf_file/0017/86120/Footpath-Inspection-and-Maintenance-Policy.pdf">https://www.ipswich.qld.gov.au/data/assets/pdf_file/0017/86120/Footpath-Inspection-and-Maintenance-Policy.pdf</a> Parks and Recreation Asset, Inspection, Maintenance and Repair Policy: <a href="https://www.ipswich.qld.gov.au/data/assets/pdf_file/0007/86137/Parks-and-Recreation-Asset-Inspection,-Maintenance-and-Repair-Policy.pdf">https://www.ipswich.qld.gov.au/data/assets/pdf_file/0007/86137/Parks-and-Recreation-Asset-Inspection,-Maintenance-and-Repair-Policy.pdf</a>	Medium	Medium	Further intervention has not been identified and this risk will continue to be mitigated through current controls and monitored through existing processes.	Infrastructure and Environment and Community, Cultural and Economic Development	Being monitored	
<b>15. Loss of / unauthorised access and use of information assets</b>	Loss of confidentiality, integrity of information systems and assets managed by ICC - includes internal and external (cyber) threats	C1. Limited technical capability to respond to changing / increasing threat C2. Risk exposures not understood - no information classification strategy C3. Accountabilities for information security not defined / understood C4. Immature IT governance in key areas (e.g. access management, Info Security, Threat & Vulnerability Mgmt)	11. Loss of information assets 12. Breach of legislation / compliance 13. Business interruption 14. Reputational damage 15. Fines and penalties / cost to remediate	Privacy Impact Assessment Guidelines: (The Wire) <a href="https://objprdcouncil.ipswich.qld.gov.au/id:A4892167/document/versions/published">https://objprdcouncil.ipswich.qld.gov.au/id:A4892167/document/versions/published</a>	Medium	Low	Further intervention has not been identified and this risk will continue to be mitigated through current controls and monitored through existing processes.	Corporate Services	Being Monitored	

		C5. Non-compliance by staff with prescribed information security practices								
16. Environmental harm arising from Council activities	The nature of activities undertaken by ICC has the potential to significantly impact the environment. Managing these impacts is core to our licence to operate and must be built into the way that we work. This includes moving beyond a compliance approach to establishing our environmental credibility	C1. Uncontrolled release of toxic / hazardous materials C2. Failure to identify and respond to changes in regulations C3. Changes to business activities lead to new risk C4. Sustainability impacts not considered in decision-making C5. Non-compliance by staff with approved procedures	I1. Potential litigation I2. Harm / injury to the public, employees and/or the environment I3. Adverse media / activist focus I4. Increased cost of operations I5. Fines and penalties / cost to remediate	Master Planning of Open Space Policy: <a href="https://www.ipswich.qld.gov.au/data/assets/pdf_file/0004/86134/Master-Planning-of-Open-Space-Policy.pdf">https://www.ipswich.qld.gov.au/data/assets/pdf_file/0004/86134/Master-Planning-of-Open-Space-Policy.pdf</a> Urban Forest Policy: <a href="https://www.ipswich.qld.gov.au/data/assets/pdf_file/0004/86152/Urban-Forest-Policy.pdf">https://www.ipswich.qld.gov.au/data/assets/pdf_file/0004/86152/Urban-Forest-Policy.pdf</a> Ipswich Outdoor / Nature-Based Recreation Policy: <a href="https://www.ipswich.qld.gov.au/data/assets/pdf_file/0006/86127/Ipswich-Outdoor-Nature-Based-Recreation-Policy.pdf">https://www.ipswich.qld.gov.au/data/assets/pdf_file/0006/86127/Ipswich-Outdoor-Nature-Based-Recreation-Policy.pdf</a>			Further intervention has not been identified and this risk will continue to be mitigated through current controls and monitored through current processes.	Infrastructure and Environment	Being Monitored	
					Medium	Low				

## Appendix 1: ICC Critical Systems and Facilities

The following table identifies the key systems and facilities identified by the BIA and state their target recovery times in the circumstances of a major business disruption.

**Table 1 – Recovery of Systems and Facilities**

Item	System or Facility	Recovery Time
1.	Laptop PC with ICC SOE and wi-fi capability to VPN	Non-stop
2.	Enviromon	2 hrs (max)
3.	Ipswich City Council – Corporate Security Camera (Genetech)	2-4 hrs
4.	Skype (If being used as main phone system)	4 hrs
5.	Exchange (unable to verify – Rob Stower to answer)	
6.	iKnow (Weave)	4 hrs
7.	RMS Weighbridge (Currently a tender process to replace system – 6/8 months change over (company – Mandalay)	4 hrs
8.	Landline telephones – ICC exchanges	4 hrs
9.	ICC website	4 hrs
10.	Email – OWA – Outlook Web Access	4 hrs
11.	Internet access	4 hrs
12.	Sat phones	4 hrs
13.	Pathway / ePathway	24 hrs (max)
14.	eBusiness	24 hrs
15.	Oracle Spatial	24 hrs
16.	FAX capability	24 hrs
17.	Email – ICC network	24 hrs
18.	Networked PCs with ICC SOE	24 hrs
19.	Objective – Records Information Management	24 hrs
20.	FME Suite	24 hrs
21.	Chubb Director (transitioning to Gallagher – 3 year staged rollout which commenced July 2019)	24-48 hrs
22.	Apollo	3 days
23.	Mapinfo	3-4 days
24.	KE Emu	2 weeks



Doc ID No: A6232444

ITEM: 12  
SUBJECT: GOVERNANCE AND COMPLIANCE REPORT  
AUTHOR: INTEGRITY AND COMPLAINTS MANAGER  
DATE: 12 MAY 2020

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### **EXECUTIVE SUMMARY**

This is a report concerning the performance of the Corporate Governance Section (the Section) in relation to Council's legislative compliance in the management of Complaints, Right to Information and Information Privacy functions for the period 1 January 2020 to 31 March 2020 (the Quarter).

### **RECOMMENDATION/S**

**That the report be received and the contents noted.**

### **RELATED PARTIES**

There are no related parties.

### **ADVANCE IPSWICH THEME**

Listening, leading and financial management

### **PURPOSE OF REPORT/BACKGROUND**

To inform the Committee on how the Section has performed and managed the below functions for the Quarter:

- Management of Complaints
- Management of Right to Information and Information Privacy Applications
- Delivery of Transformation Project TP#06 Complaints Management Framework

To also inform the Committee on a follow-up report by the Information Commissioner on the 2017-18 Audit Report on Ipswich City Council's management of Right to Information and Information Privacy.

## 1. Management of Complaints

The number of complaints being received by the Complaints Management Unit (CMU) continues to increase each quarter. This is recognised as evidence of Council's customers trusting the established complaint channel, CMU, to have their concerns addressed.

It is anticipated that complaint numbers will increase with the return of the Elected Representatives as customers/constituents raise matters with them for referral to the CMU for management.

Reporting in the complaints space will evolve with the introduction of the use of the Insights Function of Council's CRM database used for complaints management, Objective. Among other measures, Council will move towards including handling times in reports as a measure for the efficacy of processes utilised in the complaints management space.

COMPLAINT TYPE	JAN – MAR 2020			OCT – DEC 2019		
	CLOSED	IN PROGRESS	GRAND TOTAL	CLOSED	IN PROGRESS	GRAND TOTAL
Administrative Action Complaints	0	2	2	4	0	4
Privacy Complaints	0	0	0	0	0	0
Publication Scheme Complaints	0	0	0	0	0	0
General Administration Action Complaints	176	18	194	94	12	106
Ombudsman Direct Referrals Received	0	0	0	0	0	0
General - Staff Complaint	12	1	13	16	3	19
Ombudsman Review	1	1	2	2	0	2
Internal Reviews on AACs	0	0	0	0	0	0
OIC Reviews	0	0	0	0	0	0
<b>TOTAL NUMBER OF COMPLAINTS RECEIVED</b>	<b>189</b>	<b>22</b>	<b>211</b>	<b>116</b>	<b>15</b>	<b>131</b>

Statistics above show a significant increase in General Administrative Action Complaints (Stage One review of complaint) received within the quarter compared to the previous quarter. The report indicates that CMU received 194 complaints where 176 of these complaints were successfully closed in that quarter and 18 are still in progress awaiting for information provided by the business nominated persons. These complaints range from operational work issues, road maintenance, rates complaints, parking complaints and animal management to name a few major complaints categories. It is anticipated that there will be another notable increase in the next reporting period.

A slight decrease in General Staff Complaints from 19 to 13 was received. The report shows that within the 13 complaints, 12 were successfully closed, 1 is still in progress. These complaints are mainly waste truck drivers' behaviour while servicing bins, rates related matters, compliance officers who are looking after enforcement notices, animal management officers and parking infringement officers. The CMU provide customer

feedback to relevant departments and give them the opportunity to review expected behaviours of all staff as Council strives to achieve a strong customer service focus in all service delivery areas.

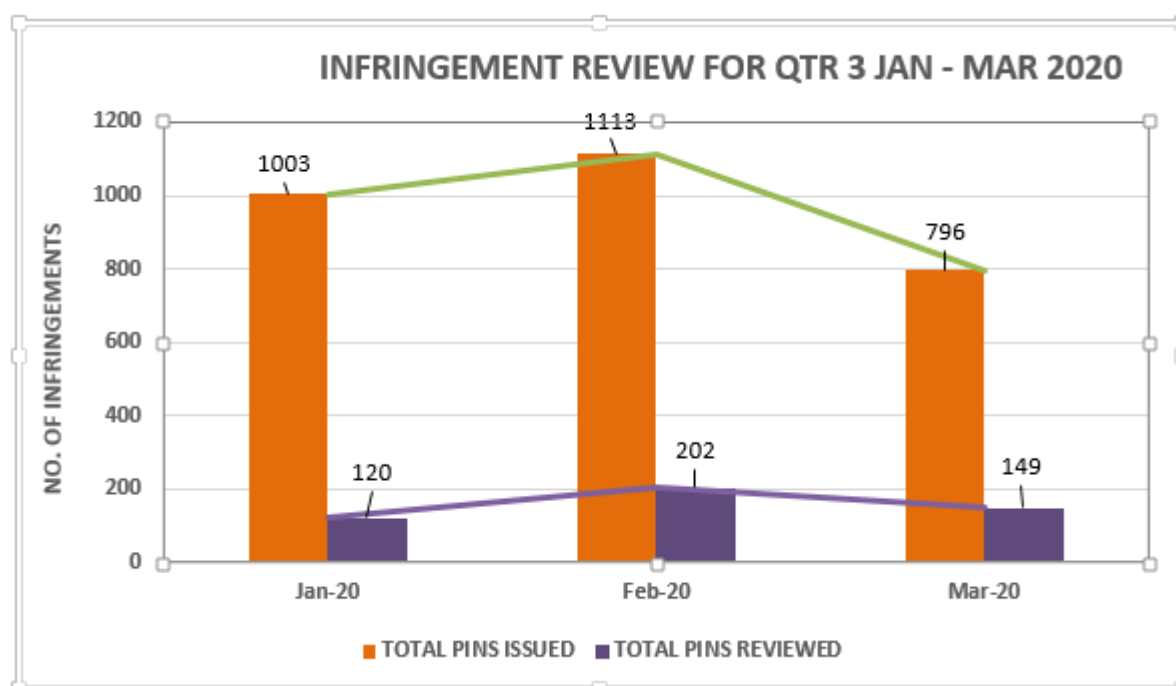
CMU received one request for information on a legacy complaint matter managed by Council to assist with an internal reviews on the Ombudsman's Delegate's decision on that matter. This request for information was intensive with a high volume of advice/information being requested to assist their investigation. The other request for information was to determine if a matter had been appropriately managed under Council's Complaints Management Framework before accepting the matter for a review. That matter remained open in that quarter waiting on advice from the Ombudsman's Office on how to proceed.

There was a decrease of Administrative Action Complaints from 4 to 2 complaints received in this quarter which indicates continued success in the internal review process. Having the CMU respond to the customer is proving to be successful with Council having complaint management specialists managing complaint matters and providing customer responses with a strong customer centric focus.

There were no requests for Internal Reviews, Privacy Complaints or Publication Scheme Complaints received in this quarter. This will be monitored in future reporting periods.

Quality assurance monitoring of different processing stages will be continue to be undertaken to ensure the efficacy of the Complaints Framework remains and ensure robust processes continue to be used effectively in complaints management.

## 2. Management of Infringement Reviews



According to the data extracted from Council's Crystal report, PRS issued the least number of infringements in March 2020 and issued the highest in February 2020. An increase in infringements issued in February was mainly due to the changes with the parking conditions at Springfield Station. This also resulted in an increase of requests that came in for review.

Within these issued pins, the report shows an increase of request for review from 143 to 470 requests. These reviews were mainly from customers who were issued an infringement at Springfield Station.

Based on advice received, a reduction of infringements in March was due to the COVID-19 Pandemic and restrictions imposed by the Commonwealth and State Governments in relation to travelling.

Further detail on the types of infringements is set out in the addendum below.

### 3. Management of Right to Information and Information Privacy Applications

All RTI Applications were processed in accordance with legislative requirements, Council Policy and Procedures. The below tables provide details of the management of all RTI Applications for the reporting period.

Two RTI applications received during the Quarter were dealt with administratively. Documents released were predominantly maintenance logs of Council's infrastructure – parks.

Moving forward work will be undertaken with the Performance Management team to develop more robust reporting on applications and data will be utilised to inform Council on improvements to its Publication Scheme.

The efficacy of application handling is evidenced by no internal or external reviews being undertaken on applications received in this quarter.

The tables below indicate the volume of RTI/IP applications received.

RTI Management	No.
CARRIED OVER FROM PREVIOUS QUARTER	3
NEW APPLICATIONS	9
CLOSED	6
OPEN AND CARRIED INTO NEXT QUARTER	6
IP Management	No.
CARRIED OVER FROM PREVIOUS QUARTER	1
NEW APPLICATIONS	3
CLOSED	3
OPEN AND CARRIED INTO NEXT QUARTER	1

#### 4. Status of the Transformation Projects which impact the Integrity and Governance Section's management of complaints and RTI/IP applications

##### 4.1 TP#6 Complaints Management Framework

The Project will be formally closed in May 2020 by the Business Transformation Program Steering Committee. Any remaining deliverables will be transitioned to either business as usual activities or further strategic projects.

All but two key deliverables are 100% delivered (Key Deliverables 1 and 2 are 90% implemented)

No.	Key Deliverable	Progress achieved this period	Activities planned for next period
1	Complaints Management Policy & procedure	Continued to monitor current policies to ensure efficacy.	Legal Services Team updating policies to reflect Human Rights Act that came into effect in January 2020. Complaints Management Framework has been amended to state that all decisions made with HRA components the HRA must be considered. Discoverable evidence must be available. Considerations will be had on what this looks like. Thoughts are an assessment criteria will be developed to ensure compliance by decision makers. A new procedure is likely to be required to dovetail in with the new HRA policy being adopted. Work on this continues with Legal Services Section as BAU.
2	Unreasonable Complaint Conduct (UCC) Policy and Manual	Once adopted tool box talks to be undertaken with operational teams so full understanding is had on responsibilities of all staff for managing UCC. This will be done quarterly to ensure staff remain current on how to use the policy	This policy and procedure still requires review by Legal Services Team to ensure it is meeting HRA. Work is being done to ensure that this policy/procedure dovetails into HRA policy/procedure. This will be completed by the end of May and will go up to Committee once finalised.

#### 5. Follow-up by the Information Commissioner to their 2017-18 Audit Report on Ipswich City Council's management of Right to Information and Information Privacy

The Office of the Information Commissioner (OIC) is currently finalising a follow-up report on Council's implementation of recommendations made in their 2017-18 audit of Council's management of Right to Information and Information Privacy. A draft report was received by Council on 28 April 2020 and a response was provided on 12 May 2020. The draft report prepared by the OIC included an assessment that six of the recommendations are fully implemented, one partially implemented, one in progress, one with limited progress and three assessed as no action having been taken.

Council's response set out additional action that has been taken both within the audit period, since the audit period and future planned work. The response also suggested

alternate assessments that could have been made by the OIC based on the available evidence.

After considering Council's response, the Information Commissioner has decided to re-open the follow-up audit to consider the additional evidence presented.

A further update will be provided to the ARMC through the Chair once the revised draft report is received.

## **FINANCIAL/RESOURCE IMPLICATIONS**

There are no financial/resource implications.

## **RISK MANAGEMENT IMPLICATIONS**

The greatest risk to the organisation is the lack of awareness by staff of their responsibilities under Council's Complaint Management Framework, the Public Record Act, and RTI and IP Acts. All outside staff have attended Public Records Act, RTI Act and IP Act Training delivered by the TP#6 Project Lead. Internal staff have undertaken Office of the Information Commissioner RTI and IP Training and Queensland State Archives Records Challenge Training online via E-Hub. Training in Records, RTI and IP Act obligations and responsibilities is now a component of induction training and will be incorporated into annual refresher training for all staff.

Council has an obligation under the RTI and IP Acts to work towards open proactive disclosure, administrative access and information sharing (the "push model"). Considerations are being had on the Section engaging a consultant to develop a 12 month project plan using the recent organisational 'scorecard' developed by the Office of the Information Commission (OIC). The aim of the project plan will be to improve the organisation's implementation of the "push model" and hopefully increase our scorecard results for the next OIC assessment. The project plan will be delivered by the Section as BAU.

## **LEGAL/POLICY BASIS**

The following table outlines the relevant legislation and the administrative functions and services provided by the Branch:

<b>Relevant Legislation</b>	<b>Integrity and Complaints Team Administrative Functions and Services Provided</b>
<i>Local Government Act 2009 and Local Government Regulation 2012 State Penalties Enforcement Act 1999 State Penalties Enforcement Regulation 2014 Withdrawal of Infringement Notice Policy (Council</i>	Management complaint types: <ul style="list-style-type: none"> <li>• Administrative Action Complaints and Internal Reviews</li> <li>• Privacy Complaints</li> <li>• Publication Scheme Complaints</li> <li>• Ombudsman Review of Complaint Management</li> <li>• Ombudsman Direct Referral of Complaints</li> <li>• Office of Information Commission (OIC) Complaint Reviews</li> </ul>

Relevant Legislation	Integrity and Complaints Team Administrative Functions and Services Provided
<i>resolution, 27 February 2018)</i> <i>ALARMS risk rating (Council resolution, 26 April 2007)</i>	<ul style="list-style-type: none"> <li>• Operational i.e. General Department complaints referred to relevant Council Depart./Branch for resolution</li> <li>• Infringement Reviews</li> </ul>
<i>Right to Information Act 2006</i>	Management of Right to Information Applications for: <ul style="list-style-type: none"> <li>• access to information that is not administratively available</li> <li>• internal review of a reviewable decision</li> </ul>
<i>Information Privacy Act 2006</i>	Management of Information Privacy Applications: <ul style="list-style-type: none"> <li>• for personal information</li> <li>• to amend personal information or</li> <li>• to investigate complaints of privacy breaches</li> <li>• internal review of a reviewable decision</li> </ul>

## COMMUNITY and OTHER CONSULTATION

This report did not require community engagement.

## CONCLUSION

The Governance Section has performed its responsibilities and obligations in relation to maintaining Council's compliance with the *Local Government Act, Local Government Regulation, Right to Information Act and Information Privacy Act* for the previous Quarter.

Dianne Nikora

**INTEGRITY AND COMPLAINTS MANAGER**

I concur with the recommendations contained in this report.

Sonia Cooper

**GENERAL MANAGER CORPORATE SERVICES**

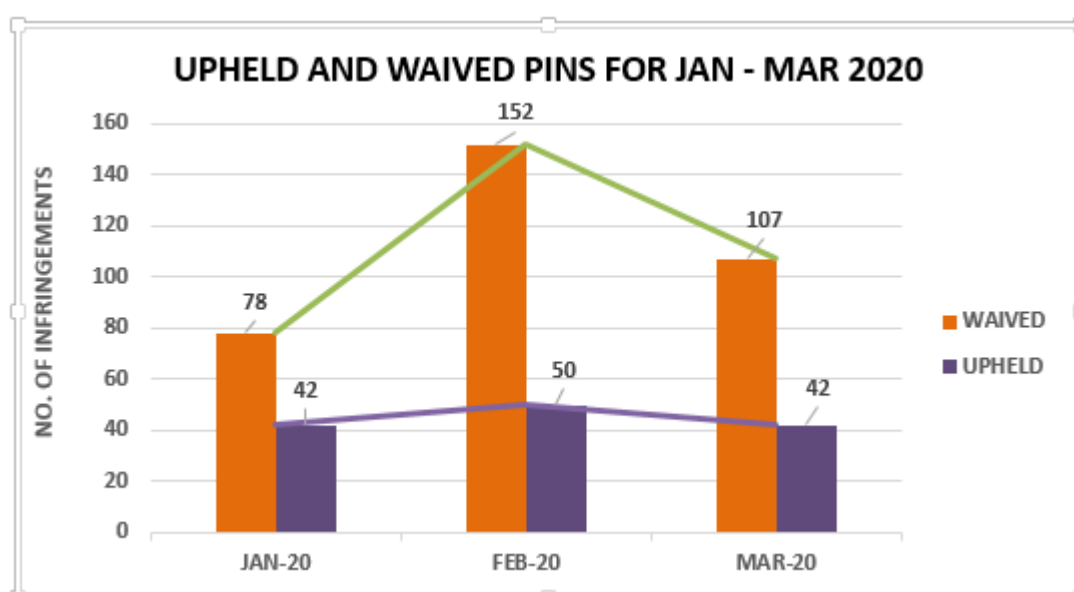
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**ADDENDUM**

**Detail on Infringements**

The below table represents the breakdown of the types of infringements being issued during Jan – Mar 2020 quarter:

TYPES OF PINS ISSUED	JAN – 20	FEB – 20	MAR – 20
ANIMAL INFRINGEMENTS	62	71	22
ANPR INFRINGEMENTS	500	550	257
LOCAL LAWS INFRINGEMENTS	9	14	31
OTHER PARKING INFRINGEMENTS	432	478	486
<b>TOTAL</b>	<b>1003</b>	<b>1113</b>	<b>796</b>



<u>PINS REVIEWED</u>	<u>JANUARY 2020</u>	<u>FEBRUARY 2020</u>	<u>MARCH 2020</u>
<b>WAIVED</b>	78	152	107
<b>UPHELD</b>	42	50	42
<b>TOTAL PINS REVIEWED</b>	<b>120</b>	<b>202</b>	<b>149</b>

According to the table and graph above, February recorded the most infringements that were waived and also upheld, with 152 and 50 infringements respectively.

January had the lowest of number of infringements waived.

Also, January and March scored the lowest number of infringements that were upheld with 42 infringements in both months.

The below graph depicts the statistics of the different exemption codes that were applied to all approved waived and upheld infringements:



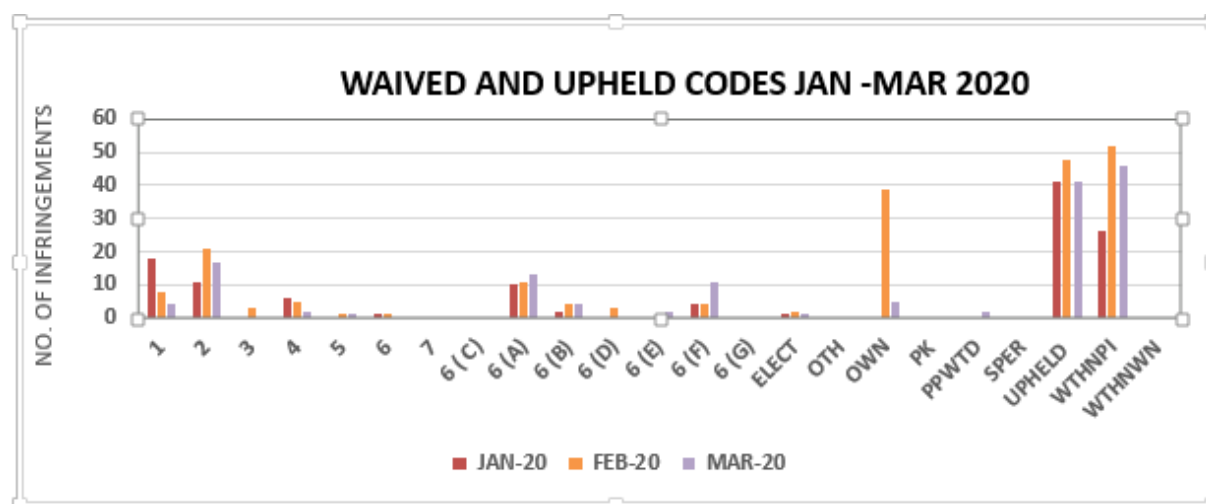


Table of exemption codes for reference:

CODES	JAN-20	FEB-20	MAR-20
1	18	8	4
2	11	21	17
3	0	3	0
4	6	5	2
5	0	1	1
6	1	1	0
6 (A)	10	11	13
6 (B)	2	4	4
6 (C)	0	0	0
6 (D)	0	3	0
6 (E)	0	0	2
6 (F)	4	4	11
6 (G)	0	0	0
7	0	0	0
ELECT	1	2	1
UPHELD	41	48	41
OTH	0	0	0
OWN	0	39	5
PPWTD	0	0	2
PK	0	0	0
SPER	0	0	0
WTHNPI	26	52	46
WTHNWN	0	0	0
<b>TOTAL</b>	<b>120</b>	<b>202</b>	<b>149</b>

Table of definitions for exemption codes for reference:

EXEMPTION CODES	DEFINITION
<b>1</b>	<b>Incorrect/Incomplete/Unclear Information</b> – A notice has been issued containing incorrect or incomplete information (eg.

	Incorrect vehicle registration number, incorrect name of offender or incorrect offence code) and this has caused the PIN to be invalid or the information recorded on the PIN is so unclear that it cannot be read.
<b>2</b>	<b>Medical Certification</b> – A medical certificate or other acceptable supporting documentation including statements from witnesses can be produced confirming that the medical condition or a medical situation at the time of the offence caused or substantially contributed to the offence occurring and that in view of such circumstances, the PIN should be withdrawn.
<b>3</b>	Motor Vehicle Breakdown (regulated Parking Offence) - Evidence can be produced to prove a vehicle had a mechanical problem at the time of the parking offence and that the circumstances caused the driver to park illegally.
<b>4</b>	<b>People with a Disability (Regulated Parking Offences)</b> – A valid disabled persons parking permit can be produced in instances where the vehicle would not have been issued with a PIN had the permit been affixed to the vehicle.
<b>5</b>	<b>Charity Workers (Regulated Parking Offences)</b> – The person to whom the PIN was issued was at the time of the alleged offence undertaking a bona-fide temporary duty on behalf of a charitable organisation and the offence did not involve traffic/pedestrian obstruction or safety related offences (withdrawal of a PIN under this criterion will only be applied to a first offence)
<b>6</b>	Extraordinary Circumstances - In a case where an application is not addressed by the abovementioned circumstances, the decision maker may determine that the circumstances are sufficient to warrant the withdrawal of the PIN.
<b>6 (A)</b>	<b>Extraordinary Circumstances</b> – Instances where a decision to uphold the PIN would be contrary to Council’s Corporate Plan, Vision, Mission and Values.
<b>6 (B)</b>	<b>Extraordinary Circumstances</b> – Instances where the likelihood of successful prosecution is low.
<b>6 (D)</b>	<b>Extraordinary Circumstances</b> – The person to whom the infringement notice was issued was involved in an emergency situation at the time of the alleged offence. (Proof of the emergency would be required, eg. Doctor’s certificate, statutory declaration, oaths acted witness statements)
<b>6 (F)</b>	<b>Extraordinary Circumstances</b> – Ambiguous, illegible, malfunctioning or damaged signage or devices which would lead to confusion about the requirements. (For ‘malfunction of parking meters, evidence is to include a witness statement or statutory declaration that correct monies were deposited into regulated parking devices)
<b>7</b>	Interstate Vehicle or Overseas Driver
<b>ELECT</b>	Offender has Elected to have the PIN decided in Magistrates Court
<b>PPWTD</b>	Prosecution Panel Withdrawn

<b>NO EXEMPTION</b>	PIN has been <b>UPHELD</b>
<b>OTH</b>	Other Circumstances
<b>OWN</b>	Owner cannot be located
<b>SPER</b>	Referred to SPER
<b>WTHNPI</b>	Withdrawn by Review Team – For new PIN to be considered by Compliance Branch
<b>WTHNWN</b>	Withdrawn by Management Team

The following table represents the percentage rate of how many PINS were reviewed over the total number of PINS issued:

<b>ITEMS</b>	<b>JAN-20</b>	<b>FEB-20</b>	<b>MAR-20</b>
<b>TOTAL PINS REVIEWED</b>	120	1113	796
<b>TOTAL PINS ISSUED</b>	1003	202	149
<b>PERCENTAGE RATE</b>	<b>11.96%</b>	<b>18.15%</b>	<b>18.72%</b>

Furthermore, CMU also receive CES requests jobs where work is undertaken that hasn't resulted in a review being conducted. Below is the breakdown of the total number of these jobs that was received via our CES portal for the quarter Jan – Mar 2020:

<b>RESOLUTION CODES</b>	<b>Count of Resolution Summary</b>
<b>Customer inquiry</b>	157
<b>Upheld</b>	141
<b>Withdrawn new PIN issued</b>	138
<b>Medical certification</b>	48
<b>Contrary to Council's vision and values</b>	32
<b>Closed as Duplicate</b>	27
<b>Incorrect/incomplete/unclear information</b>	26
<b>Ambiguous, illegible, damaged signage</b>	19
<b>Likelihood of prosecution low</b>	13
<b>Referred to SPER</b>	11
<b>People with a disability (reg parking)</b>	10
<b>Motor vehicle breakdown (reg parking)</b>	3
<b>Unavoidably delayed through Council bus.</b>	3
<b>Involved in an emergency situation</b>	3
<b>Charity workers (reg parking)</b>	2
<b>Extraordinary circumstances</b>	2
<b>Customer Satisfied</b>	1
<b>SPER - Waived</b>	1
<b>Court election</b>	1
<b>GRAND TOTAL</b>	<b>638</b>

Doc ID No: A6232470

ITEM: 13  
SUBJECT: ICT STRATEGY UPDATE REPORT  
AUTHOR: CHIEF INFORMATION OFFICER  
DATE: 12 MAY 2020

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### **EXECUTIVE SUMMARY**

This is a report concerning an update relating to the progress of implementation of the ICT Strategy 2019-2024. The strategy was published on 2 August 2019 and was developed in collaboration with a diverse range of internal stakeholders and includes stakeholder perspectives, key trends and influences, guiding principles and a strategy map.

### **RECOMMENDATION/S**

**That the report be received and the contents noted.**

### **RELATED PARTIES**

Nil

### **ADVANCE IPSWICH THEME**

Managing growth and delivering key infrastructure

### **PURPOSE OF REPORT/BACKGROUND**

There are four core strategic areas of focus that have been developed to support the ICT Strategy 2019-2024. This report provides an update against each of these focus areas:

1. ICT Governance
  - a. In the last six months the ICT Steering Committee (ICTSC) has been formed and the Terms of Reference defined and approved. The inception of the ICTSC was aimed at creating visibility and rigour to the process of portfolio management, information security, business engagement and stakeholder management. The goal was to transform the ICT governance approach from being inward focussed to a business led function that ensured transparency of decision-making, and pragmatic process design. This was tested with the development of the capital portfolio for 2020-2021, with a priority matrix developed for ICTSC engagement. The process applied resulted in an agreed prioritisation for the ICT capital program and a robust highly visible budget position being created and agreed for 2020-2021 with a clear path for management of contingent project priorities over the course of the year. This demonstrated the value of the approach and the early steps in the transformation program. The next companion step is to change the ICT

Concept Review Board to embrace a more inclusive and agile Technical Advisory Group model that will invite business representative engagement in a more tactical way. This step will be considered by the ICTSC in the near future.

## 2. ICT Operating Model

- a. The ICT operating model is currently being reviewed to ensure the required reform efficiencies and performance uplift is delivered. A skills and capability audit against our managed service agreements has been scoped to identify latent talent, duplication and gaps. This information will inform workforce planning and process design, automation and engagement practices.
- b. Significant work is underway to address a lack of contract management and vendor engagement that resulted in sub-optimal managed service outputs, controls and processes. This work is in-flight and yielding improved outputs and a clear narrowing of the performance gap between contract service agreements and deliverables. There is a capability and capacity gap in this area that will be addressed as part of a strategic workforce plan.

## 3. ICT Portfolio Management

- a. The strategy clearly defines the requirement to transition from an ad-hoc, disaggregated portfolio to a strategically focussed, 'platform ecosystem' that is sustainable.
  - i. In the portfolio planning for 2020-2021 a project to begin work on addressing defunct legacy systems was identified and this work is being escalated as a source of potential efficiency by making the relative compounding cost visible, reviewing the list to identify quick wins that might be achieved, and prioritising the major work for targeted business engagement to develop a remediation plan to drive an outcome to reducing this financial and information security risk.
- b. Another key element of this criteria relates to information management practices and technologies to enhance the quality of data and information to unlock the value of data across all its sources.
  - i. In response to well aligned political drivers, a Data Governance Advisory Group (underpinned by multiple project working groups composed of subject matter experts) has been formed with the remit to drive the effective and contextual use of data internally and externally and addressing any gaps and barriers preventing such use. The core objectives are to take strategic oversight of data for the new Transparency and Integrity Hub to improve transparency and public trust, improve data quality and credibility, improve data accessibility, improve data governance and increase data use internally and externally.

- ii. The Data Governance Advisory Group will also deliver a Data Governance Framework (this work is currently in-flight) to ensure a clear line of sight between mined sources and published outputs which will also be utilised to inform evidenced based decision making.

#### 4. ICT Practice Capabilities

- a. This focus area relates to a transformation from being an internal service provider motivated by cost containment to being an engaged business partner who is a valued advisor and trusted expert. Clearly this work is dependent on reforms across the other three focus areas, however steps have already been taken to create a cultural shift in this area. The initial program of work has begun, with process mapping reform to ensure processes are identified, properly scoped, and then mapped utilising common language and internal cultural markers to ensure the processes are reformed with a design thinking approach that identifies the needs and contextual experience of the customer. Recruitment has been completed to ensure an appropriately qualified and experienced officer can lead this reform, undertake a branch wide audit, and develop a process development program of work to ensure ICT Branch can achieve the cultural shift that is required to meet this transformation objective.

#### **LEGAL/POLICY BASIS**

This report and its recommendations are consistent with the following legislative provisions:  
*Not Applicable*

#### **RISK MANAGEMENT IMPLICATIONS**

The ICT Strategy is dependent on significant workforce change to create the capability required to deliver the target improvements, and cultural change that will take time and ongoing investment in training and adaptive-skilling. Achievement of the core strategy goals is also dependent on establishing agreed business principles to increase technology and digital literacy across the organisation to empower business owners to be an engaged and robust partner. These agreed business principles will also be critical to delivering an aggregated platform (or single solution) that will drive increased performance, cost efficiency, data integration and to create a single view of the customer.

#### **FINANCIAL/RESOURCE IMPLICATIONS**

The ICT Branch budget has been informed by the ICT Strategy and its deliverables.

#### **COMMUNITY AND OTHER CONSULTATION**

N/A

#### **CONCLUSION**

It can be demonstrated that significant work has been completed, is currently in-flight, and is in the planning and development phase aligned to the core focus areas of the ICT Strategy. The ICT Team is working toward a customer focused business transformation and this will contribute to supporting the goals of Ipswich City Council moving forward.

Sylvia Swalling  
**CHIEF INFORMATION OFFICER**

I concur with the recommendations contained in this report.

Sonia Cooper  
**GENERAL MANAGER CORPORATE SERVICES**

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Doc ID No: A6226439

ITEM: 14  
SUBJECT: NICHOLAS STREET/CBD REDEVELOPMENT UPDATE  
AUTHOR: PROJECT MANAGER  
DATE: 11 MAY 2020

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### **EXECUTIVE SUMMARY**

This is a report concerning the progress of the Nicholas Street – Ipswich Central Project (the Project).

### **RECOMMENDATION/S**

**That the report be received and the contents noted.**

### **RELATED PARTIES**

Program Management Partner for the Project, Ranbury Management Group.

Retail Leasing Agent for the Project, Ranbury Property Services.

### **ADVANCE IPSWICH THEME**

Strengthening our local economy and building prosperity

### **PURPOSE OF REPORT/BACKGROUND**

Council is redeveloping various Council-owned/leased CBD properties to deliver a civic precinct, library and administration building as well as retail and commercial assets, which, when leased will comprise retail, food/beverage, cinemas and commercial office space (refer Attachment 1). Hutchinson Builders are delivering the majority of the Project' works (excluding the Commonwealth Hotel).

In October 2019, Council endorsed a development/divestment strategy (informed by KPMG) which recommended funding the redevelopment of the retail, commercial and entertainment assets in a staged approach and holding these assets to maximise their value prior to any divestment. The retail redevelopment is on hold and when approved will be delivered by Hutchinson Builders under a project variation (excludes Metro A).

In response to QTC advice, Council established a Project Steering Committee (PSC). A revised governance structure is proposed to ensure the Project continues to be delivered in a transparent, effective and efficient manner and includes a Retail sub-committee to govern the planning and delivery of the retail and commercial assets under an independent Chairperson with extensive retail and commercial experience. Refer Attachment 2 for PSC Minutes of 25 February 2020.



Nicholas Street mall re-opened in December 2019 and with positive community feedback received. Construction works on the major components of the redevelopment, the administration building, library, civic space and car park upgrade are all well advanced and largely on schedule. Under the current program of works, the library, the civic space and car park are scheduled to open in October 2020 and the administration building will achieve practical completion in late August 2021. Several Extensions of Time for adverse weather conditions were granted resulting in minor changes to Practical Completion dates. It is anticipated that Hutchinson Builders will finish within these revised dates. The Commonwealth Hotel is currently out to tender for its re-construction, with construction of the shell due for completion October 2020. Retail re-development works are currently on hold awaiting Council's review of the existing strategy and associated investment.

Council's retail leasing agent has made significant progress with eight Heads of Agreement (HOA) with prospective tenants (approximately 40% of the precinct's retail GLA excluding Metro A). Whilst HOA are not legally binding, they are a critical step in the process to obtain executed leases. The process to finalise an agreement for lease/lease with the key anchor tenant in the Venue is progressing.

The full impact of COVID-19 on the redevelopment remains unclear. Hutchinson Builders have largely continued their construction activities unabated following some modifications to their work practices. There were initially delays forecast for the receipt of some key components required for the construction of the new administration building however associated delivery risks are now minimal. The impact of the virus on the retail leasing process is more uncertain. Early indications from some potential lessees is that a strong interest in the Ipswich CBD opportunity remains and that once the pandemic passes, business conditions will return to normal over time.

#### **LEGAL/POLICY BASIS**

This report and its recommendations are consistent with the following legislative provisions:

*Local Government Act 2009*

*Local Government Regulation 2012*

#### **RISK MANAGEMENT IMPLICATIONS**

The Nicholas Street - Ipswich Central redevelopment project carries significant financial and reputational risk to Council. In addition, Council faces risks in the development, leasing and future ongoing operation of the retail and commercial assets it controls. Council's ability to effectively activate and create a destination will be a critical factor in the precinct's success from both a community and commercial perspective. The proposed project governance structure will strengthen existing control measures in the management of these risks.

#### **FINANCIAL/RESOURCE IMPLICATIONS**

Council has adopted budgets totalling approximately \$245M that include funding for:

- Administration building, civic space, library, car park including demolition works;
- Commonwealth Hotel and Nicholas Street/Union Place upgrades; and
- Retail incentives and redevelopment (excludes Metro A refurbishment).

Council's project team have implemented strict controls over project and contingency expenditure (refer Attachment 3). Should Council decide to invest in Metro A's redevelopment, additional funding of approximately \$11M will be required. Refurbishment costs of the towers at 2 Bell Street and 143 Brisbane Street to allow for commercial leasing are yet to be quantified. An inaugural precinct operational budget is currently under development.


#### **COMMUNITY AND OTHER CONSULTATION**

Not applicable

#### **CONCLUSION**

The delivery of the redevelopment is progressing largely to plan with only minor modifications to Practical Completion dates due to adverse weather conditions. Delivery of the retail development will be dependent on the timing of any Council decision to progress the investment in the retail and entertainment assets. The expanded governance structure will act as an effective control measure for the Project.

#### **ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS**

1.	CBD Redevelopment Key Assets <a href="#">↓</a> 
	CONFIDENTIAL
2.	Project Steering Committee Minutes 25 February 2020
3.	Nicholas St Ipswich Central April 2020 Executive Report No 13

Greg Thomas

**PROJECT MANAGER**

I concur with the recommendations contained in this report.

Sean Madigan

**GENERAL MANAGER - COORDINATION AND PERFORMANCE**

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Attachment 1

Ipswich CBD Redevelopment – Key Assets

ICC Civic Assets	Nicholas Street Retail Assets
Admin Building	Venue
Library	Metro A and B
Civic Precinct	Eats
Nicholas Street / Union Place	Commonwealth Hotel

Table 1: Components of the Ipswich Central Development  
Source: Nicholas Street Retail – Business Case, 2019.



Doc ID No: A6226309

ITEM: 15

SUBJECT: ICT PLATFORM PROJECT - UPDATE

AUTHOR: PROGRAM MANAGER (BUSINESS IMPROVEMENT)

DATE: 11 MAY 2020

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## EXECUTIVE SUMMARY

This is a report concerning the ICT Platform Project.

### RECOMMENDATION/S

**That the report be received and the contents noted.**

### RELATED PARTIES

There was no declaration of conflicts of interest.

### ADVANCE IPSWICH THEME

Listening, leading and financial management

### PURPOSE OF REPORT/BACKGROUND

As part of the Business Transformation Program, Council's ICT Strategy was delivered by Transformation Project #17. Multiple themes were identified in the Strategy, including the need to address theme 2 – Business Platform. This theme focused on stabilising and consolidating key business applications and enabling potential investment in a single IT platform.

The resultant Platform Project is proposed to be split across 6 stages, with activities under Stage 1 currently underway. The proposed stages are as follows:

STAGE	KEY DECISION POINT
<b>Stage 1</b> Discovery	<ul style="list-style-type: none"><li>• Solution option recommendations supported by due diligence, discovery results and analysis.</li></ul>
<b>Stage 2</b> Go To Market	<ul style="list-style-type: none"><li>• Evaluation of Market Responses and Recommendations Report delivered and approved</li></ul>
<b>Stage 3</b> Solution Selection	<ul style="list-style-type: none"><li>• Approval of robust Business Case and Solution Recommendation</li></ul>
<b>Stage 4</b> Procure and Plan to Implement	<ul style="list-style-type: none"><li>• Execution of contract with vendors/partners including agreed project plan and scope of work</li></ul>
<b>Stage 5</b> Implementation	<ul style="list-style-type: none"><li>• In accordance with agreed Project Management and Governance frameworks. Implementation is likely to span over a number of years and will be staged with decision points within each stage to determine organisational readiness for 'go live'.</li></ul>

STAGE	KEY DECISION POINT
<b>Stage 6</b> Close	<ul style="list-style-type: none"> <li>Approval of Project Completion Report and Lessons Learned, etc.</li> </ul>

The Stage 1 activities undertaken to date have identified 3 potential options which are recommended to be detailed and compared as part of a robust business case. A preliminary findings paper and accompanying summary presentation has been developed and will be presented to the ICT Steering Committee for approval to progress with development of the business case based on the identified options.

The project approach has been identified to ensure the process for arriving at a system solution is exemplary in terms of the research, analysis, decision points, stakeholder engagement and input from a whole of Council perspective, while underpinning this work with good governance, project and change management processes. The significance of this project should not be underestimated in terms of its financial and resourcing impacts and the potential for disruption to, and dysfunction of, council operations and services if the project is rushed and not carefully assessed and considered.

By undertaking the project under the approach proposed, Council has the opportunity to engage with and inform other local government authorities on the findings from the resultant investigation into platform options and considerations. Additionally, if this project is executed diligently then Council can provide a template for other councils to follow to inform sound decision making, supported by good governance structures and detailed investigative research and analysis processes.

Part of the project approach has considered the Queensland Audit Office's report to Parliament on the Effectiveness of the State Penalties Enforcement Registry ICT Reform (Report and Best Practice Guide). The QAO Report highlights that a project's success starts with a governance approach which considers key risks and mitigates these with processes and personnel that are able to deal with and address any challenges that may arise. A good governance structure ensures skills, expertise and knowledge are aligned with the key decision points that will help steer an organisation to the right answer. The project plan places far more focus on getting the governance structure and decision points correct before progressing to the next stage of the plan.

The project will also be taking a proactive approach to engage both QAO and Queensland Treasury Corporation (QTC) throughout the life of the project to ensure the project is executed in a transparent and efficient manner.

#### **LEGAL/POLICY BASIS**

This report and its recommendations are consistent with the following legislative provisions:  
*Local Government Act 2009*

#### **RISK MANAGEMENT IMPLICATIONS**

As this report is for information only, there are no risks associated with the recommendation. However, high level initial risks have been identified in accordance with the ICC Project Risk Management Manual and are attached to this report.

#### **FINANCIAL/RESOURCE IMPLICATIONS**

As this report is for information only, there are no financial/resource implications of the recommendation.

### **COMMUNITY AND OTHER CONSULTATION**

For Stage 1, consultation has been undertaken with:

- the CEO (Project Sponsor)
- General Manager, Corporate Services
- General Manager, Coordination and Performance
- ICT Steering Committee members
- members of the ICT Management Team, and
- the Chief Audit Executive.

In the development of the preliminary findings paper, a number of local government entities were contacted to provide their feedback and learnings from similar projects.

It is intended that a full stakeholder impact assessment will be undertaken as part of the change management activities for the project.

### **CONCLUSION**

The Platform project is currently progressing through Stage 1 with a preliminary findings paper and accompanying summary presentation developed. These documents will be presented at ICT Steering Committee for approval to progress with the development of a business case.

**ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS**

1.	CONFIDENTIAL Risk Register
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Anna Payne

**PROGRAM MANAGER (BUSINESS IMPROVEMENT)**

I concur with the recommendations contained in this report.

Joshua Edwards

**ACTING MANAGER PERFORMANCE**

I concur with the recommendations contained in this report.

Sean Madigan

**GENERAL MANAGER - COORDINATION AND PERFORMANCE**

***“Together, we proudly enhance the quality of life for our community”***

Doc ID No: A6231830

ITEM: 16  
SUBJECT: CORPORATE PROGRAM MANAGEMENT OFFICE  
AUTHOR: ACTING MANAGER PERFORMANCE  
DATE: 12 MAY 2020

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## EXECUTIVE SUMMARY

This is a report concerning the process, systems and controls currently in place to manage the delivery of the Business Transformation Program and other key strategic projects.

## RECOMMENDATION

**That the report be received and the contents noted.**

## PURPOSE OF REPORT/BACKGROUND

The Business Transformation Program (BTP) was established in late 2018 as a blueprint to address priority issues and implement positive, ethical change. The goal is to establish our Council as exemplar from which other councils yearn to learn and strive to emulate. This program of transformation is about being a leading council again. The BTP is now a component of the Program Management Office (PMO) and exists within a program of work that includes strategic projects for Council. This report provides an update on the BTP and strategic projects within the PMO.

The contents of the report as follows:

### 1. Business Transformation Program

- 1.1. Program health check
- 1.2. Update on previously raised program issues or significant risks
- 1.3. New program issues or significant risks
- 1.4. Post implementation reviews

### 2. Strategic Projects

- 2.1. Program health check
- 2.2. New projects and summary controls
- 2.3. New issues or significant risks

## ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS

1.	Audit and Risk Report 
2.	BTP Post Implementation Review Register 

Joshua Edwards



**ACTING MANAGER PERFORMANCE**

I concur with the recommendations contained in this report.

Sean Madigan

**GENERAL MANAGER - COORDINATION AND PERFORMANCE**

***“Together, we proudly enhance the quality of life for our community”***

This report has been drafted to highlight the following:

**1. Business Transformation Program**

- 1.1. Program Health Check
- 1.2. Update Program Significant Issues or Risks
- 1.3. New Program significant Issues or Risks
- 1.4. Post Implementation Reviews

**2. Strategic Projects (PMO)**

- 2.1. Program health check
- 2.2. New projects and summary controls
- 2.3. New issues or significant risks

**1. Business Transformation Program**

**1.1 - Program Health Check**

Steering Committee	Transformation Project (TP)	Health Indicator
Whole of Council	TP2 – People & Culture	
	TP8 – Information Knowledge Management	
	TP9 – Policies, Procedures & Local Laws	
	TP14 – Legislative Change	
	TP15 – Community Engagement	
	TP17 – ICT Strategy	
Finance & Reporting	TP1 – Reporting Framework	
	TP3 – Procurement	
	TP4 – Asset Management	
	TP5 – Strategic Business Planning Framework	
	TP16 – Budget Framework	
	TP18 – Major Project Prioritisation & Advocacy	
Risk & Governance	TP6 – Complaints Management Framework	
	TP7 – Risk Management Framework	
	TP10 – Fraud & Corruption Control	
	TP11 – Delegations	
	TP12 – Information & Transparency	
	TP13 – Return to Elected Representatives	

**1.2 – Update Program Significant Issues or Risks**

**Delivery of TP2 – People & Culture**

Background:

- TP2 concerns the delivery of a new and improved People and Culture function within Council. It consists of 6 key sub projects: People & Culture Framework, Grievance Management, Recruitment and Selection, Safety Management, Capability Framework and Performance Framework.
- ‘Operation Windage’ identified People & Culture as a key area within their report.

Issue/risk:

- Restructure of the People & Culture branch in 2019 had an impact on implementation plans and delivery dates.
- Key deliverables from the Grievance Management Framework and Performance Management Framework have been delivered, but not implemented.
- Issue was to ensure key positions that are intrinsic on successful delivery, are recruited and finalised prior to rollout. These positions have now been filled.

Existing Process, System & Controls:

- Program risk and issue model is applied in monthly one to one with project lead to manage project risks and issues.
- Increased visibility /control of the project amongst the Executive.
- Reviewed Implementation plans with dates reflective of successful issue management.

Status:

- Ongoing.
- New corporate strategic project has been developed to include all transformational work being completed within the People & Culture branch (People & Culture Strategic Plan) and managed through the corporate PMO to ensure appropriate governance, delivery and monitoring. Progress will also be reported in monthly corporate PMO reporting cycle.

**Delivery of TP3 – Procurement**

Background:

- TP3 concerns the delivery of a new centralised procurement operating model across Ipswich City Council.
- When original procurement model was endorsed, no indication was provided on resourcing or funding of the model. This has now caused significant issues with implementation.
- Approved implementation plan is overdue in milestones and at risk of delay to go live dates.

Issue/Risk:

- Initial implementation plan was based on 'User Acceptance Testing' (UAT) and not a 'Whole of Council' change process for communications, change management and training.
- A draft timetable on the roll out of the new procurement process has previously been communicated via the Wire, as well as 'Procurement Awareness' training made available to all of Council via E-Hub.
- In February 2020, ELT approved the funding and resource proposal for implementation.

Existing Process, System and Controls:

- New implementation plan submitted for approval to the BTP Steering Committee 13 May.

Status:

- Issue ongoing.
- New corporate strategic project has been developed focused on the change and implementations activities for TP3. This will be managed through the corporate PMO to ensure appropriate governance, delivery and monitoring. Progress will also be reported in the monthly corporate PMO reporting cycle.

### 1.3 – New program issues or significant risk

Nil to report.

### 1.4 – Post Implementation Review

- Number one corporate risk relates to the realisation of BTP outcomes.
- Post Implementation Reviews (PIR's) will be conducted every 3, 6 and 12 months to track and monitor realisation of outcomes and ensure ongoing delivery and implementation.
- Attached spreadsheet is PMO resource to register all outcomes, status and progress comments against schedule.

#### Summary:

Project	Health Indicator	Comments
TP1 – Reporting Framework		
TP2 – People & Culture		TP2 re-scope
TP3 – Procurement		TP3 re-scope
TP4 – Asset Management Framework		<p>Actions are continuing to be progressed with the exception of:</p> <ul style="list-style-type: none"> <li>- A delay on the implementation of Contributed Asset Sign of Processes will be postponed awaiting Promapp delivery.</li> <li>- Property utilisation strategy register is continuing to be progressed with some delays predicted to occur and extension on dates for completion requested.</li> <li>- Business processes are a high priority once the implementation of Promapp has been completed.</li> </ul>
TP5 – Establish a Strategic Business Planning Framework		Outstanding actions have now been incorporated under TP1 (Reporting Framework)
TP6 – Complaints Management Framework		
TP7 – Risk Management Framework		
TP8 – Information Knowledge Management		
TP9 – Policies, Procedures & Local Laws		
TP10 – Fraud & Corruption Control		

TP11 – Delegations	
TP12 – Information & Transparency	
TP13 – Return to Elected Representatives	
TP14 – Legislative Change	
TP15 – Community Engagement	
TP16 – Budget Framework	
TP17 – ICT Strategy	
TP18 – Major Project Prioritisation	

## 2. Strategic Projects

### 2.1 – Program Health Check

Establishment of Corporate PMO	
ICT Platform	
ProMapp/Process Governance	
Ipswich CBD Redevelopment	
Planning Scheme	
Mayoral Innovation Program	

### 2.2 – New Projects and Summary Controls

#### Mayoral Innovation Program

##### Background:

- A new mayoral request has been received to establish an 'Innovation Team' to identify more efficient ways of service, in meeting our community's needs.
- An efficiency innovation approach encourages our officers on the ground (employee driven innovation) to share ideas on how we can provide better services and value to the community in a more timely, transparent and efficient manner. Opportunities will be established as a suite of projects and managed within a strategic Program of Work (PoW).

##### Process, Systems & Controls:

- PMO risk and issue model applied to project delivery with the establishment of registers for monitoring and reporting.
- A clear and robust program governance framework established to ensure ongoing delivery, benefits management and manage risk of Councillor Interaction, in line with Staff Councillor Interaction Policy.
- ELT established as project sponsors and governance role to ensure successful delivery.
- Please note, project planning in early stages and further controls to be defined.

##### Issue/Risk:

- No risks or issues to report.

### **The Planning Scheme**

Background:

- A planning scheme is a living and evolving document that guides the way land, buildings and structures are used and developed in the Ipswich Local Government Area to make sure the right development happens in the right locations.
- This PoW consists of the delivery of all components of the scheme in addition to the implementation of an ICT solution (Isovist) to help better manage and report against our planning activities.

Process, Systems & Controls:

- PMO risk and issue model applied to project delivery with the establishment of registers for monitoring and reporting.
- Hands on program management approach to assist in coaching and development of staff in project management expertise.
- Increased reporting to sponsor and ELT for transparent and timely information flow to ensure appropriate issue management.
- Please note, project planning in early stages and further controls to be defined.

Issue/Risk:

- No risks or issues to report.

### **2.3 - New issues or significant risks**

### **ProMapp / Process Governance**

Background:

- Council currently has no process governance framework in place, lacking a centralised process repository, Business Process Mapping (BPM) standards and nil communications or change management for process changes.
- Nintex ProMapp was identified as a fit for purpose BPM software solution that will provide Council with the capability to easily develop, manage and use Business Processes while being able to support a BPM governance model, with clear process accountability roles and responsibilities and communications/alert features for changes.
- Stage 1 of this initiative is to develop and implement a BPM Governance Framework, implementation of ProMapp and establishment of the 'current state' for Council processes.

Issue/Risk:

- Due to the organisational impacts of Covid, deployment plans in some instances have not been met as a result of resourcing priorities.

Process, systems & controls:

- Exercising a stop/go approach, a report was approved to place the project on hold and revisit deployment plans once resourcing can be prioritised again. Continued work is planned with those departments who are available.
- New departmental deployment plans will be created and endorsed by ELT for approval.
- Ongoing application of organisational project risk and issue model.

Project Number	Project Name	Description	Responsible Department/ Branch / Section	Due Date	Actions	Status Update Comments	Status
4	Asset Management Framework	Contributed Asset Sign Off processes	Project Manager - Asset Management	31-December-2019	Determine implementation activities with agreed parties	Postponed until it can be converted to Promap as discussed with Manager, Infrastructure Strategy. Coordination and Performance have commenced review and are discussing during their meeting WE 31Jan29. (PM-AM)	In progress
4	Asset Management Framework	Contributed Asset Sign Off processes	Project Manager - Asset Management	30-June-2020	Implement Contributed Asset Sign Off process – monitor and review	Planning and Regulatory Services have been requested to implement contributed asset processes; refer email to Kasinathar Sivasithambaram dated 2 Dec 2019. Request for inspections emanating from P&RS since would indicate uptake. (PM-AM)	In progress
4	Asset Management Framework	As Constructed Sign Off processes	Project Manager - Asset Management	31-December-2019	Determine implementation activities with agreed parties	Postponed until it can be converted into Promap. Coordination and Performance have commenced review and are discussing during their meeting WE 31Jan29. (PM-AM)	In progress
4	Asset Management Framework	As Constructed Sign Off processes	Project Manager - Asset Management	30-June-2020	Implement As Constructed Sign Off process – monitor and review	Refer Action 2.1 above. (PM-AM)	In progress
4	Asset Management Framework	Asset Utilisation Strategy	Manager, Infrastructure Strategy	31-March-2020	Develop a process for applying utilisation strategies to Council owned assets	Informal discussion between Project Manager and PO Property Services have occurred. Formal meeting to be set by PO Property Services as agreed post Sport and Recreation Leases meeting 15 Jan 2020. (PM-AM)	In progress
4	Asset Management Framework	Asset Utilisation Strategy	Manager, Infrastructure Strategy	30-June-2020	Develop utilisation strategy criteria for relevant Council owned assets	Refer Action 3.1 above. (PM-AM)	In progress
4	Asset Management Framework	Asset Utilisation Strategy	Manager, Infrastructure Strategy	30-June-2020	Identify existing assets that have a utilisation strategy	Refer Action 3.1 above. (PM-AM)	In progress
4	Asset Management Framework	Asset Utilisation Strategy	Manager, Infrastructure Strategy	30-June-2020	Identify assets that don't have a utilisation strategy	Refer Action 3.1 above. (PM-AM)	In progress
4	Asset Management Framework	Asset Utilisation Strategy	Principal Property Officer	30-June-2020	Update the PUSR with utilisation strategy information	Refer Action 3.1 above. (PM-AM)	In progress
4	Asset Management Framework	Communication / Education	Manager, Infrastructure Strategy	30-June-2020	Education and communication plan on new framework, strategy and new processes for the organisation	Discussed and ongoing with Infrastructure Stakeholder Manager. (PM-AM)	In progress
4	Asset Management Framework	Property Utilisation Strategy Register	Principal Property Officer	31-Mar-20	Move PUSR and documents from H drive and save into Objective	Discussed with Project Manager – Asset Management and once all documents received, property Services will save in objective.	In progress
4	Asset Management Framework	Property Utilisation Strategy Register	Principal Property Officer	31-Mar-20	Include trustee leases to the PUSR with relevant details. E.G. special conditions	Property Services have received a full list of the Trust/State land controlled by ICC from DTMR. This needs to be cross referenced with Council records and added to the PUSR.	In progress
4	Asset Management Framework	Property Utilisation Strategy Register	Sport and Recreation	31-Mar-20	Include summer sport permit information to the PUSR, for applicable properties	Have briefly discussed with Sport and Recreation but will organise a meeting in the next to discuss the transfer of this information. Extension of time requested until 30 June 2020.	In progress
4	Asset Management Framework	Property Utilisation Strategy Register	Principal Property Officer	31-Mar-20	Include special lease conditions to permits, where applicable	Need clarification on this as permits will not have special conditions. Is this for lease and licences? If so it will be included as part of 5.5. Extension of time requested until 30 June 2020.	In progress
4	Asset Management Framework	Property Utilisation Strategy Register	Principal Property Officer	31-Mar-20	Identify and include land that has been purchased, owned and being maintained by Council to the PUSR	Initial planning within Property Services has occurred about developing our own platform of an up to date land register for Council land. The PUSR can be included in this. Extension of time requested until 30 June 2020.	In progress
4	Asset Management Framework	Property Utilisation Strategy Register	Project Manager – Asset Management	31-Mar-20	Include floor plans/building plans to the PUSR	Any floor/building plans where available are logged to Objective. Unable to include a hyperlink to these plans until Actions 5.1–5.5 are complete or near completion.	In progress





4	Asset Management Framework	Property Utilisation Strategy Register	Principal Property Officer	31-Mar-20	In consultation with Finance update PUSR with original acquisition and revaluation values and effective dates	Will need to be completed in line with 5.5. Extension of time requested until 30 June 2020.	In progress
4	Asset Management Framework	Property Utilisation Strategy Register	Principal Property Officer	31-Mar-20	In consultation with Asset Management update condition assessments undertaken, including last assessment date	Will need to be completed in line with 5.5. Extension of time requested until 30 June 2020.	In progress
4	Asset Management Framework	Property Utilisation Strategy Register	Principal Property Officer	Ongoing	Update other fields within the PUSR as required.	Noted	In progress
4	Asset Management Framework	Quick wins	Manager, Infrastructure Strategy	31-March-2020	Consider the solutions presented/listed in the report and action in future as appropriate in consultation with key stakeholders	Completed	In progress
4	Asset Management Framework	Business Processes	Manager, Infrastructure Strategy	30-Jun-20	Ensure operational processes are in alignment with strategies, frameworks, and asset management plans	All solutions presented/listed in the report have now been considered. Where appropriate some solutions have been included into BAU activities and where appropriate longer-term proposed solutions have been noted for future implementation.	In progress
5	Strategic Business Planning	Strategic Business Planning Framework	TP 1 / Barb Dart	29-October-2019	Finalisation of the framework and merging with reporting framework to create the 'Integrated Planning and Reporting Framework'.	The Integrated Planning and Reporting Framework has been completed with outstanding items incorporated as part of Transformational Project 1	In progress
5	Strategic Business Planning	Strategic Business Planning Framework	Coordination and Performance Department / Performance Branch / Corporate Planning Section	31-December-2019	Operationalisation of framework, rollout and communication.	Incorporated as part of Transformational Project 1	In progress
5	Strategic Business Planning	Strategic Business Planning Framework	TP 1 / Barb Dart	31-December-2019	Communication and engagement of new framework with whole of council, including plans for upskilling of leadership team to appropriately engage in framework.	Incorporated as part of Transformational Project 1	In progress
12	Information and Transparency	<u>Embedding Proactive Disclosure to Information in the organisation</u> It is essential that RTI/IP activities in relation to Proactive Disclosure are supported by ELT and utilise the ADKAR Framework. Awareness, Desire and Reinforcement needs to be pushed from ELT down to all levels of the organisation. Corporate Governance will provide the Knowledge and Ability. To embrace the 'push model' staff will need to undergo a culture change regarding the use, maintenance and sharing of information.	Corporate Governance Manager ELT	30-August-2020	Development and delivery of an annual calendar to RTI/IP communications and activities that promote proactive disclosure, incorporate ways to change culture around proactively releasing information (push model) Incorporate into induction and implement an ongoing annual training annual refresher. This training could be incorporated into broader governance training and awareness program.  Development of KPIs for Corporate Governance's management of proactive disclosure based on the OIC's self-audit tool	Sent Communication and Education Plan to Angi	In progress
14	Legislative Change	Develop an ongoing register of potential reforms could be maintained and actioned at regular intervals. The existence of the register is regularly communicated and it is known by staff that an internal avenue to suggest legislative change exists.	Business Improvement Team	01-March-2020	Develop a process for identifying, capturing and actioning legislative change submissions Communicate to staff that the process exists Develop a register of legislative change submissions	This task has now been included as an action item for Business Improvement to consider expanding the Advocacy Strategy to incorporate legislative changes.	In progress
14	Legislative Change	Include in the Corporate Project Management Framework that there is a requirement to identify internal resources (new, backfilled or existing roles with prioritized workload) that are required for delivery of projects.	Performance Branch	31-May-2020	Embed requirement into the corporate project management framework as it is created		In progress
14	Legislative Change	Legislative changes or model codes and standards that are accepted as a result of future decisions made on legislative change submission. Future changes (eg. process change) will be assessed if/when they occur.	Legal and Governance	31-May-2020	Regularly review legislative changes made during the 6 month period following the legislative change submission		In progress
17	ICT Strategy	Business and communications tools used to support projects to be better communicated to stakeholders and more user friendly	ICT Manager		Discuss improvements with Library Services Manager and agree action plan	ICT Strategy closure items currently managed by Tony Welsh	In progress
17	ICT Strategy	Plan realistic timeframes for delivery of projects that are set in conjunction with key stakeholders	ICT Manager		Detailed Project Planning to be carried out to ensure the accuracy and validity of time, cost and resource usage	ICT Strategy closure items currently managed by Tony Welsh	In progress
17	ICT Strategy	Produce near-term ICT Improvement opportunities	ICT Manager		Identify quick wins	ICT Strategy closure items currently managed by Tony Welsh	In progress
17	ICT Strategy	A Strategic Roadmap has been prepared to reflect the known implementation initiatives and activities for Council Implementation will need to be overseen and directed	ICT Branch ELT and ICT Steering Committee	Ongoing (3 to 5 Years)		ICT Strategy closure items currently managed by Tony Welsh	In progress
17	ICT Strategy	Implementation of a Centre-led ICT operating model with ICT Branch representing the Centre, will require restraint and fortitude to avoid compromising the integrity of the ICT Strategy	ELT and ICT Steering Committee	6 months		ICT Strategy closure items currently managed by Tony Welsh	In progress
17	ICT Strategy	Migrating to a single Technology Platform will require steadfast resolve and commitment in aligning business processes to fit with selected platform/systems	ELT and ICT Steering Committee Business Areas	3+ Years		ICT Strategy closure items currently managed by Tony Welsh	In progress
17	ICT Strategy	Establishment of an ICT Steering Committee and ICT Governance Board to oversee the definition, prioritisation and execution of ICT Initiatives	ELT and ICT Manager	1 month		ICT Strategy closure items currently managed by Tony Welsh	In progress

18	Major Project Prioritisation	The transition of prioritisation matrix for future projects	Coordination & Performance/ Performance branch/ Business Improvement section – Joshua Edwards	31-January-2020	First meeting to be held in January 2020 to determine prioritised projects. C&P is responsible for arranging all meetings, coordinating project submission documents and communicating results.	The first meeting for the prioritisation of projects is due to be held on 27 February 2020 with a procedure in place for the first meeting.	In progress
18	Major Project Prioritisation	Advocacy Strategy	Community, Cultural & Economic Development/ Economic & Community - Development branch/, Advocacy section		Hand over will occur once recruitment has been finalised within the Advocacy section. Advocacy strategy will complete mark-up by Design team once first meeting or prioritisation has occurred and list of projects confirmed for publishing.	The Advocacy Framework is currently being finalised and due to go to February round of Council	In progress
18	Major Project Prioritisation	Advocacy Policy	TP9 Project team	31-December-2019	Advocacy policy will be included in scope of work for TP9 to ensure policy is endorsed by Council. Completed by end of year.	The Advocacy Policy has been submitted and endorsed to the January round of Council	Completed

Project Number	Project Name	Risk Title and Description	Mitigations	Initial Severity	Mitigated Severity	Handover Recipient
5	Strategic Business Planning	When returning Councillors come in March 2020, there is risk they ignore new process/framework and revert to old ways.	Scope including creation of Administrative Directive and Procedures to ensure compliance. Working with TP13 to ensure covered in induction process.	High	Medium	Wade Wilson
12	Information and Transparency	Staff not undertaking on line training within timeframes and lack of support from ELT to push from top down	Regular monitoring of completion rates, emails to GMs seeking their support	Major	Minor	Corporate Governance Manager
17	ICT Strategy	Roadmap Finance Model, limited to consultant's expertise and supplemented by desktop-based market analysis, materially under/over-states forward budget. (R006)	No further mitigation	High	Medium	Manager ICT
17	ICT Strategy	Roadmap reflects an execution discipline and maturity that Council doesn't currently have, nor develops to the necessary level.	1. Re-assign authority from LoB managers to remove the freedom and autonomy to diverge from approved enterprise plans. 2. Establish effective ICT Governance that is aligned and consistent with an approved Council Governance Framework.	High	Medium	ICT Steering Committee
12	Information and Transparency	Ongoing training is not adequate to increase staff capabilities in information management and RTI/IP Act responsibilities and obligations				Corporate Governance Manager
12	Information and Transparency	The organisation's culture to information management does not move forward to embrace Open Access to information				Corporate Governance Manager
12	Information and Transparency	RTI/IP Act training is not sustainable due to costs of purchasing access to the OIC's program				Corporate Governance Manager
12	Information and Transparency	Council develops its own RTI/IP training program but it is of poor quality				Corporate Governance Manager

<i>Project Number</i>	<i>Project Name</i>	<i>Description</i>	<i>Responsible Department/ Branch / Section</i>	<i>Due Date</i>	<i>Actions</i>
18	Major Project Prioritisation	Greater recognition from ELT for staff who work on projects, whilst delivering on BAU activities.	JTC/ELT		Appropriate expectation setting of project delivery and BAU with staff members and greater support from Leadership team during times of high volume
5	Strategic Business Planning	Project brief	TPCT		Creation of a project brief template within project management framework, with minimum standard of information to ensure appropriate project scoping.
5	Strategic Business Planning	Greater engagement in project by Senior Leadership	TPCT		To drive greater executive sponsorship, clarity and expectation of roles through project management framework.

Transformational Project - Planned Outcome (Stated in the PMP)	Delivery Status (Stated in Closure Report)	Comments Provided by Project Lead	Project Lead
Reporting that is highly visible to stakeholders including Council, Executive Team, management, external organizations' and the Ipswich community	Partially Delivered	More work needs to be done internally to 'push' reporting out to staff generally and to the community. We are meeting legislative obligations and reporting content has improved however work on our website and intranet is needed to provide a 'performance monitoring' space that is easy to find and allows a 'dashboard' look and feel but the ability to drill down if more information is required. This will be captured in the BAU of the Performance Branch going forward.	Barbara Dart
Reporting that is simple and effective and communicates Council's progress in achieving its stated objectives	Partially Delivered	This will become delivered in full in quarters 3 and 4 of the 2019/2020 financial year with our Quarterly Performance Report (as part of BAU and cascade of data from business plans). Recognition needs to be given that this was achieved with delivery of the 2018-2019 Annual Report and improved Monthly Financial Reporting.	Barbara Dart
An efficient appropriately automated system developed from one control point of truth	Partially Delivered	The organisational restructure and constraints of ICT strategies has meant that this is not able to be achieved in an 'automated system' however a system via the Performance Branch staff using the integrated planning and reporting framework (IPRF) is fostering a single point of truth for planning and reporting processes to assist staff across Council.	Barbara Dart
Improve efficiency by balancing what's needed to what's reported	Delivered In Full	No comment provided	Barbara Dart
A seamless reporting framework which becomes part of everyday culture	Delivered In Full	With regards to the IPRF quarterly performance reports whilst established prior to the framework, these are being improved in terms of outputs coming from the new business plans. Note - Due to continuous improvement and ongoing work taking place they will be continually updated over time.	Barbara Dart
Staff have an understanding of where information goes and how it is used in a valuable way to deliver objectives, goals and activities	Delivered In Full	No comment provided	Barbara Dart
Wherever possible, a single point of entry for information across Council to harmonise the reporting process	Delivered In Full	No comment provided	Barbara Dart
People and Culture will be regarded as a strategic partner that adds value across Council.	Partially Delivered	Updated by TPCT - 17/03/2020	Ross Muller
Improved employee welfare, morale, culture and retention.	Partially Delivered	Updated by TPCT - 17/03/2020	Ross Muller
A consistent clear approach to the development of employee capabilities and performance is established.	Not Delivered	Updated by TPCT - 17/03/2020	Ross Muller
Development of an organisational culture of feedback and coaching where performance related discussions are both expected and welcomed.	Not Delivered	Updated by TPCT - 17/03/2020	Ross Muller
Capability of people leaders to undertake regular performance discussions is improved with clear expectations and improved accountability defined.	Not Delivered	Updated by TPCT - 17/03/2020	Ross Muller
A safer more compliant workplace leading to a reduction in injury rates and lost time.	Partially Delivered	Updated by TPCT - 17/03/2020	Ross Muller
Improved trust and confidence across staff in the management of staff grievances and complaints.	Not Delivered	Updated by TPCT - 17/03/2020	Ross Muller

Item 16 / Attachment 2.

Leadership and support for efficiency, effectiveness and compliance in procurement activity;	Partially Delivered	Updated by TPCT - No closure report submitted, new implementation plan underway - 17/03/2020	Richard White
Developing and implementing enabling governance structures and delegations	Partially Delivered	Updated by TPCT - No closure report submitted, new implementation plan underway - 17/03/2021	Richard White
Delivering better outcomes through appropriate oversight and involvement in strategy development and decision making;	Partially Delivered	Updated by TPCT - No closure report submitted, new implementation plan underway - 17/03/2022	Richard White
Inclusion of forward procurement planning as part of Budget and Business Planning Process to drive early engagement, better planning and collaboration;	Partially Delivered	Updated by TPCT - No closure report submitted, new implementation plan underway - 17/03/2023	Richard White
Provision of a guiding framework that is outcome focused, robust, transparent and provides confidence to the organization, and staff that compliance is a given;	Delivered In Full	Updated by TPCT - No closure report submitted, new implementation plan underway - 17/03/2024	Richard White
Consistency and standardization of approach across the organization;	Partially Delivered	Updated by TPCT - No closure report submitted, new implementation plan underway - 17/03/2025	Richard White
Appropriate procurement competency levels based on requirements;	Partially Delivered	Updated by TPCT - No closure report submitted, new implementation plan underway - 17/03/2026	Richard White
Increase the confidence of suppliers, providers and ratepayers in ICC's procurement practices;	Partially Delivered	Updated by TPCT - No closure report submitted, new implementation plan underway - 17/03/2027	Richard White
Reduce and or eliminate the risk of fraud;	Delivered In Full	Updated by TPCT - No closure report submitted, new implementation plan underway - 17/03/2028	Richard White
Regular performance reporting, action planning and strong change management to embed the procurement transformation into the organization;	Partially Delivered	Updated by TPCT - No closure report submitted, new implementation plan underway - 17/03/2029	Richard White
Entrench strategic procurement practice.	Partially Delivered	Updated by TPCT - No closure report submitted, new implementation plan underway - 17/03/2030	Richard White
Adopted Strategic Asset Management framework and Asset Management plans that optimise Council resources to the community.	Delivered in full	No comment provided	Tony Dileo
Enhanced robustness of the Long Term Financial forecasts, both capital and operational expenditure.	Partially delivered	The Framework and updated AMP's allow for enhanced robustness of the long-term financial forecasts, but this will take some time to realise.	Tony Dileo
Implement an integrated asset management system across the organisation.	Partially delivered	A system specification was completed as part of TP4, however, identification and implementation of an integrated AM system is subject to ICT and organisation approval to proceed.	Tony Dileo

Appropriate asset information is captured and maintained to ensure decisions are informed	Partially delivered	Some data sets are quite detailed and mature while some asset information is either not captured, 'dirty' data, or immature. Further work is required in this space to ensure decisions are informed.	Tony Dileo
A process flowchart which clearly outlines the steps and decision points;	Partially Delivered	Transferred to the Corporate Planning Section for operationalisation and communication of the framework.	Tony Dileo
A report which articulates all aspects of the strategic business planning framework including the business plan delivery schedule;	Delivered In Full	No comment provided	Tony Dileo
A method to monitor and evaluate outcomes against success criteria to gauge effectiveness of the plan and strategic direction;	Partially Delivered	Transferred to the Corporate Planning Section for operationalisation and communication of the framework.	Tony Dileo
A Communication Plan to ensure Departments and relevant ICC officers are aware of framework and the part they may need to play in it to ensure community value.	Partially Delivered	Transferred to the Corporate Planning Section for operationalisation and communication of the framework.	Tony Dileo
Council is compliant with legislation regarding complaints management and adopts transparent and accountable complaints management processes for each category of complaint	Delivered In Full	No comment provided	Dianne Nikora
Improved trust and confidence across staff and customers in council management of complaints	Delivered In Full	No comment provided	Dianne Nikora
Provision of a confidential externally hosted intake platform for the reporting of wrong doings by current and former employees	Delivered In Full	No comment provided	Dianne Nikora
A consistent and better practice approach to formal complaints management	Delivered In Full	No comment provided	Dianne Nikora
Council will be able to identify, capture, analyse and report on complaints management data and trends	Partially Delivered	Work will be undertaken to develop reports to the business to allow for trend analysis which will in turn, allow for improved delivery of services. Support will be sought from Objective as a component of their contract support services. The Insight function has been "turned on" however ICT has identified that they do not have a full understanding of that function. Currently reports are being created from Objective by the CMU, which will be provided to the support team in Objective to have demo reports developed, which in turn will be socialised with stakeholders for feedback before implementation.	Dianne Nikora
Improved delivery of services based on abovementioned complaints report	Partially Delivered	Work will be undertaken to develop reports to the business to allow for trend analysis which will in turn, allow for improved delivery of services. Support will be sought from Objective as a component of their contract support services. The Insight function has been "turned on" however ICT has identified that they do not have a full understanding of that function. Currently reports are being created from Objective by the CMU, which will be provided to the support team in Objective to have demo reports developed, which in turn will be socialised with stakeholders for feedback before implementation.	Dianne Nikora
Embedment of a risk aware culture throughout the organisation	Delivered in full	No comment provided	Graham McGinniskin
Council staff have a comprehensive understanding of risk management concepts and are confident in the utilisation of risk management software, documents and tools	Delivered in full	A decision was made during the TP#7 project that Council's at this stage would not be using or purchasing risk management software. The Fraud and Corruption Control Risk Register had been adopted.	Graham McGinniskin
The embedment of risk management in Council's decision making processes	Delivered in full	No comment provided	Graham McGinniskin
Risk management processes are fully integrated into strategic and operational decision making	Delivered in full	No comment provided	Graham McGinniskin

Item 16 / Attachment 2.

The assignment of appropriate risk management ownership and accountability at officer level	Delivered in full	No comment provided	Graham McGinniskin
Centralised co-ordination and management of Council's risk management practice	Delivered in full	No comment provided	Graham McGinniskin
Improved risk management maturity and practices across Council	Delivered in full	No comment provided	Graham McGinniskin
Contemporary, transparent, efficient and effective risk management processes that increase staff confidence, utilisation and reliance on the ERM framework	Delivered in full	No comment provided	Graham McGinniskin
Improved identification of risks for consideration and to inform decision making	Delivered in full	No comment provided	Graham McGinniskin
Compliance with legislative requirements	Delivered in full	No comment provided	Graham McGinniskin
Minimisation of exposures and the identification of unknown issues	Delivered in full	No comment provided	Graham McGinniskin
The design and embedment of appropriate control/mitigation measures	Delivered in full	No comment provided	Graham McGinniskin
Improved systems and processes to mitigate Council's exposure to fraud and corruption	Delivered in full	No comment provided	Graham McGinniskin
Improved understandings to identify and learn from both missed opportunities and recent events (to ensure no reoccurrences)	Delivered in full	No comment provided	Graham McGinniskin
Improved Business Continuity Plans which improve Council's responses across the breadth of its operations	Delivered in full	No comment provided	Graham McGinniskin
A Project Risk Management Model is implemented that adequately captures and mitigates project risks.	Delivered in full	No comment provided	Graham McGinniskin
Established gateways for decision makers on the viability of projects	Delivered in full	No comment provided	Graham McGinniskin
Reduced strategic and operational risks resulting from Corporate and departmental projects	Delivered in full	No comment provided	Graham McGinniskin
More efficient use of resources through good decision making	Partially delivered	Due to resource issues all other key deliverables/planned outcomes are work in progress	Graham McGinniskin
Greater knowledge of, and compliance with, local government and ethics principles	Partially delivered	Due to resource issues all other key deliverables/planned outcomes are work in progress	Graham McGinniskin



Improved reporting and recording of decisions resulting in a reduced number of complaints and the risk of judicial reviews.	Partially delivered	Due to resource issues all other key deliverables/planned outcomes are work in progress	Graham McGinniskin
Staff are confident in making good decisions and have resources easily available to assist in good decision making.	Partially delivered	Due to resource issues all other key deliverables/planned outcomes are work in progress	Graham McGinniskin
** Adequate systems, policies and procedures are in place to allow the lifting of the disposal freeze imposed by the Queensland State Archivist (QAO).	Delivered	No comment provided	Kerry May
**The organisation is fully compliant with all legislative requirements and obligations in relation to information governance and management.	Not Delivered	While awareness of information management requirements have been increased across the organisation, there are still a number of activities in relation to embedding this knowledge outstanding. Additionally, the Information Management Unit and the activities undertaken in this unit need refinement to comply more meaningfully against our obligations. Identified in the TP#8 transition plan.	Kerry May
**All staff in Council understand their information management obligations and how to fulfil these obligations.	Partially Delivered	Objective Step Up has undertaken activities to increase staff awareness of their obligations and how they can use Objective to fulfil these obligations. However the work in this space already undertaken needs to be leveraged and evolved to increase maturity. Identified in the TP#8 transition plan.	Kerry May
**Information Management Unit are trusted and knowledgeable in information management and governance, and are a strategic partner to departments in these areas	Not Delivered	IMU recently underwent a restructure complete with reconfigured position descriptions. This area should be developed when an experienced IKM Officer is recruited and can guide/direct the team onto a new path. Identified in the TP#8 transition plan.	Kerry May
**Accessibility, traceability, auditability and completeness of records of all council owned information is maintained and verifiable	Not Delivered	Information management governance is still in its infancy at Council; Objective Step Up started to guide staff thinking into better information management practices, it now needs to be leveraged and evolved to treat Council information as valuable assets. Identified in the TP#8 transition plan.	Kerry May
**Information is viewed as an asset within the organisation	Partially Delivered	Objective Step Up has undertaken activities to increase staff awareness of their obligations and how they can use Objective to fulfil these obligations. However the work in this space already undertaken needs to be leveraged and evolved to increase maturity. Identified in the TP#8 transition plan.	Kerry May
**Improved organisation culture of information management practices and understanding through the implementation of an approved IKM framework	Not Delivered	As the TP#8 project was rescoped to a change management exercise for Objective, the IKM Framework has not be developed. This has been identified as an item in the TP#8 transition plan.	Kerry May
A Governance Framework is adopted that articulates the structure for developing, approving and maintaining Council's policies, CEO directives and procedures to ensure effective decision making	Delivered In Full	No comment provided	Noelle Hudson
A communication and education campaign is undertaken to inform staff of the new Governance Framework	Partially Delivered	Will be ongoing	Noelle Hudson
All policies, CEO directives, procedures and local laws reviewed, consolidated, updated or repealed as required within agreed project' timelines	Partially Delivered	Will be ongoing	Noelle Hudson
Reduced instances of failures by officers to comply with adopted policy positions and approaches	Delivered In Full	No comment provided	Noelle Hudson
Improved role of Committee and support processes as the interface between Council and the community with a strong emphasis on transparency.	Delivered In Full	No comment provided	Noelle Hudson
An increase in staff confidence, utilisation and reliance on the updated suite of policies, CEO directives, procedures and local laws	Delivered In Full	No comment provided	Noelle Hudson
All Councillor related Sub-project 2, Stage 1 policies, procedures and local laws are adopted and embedded prior to the March 2020 local government elections. All Sub-project 2, Stage 2 policies and procedures are adopted and embedded prior to the end of 2020.	Partially Delivered	Will be ongoing	Noelle Hudson

Local laws will provide clearer objectives and outcomes for staff and the community to ensure matters are regulated appropriately.	Delivered In Full	No comment provided	Noelle Hudson
The Delegations Project will provide Council with an improved framework for the recording and maintenance of statutory delegations under State legislation, the approval of delegations by Council to the CEO and improve the sub-delegation process by the CEO to officers of Council. It will also	Delivered In Full	This planned outcome has been delivered in full. There is a new and improved process for delivery of the delegations from Council to the CEO and CEO to officers (sub-delegations) with far greater governance measures.	Tony Dunleavy
Provide Council with more governance oversight on its delegated powers.	Delivered In Full	Council have delegated all powers from legislation it has jurisdiction under, and more governance oversight has been adopted, when delegation instruments are to be changed.	Tony Dunleavy
Improve the method of aligning delegations to positions/council officers, ensuring that the occupants of the positions have the appropriate skills and competencies to exercise the power under the delegation.	Partially Delivered	The new Administrative Directive "Delegations" requires an annual review of sub-delegations to positions, initiated by the Governance Project Officer and undertaken by the Supervisor of each delegate with the Supervisor to confirm they have had discussions with the delegates to ensure they understand their sub-delegations, and to request additions or removal of powers as appropriate/required. This requires further work in the business as usual phase, to eventually find an ICT solution, to ensure that all position descriptions contain the delegated powers. Due to other pressing requirements for ICT support, this was unable to be completed for this project.	Tony Dunleavy
Improve the accountability and transparency of decisions made for the exercise of powers under delegated authority.	Delivered In Full	The new Administrative Directive "Delegations" includes a list of requirements that must be adhered to by every delegate when exercising powers that cover a range of matters such as recording the exercise of power, conflicts of interest, competency, financial authorisation etc.	Tony Dunleavy
Improve integrity assurance through better monitoring and reporting of delegation management to prevent the misuse of delegated power.	Partially Delivered	This is an ongoing process, transitioned to business as usual where the Governance team will make the changes, and the Legal team will ensure that the powers sought are necessary and that they are able to be delegated.	Tony Dunleavy
Ensure competent and efficient decision making, in context with the delegation.	Partially Delivered	a Wire article has been published regarding the new delegations to make delegates aware of the updated sub-delegations, as in interim measure to training. A training program is being prepared to be rolled out across Council and will become a standard offering in the Learning and Development suite. Further, it will be investigated if a presentation on delegations can be incorporated into the Induction process.	Tony Dunleavy
Provide Council with a readily accessible database of delegations to allow confirmation of power to exercise delegated decision making.	Delivered In Full	The Wire's Delegations page has been updated with new delegations and sub-delegations and is searchable by name, position number or position title, with links to the actual instruments of delegation/sub-delegation. The Delegations Register (including sub-delegations) has been prepared and is ready to be uploaded to Councils external facing website.	Tony Dunleavy

Council will be taking the necessary steps to make council-held information available to the public as a matter of course, (unless there is good reason not to) and safe guarding personal information. As well as:	Partially Delivered	<p>One of RTI Act's fundamental principles is the push model of information release. The push model requires agencies to proactively push information out to the community, as much as possible, with the goal of making formal RTI or IP applications a last resort.</p> <p>Support the push model of information access is highly dependent on Council's Information and Knowledge Management practices.</p> <p>Moving forward Ipswich City Council should consider adopting an Accessing Information and Use Policy similar to the Qld State Government. The policy should include statements about:</p> <ul style="list-style-type: none"> <li>• providing council information to the public to the maximum extent possible</li> <li>• supporting the exchange of government information with other government entities where there is a business need</li> <li>• providing council information free of charge to the maximum extent possible</li> <li>• applying a consistent information licensing framework to council information</li> </ul> <p>The policy would support:</p> <ul style="list-style-type: none"> <li>• The Right to Information Act - which established a 'push' model as a default position for the proactive release of government information, including data, to be embedded in the administrative practices and organisational culture of the public service</li> <li>• Council's Open Data Policy which commits to releasing data and allowing it to be freely used</li> <li>• Maintaining the integrity, currency and accuracy of information released under RTI, through the Publication Scheme, Administrative access schemes, the open data portal and as business as usual</li> <li>• The Information Privacy Act 2009 which recognises the importance of protecting personal information, sets rules for how personal information must be handled and creates a right for individuals to access and amend their own personal information, and a mechanism for individuals to make a privacy complaint if they believe their personal information has not been handled in accordance with the privacy principles</li> <li>• The requirements of Council's Information security policy and the Information Security Classification framework to assign a security classification to all official information and ensure information to be released to the public is appropriately classified as PUBLIC</li> <li>• The Intellectual Property Principles as high-level policy for the management of intellectual property by council</li> <li>• Council's Enterprise Architecture Information policy.</li> </ul> <p>Council will need a number of years be seen as better practice agency in implementing the Push Model or in practicing Information and Knowledge Management.</p> <p>The Integrity and Complaints Team will need to partner with the Information and Knowledge Management Team to create a roadmap to achieve better practice recognition.</p>	Angi Harms
Review and update of Council website's pages relating to: o RTI o IP	Delivered In Full	No comment provided	Angi Harms
Staff will be trained in right to information and information privacy: o general obligations o policies and procedures specific to the council o RTI/IP awareness	Delivered In Full	An online training program for both RTI and IP was sourced from the OIC. Cost of a year's access for all office based staff will need to be included in RTI/IP budget or council needs to develop its own training program	Angi Harms
Staff from Corporate Services will develop an annual communication schedule to meet with all department/branch staff to discuss their roles and responsibilities in response to applications for information made under the Right to Information Act 2009 or Information Privacy Act 2009	Partially Delivered	An annual and biennial calendar of governance training and information refresher communiques is currently be developed in consultation with the Learning and Development Team of People and Culture. The governance education calendar will not only include RTI/IP training for all staff regarding their roles and responsibilities under the various Acts, but also includes other governance training programs such as Record Keeping, Delegations, PID Act, etc. It is hoped the calendar will be official rolled out in early 2021. It will provide training through various mediums such as on line training, face to face, refresher communiques via the WIRE, as well as scheduled Dept/Branch/Section meetings with the various governance staff responsible for ensuring governance compliance. They will meet with staff to discuss the key responsibilities and how they ensure compliance for Council but also roles and responsibilities of all staff in ensuring legislative compliance.	Angi Harms
Provide confidence and support for staff to undertake their duties without undue influence or interference from elected representatives.	Partially Delivered	Organisational readiness has been delivered in full, monitor and measure success will be conducted and continued as BAU.	Wade Wilson
Clarify roles, responsibilities and implement a set of principles, protocols and processes to establish an efficient relationship between the elected Council and the Council administration.	Delivered In Full	Completed	Wade Wilson
Increased community and candidate awareness of the role of a councillor.	Delivered In Full	Completed	Wade Wilson
Provide comprehensive induction training for incoming Councillors in 2020.	Partially Delivered	Committee process has been delivered with first council meeting induction to be conducted in April 2020.	Wade Wilson
An ongoing program of capability building for Councillors	Partially Delivered	All supporting tools have been delivered, outside website presence, which will be actioned once councillors are in house.	Wade Wilson

Support and develop efficient, effective and productive working relationships between strategic (Mayor and Councillors) and operational (Council administration), which are based on trust, openness and transparency following return to elected representation.	Partially Delivered	Onboarding of new councillors will carry over as BAU when councillors are in house.	Wade Wilson
<p>The Legislative Change Project will enable learnings to be documented on how reform of the Local Government Acts could, for Councils across Queensland:</p> <ul style="list-style-type: none"> <li>strengthen their integrity</li> <li>increase their ability to be transparent and accountable, and</li> <li>provide clearer separation of powers between the administration and Councillors</li> </ul>	Delivered In Full	The submissions on legislative change to the State, after meetings with the State, targeted on how reforms could be made to strengthen integrity and transparency and accountability, along with submissions from other local governments, there have been changes to the Local Government Acts, to reflect some of the suggestions.	Tony Dunleavy
The Project also provides an opportunity to capture those issues that affect Council's management and role in administering other State Government legislation and present the issues raised to the State Government.	Partially Delivered	After meetings with the Department of Local Government, Racing and Multicultural Affairs (Department), the Department indicated they would not take submissions in relation to other Council acts which are administered, just the primary local government acts. Council in association with the LGAQ make submissions annually on relevant legislation that needs amendment and repealed. This will continue, but Council could look to maintain a register of relevant matters that could be considered for those annual LGAQ submissions.	Tony Dunleavy
Council (and all relevant officers) is empowered to engage with the community in a way that is consistent, transparent and effective;	Partially delivered	The Community Engagement Framework has been designed and partially implemented, the full implementation of this framework will contribute toward the achievement of this outcome.	Abbey Richards
Ease of public participation in decision-making affecting the city is increased;	Partially delivered	The Community Engagement Framework has been designed and partially implemented, the full implementation of this framework will contribute toward the achievement of this outcome. Implementation of the new community engagement platform (Shape Your Ipswich) has contributed to online engagement. The establishment of the Community Reference Groups has helped to increase the ease of public participation in decision making affecting the city.	Abbey Richards
Increase in the sophistication of community engagement methods; and	Partially delivered	The Community Engagement Framework has been designed and partially implemented, the full implementation of this framework will contribute toward the achievement of this outcome.	Abbey Richards
Increase in organizational awareness and capabilities regarding community engagement.	Partially delivered	The Community Engagement Framework has been designed and partially implemented, the full implementation of this framework will contribute toward the achievement of this outcome.	Abbey Richards
Outlines the allocation of the resources for the delivery of services to the community through engagement and consultation	Partially Delivered	There has been community consultation however we are still yet to have that deeper level of engagement with the community. With the newly elected representatives coming on board we expect this to be fulfilled in the months ahead.	Jeffrey Keech
Reflects the development of the operational and capital budgets	Delivered in Full	No comment provided	Jeffrey Keech
Reflects the development of priorities for the LTFF	Delivered in Full	No comment provided	Jeffrey Keech
Ensures the financial sustainability of Council	Delivered in Full	No comment provided	Jeffrey Keech
Aligns the annual Budget & LTFF with Council's strategic objectives including Advance Ipswich and Council's Corporate and Operational Plans	Partially Delivered	Further work is still required moving forward to complete the Community Plan and the Corporate Plan is yet to be developed.	Jeffrey Keech
Provides clear visibility on where Council's resources will be spent	Delivered in Full	No comment provided	Jeffrey Keech
Enables budget allocations at a level that allows reporting to monitor performance and delivery of outcomes	Delivered in Full	We have detailed workings, all the way down to project level, to monitor performance and delivery of outcomes.	Jeffrey Keech
Is embedded in and part of BAU practices	Delivered in Full	No comment provided	Jeffrey Keech
Provides clarity around Budget & LTFF process deliverables and timeframes	Delivered in Full	We need to review and ensure this is communicated to the new Council along with the corporate plans.	Jeffrey Keech

Item 16 / Attachment 2.

Improved customer value through enhancement of digitally enabled business processes	Delivered in Full	No comment provided	Sylvia Swalling
An enhanced ICT operating model which assists in solving business problems and realising opportunities	Delivered in Full	No comment provided	Sylvia Swalling
Improved ability and security for customers dealing with Council through the provision of more intuitive, convenient and integrated digital services and enhanced digital identity	Delivered in Full	No comment provided	Sylvia Swalling
Creation of a Council that is informed by the City through provision of smart services that adapt to the data a user wishes to share allowing greater data insights for improved services, trust and transparency measures	Delivered in Full	No comment provided	Sylvia Swalling
Creation of a Council that is fit for the digital age through expansion of digital capability, development of modern infrastructure and provision of accountability	Delivered in Full	No comment provided	Sylvia Swalling
Cost efficiencies, resource allocation and outcomes are maximised whilst risk and uncertainty are minimised	Delivered in Full	No comment provided	Sylvia Swalling
Digital/ICT governance practices are aligned with local government best practice	Delivered in Full	No comment provided	Sylvia Swalling
Implementation of a rational, informed and systematic assessment framework to assist in regionally significant project prioritisation underpinned by evidence and demonstrated beneficial outcomes	Delivered in Full	No comment provided	Tony Dileo
Alignment of Council investment and advocacy activities with regional, State and Federal strategic goals	Delivered in Full	No comment provided	Tony Dileo
Alignment of purpose and resources in forward planning processes to facilitate and meet expected community and economic growth	Delivered in Full	No comment provided	Tony Dileo
Whole of Council visibility and agreement over regionally significant priority projects	Delivered in Full	No comment provided	Tony Dileo
A clear definition of minimum information requirements to assess a project for prioritisation	Delivered in Full	No comment provided	Tony Dileo

BTP - Post Implementation Review Schedule								
TP Project Number	Project Name	3 Month Review	Green if Completed	6 Month Review	Green if Completed	12 Month Review	Green if Completed	Contact
12	Information and Transparency	12/02/2020		16/07/2020		18/02/2021		Angi Harms
17	ICT Strategy	12/02/2020		16/07/2020		18/02/2021		Sylvia Swalling
18	Major Project Prioritisation	4/06/2020		3/12/2020		8/06/2021		Tony Dileo
1	Reporting Framework	4/06/2020		3/12/2020		8/06/2021		Barbara Dart
2	Develop & Implement a Robust People & Performance Framework	4/06/2020		3/12/2020		8/06/2021		Ross Muller
3	Procurement	4/06/2020		3/12/2020		8/06/2021		Richard White
4	Asset Management Framework	4/06/2020		3/12/2020		8/06/2021		Tony Dileo
5	Establish a Strategic Business Planning Framework	4/06/2020		3/12/2020		8/06/2021		Tony Dileo
6	Complaints Management Framework	4/06/2020		3/12/2020		8/06/2021		Dianne Nikora
7 & 10	Risk Management Framework / Fraud and Corruption Control	18/06/2020		17/06/2020		17/06/2021		Graham McGinniskin
8	Knowledge Management	18/06/2020		17/06/2020		17/06/2021		Kerry May
9	Review Policies, Procedures, Local Laws and the Committee Process and Associated Reporting	18/06/2020		17/06/2020		17/06/2021		Angi Harms
11	Delegations	18/06/2020		17/06/2020		17/06/2021		Tony Dunleavy
13	Return to Elected Representation	2/07/2020		14/01/2021		8/07/2021		Wade Wilson
14	Legislative Change	2/07/2020		14/01/2021		8/07/2021		Tony Dunleavy
15	Community Engagement	2/07/2020		14/01/2021		8/07/2021		Abbey Richards
16	Budget Framework	2/07/2020		14/01/2021		8/07/2021		Jeffrey Keech

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ITEM: 17  
SUBJECT: PEOPLE & CULTURE UPDATE  
AUTHOR: MANAGER, PEOPLE AND CULTURE  
DATE: 12 MAY 2020

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### **EXECUTIVE SUMMARY**

This is a report to the Audit and Risk Management Committee on progress in the implementation of the People and Culture Strategic Plan 2019-2021.

### **RECOMMENDATION/S**

**That the progress in the implementation of the People and Culture Strategic Plan 2019-2021 be noted by the Audit and Risk Management Committee.**

### **RELATED PARTIES**

People and Culture Branch  
**ADVANCE IPSWICH THEME**

Listening, leading and financial management

### **PURPOSE OF REPORT/BACKGROUND**

The strategic plan was developed through Transformation Project 2 and the Manager, People & Culture at the time.

The new Manager, People & Culture (P & C) commenced in the role on 3 February 2020 and is responsible for the implementation of the P&C Strategic Plan.

The priorities within the plan have been detailed and dates for delivery against the plan have been reviewed and updated to be able to be achieved.

At the last Committee meeting, an update on the implementation of the P & C Strategic Plan was requested and committed to being provided at this meeting.

The attached presentation, is the three (3) month review of the implementation activities against the P&C Strategic Plan. The transformation project has closed, however, the implementation of the Strategic Plan needs to continue and will do so, as a strategic corporate project.

Updates will be provided to future ARMC meetings.

### **LEGAL/POLICY BASIS**

This report and its recommendations are consistent with the following legislative provisions:

*Not Applicable*

## **RISK MANAGEMENT IMPLICATIONS**

The key risks to delivering on the Strategic Plan will be the ability of the business to absorb and apply the changes and improvements as they are made within the branch. Changes to any frameworks, processes and directives will require changes to the way the business acts. While the business is also going through significant change, it will be important for the P&C branch to ensure there is effective communication and engagement for new and improved initiatives. This will ensure there is an overall improvement in the ICC culture and improved success for employees at ICC to work within a constructive culture which was the key focus for the Strategic Plan.

## **FINANCIAL/RESOURCE IMPLICATIONS**

The People & Culture Branch Budget was agreed and approved and has been built into the 2020-2021 Council Budget.



## **COMMUNITY AND OTHER CONSULTATION**

The strategic plan and implementation actions have been shared with the Executive Leadership Team. Given the significant challenges to transition to remote operations (including running payroll remotely and adjusting from a face to face to online weekly induction for new employees), the ELT were happy with the progress and acknowledged the further work required by the team. To support the ongoing function of P&C, updates will be provided to ELT on a monthly basis to ensure we remain focussed on key and emerging issues while building a robust people and culture framework.

## **CONCLUSION**

The People & Culture team have come together over the past 3 months with a significant number of new team members. They have adapted well to remote working during the COVID-19 Pandemic requirements and are ready to transition back to the workplace to continue to build on the foundations they have started. There is a significant amount of foundational work to be completed, therefore the energy and enthusiasm of the team will need to be maintained to continuously improve over the next twelve to eighteen months.

## **ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS**

1.	People and Culture Update Presentation May 2020  
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Paula Perry

**MANAGER, PEOPLE AND CULTURE**

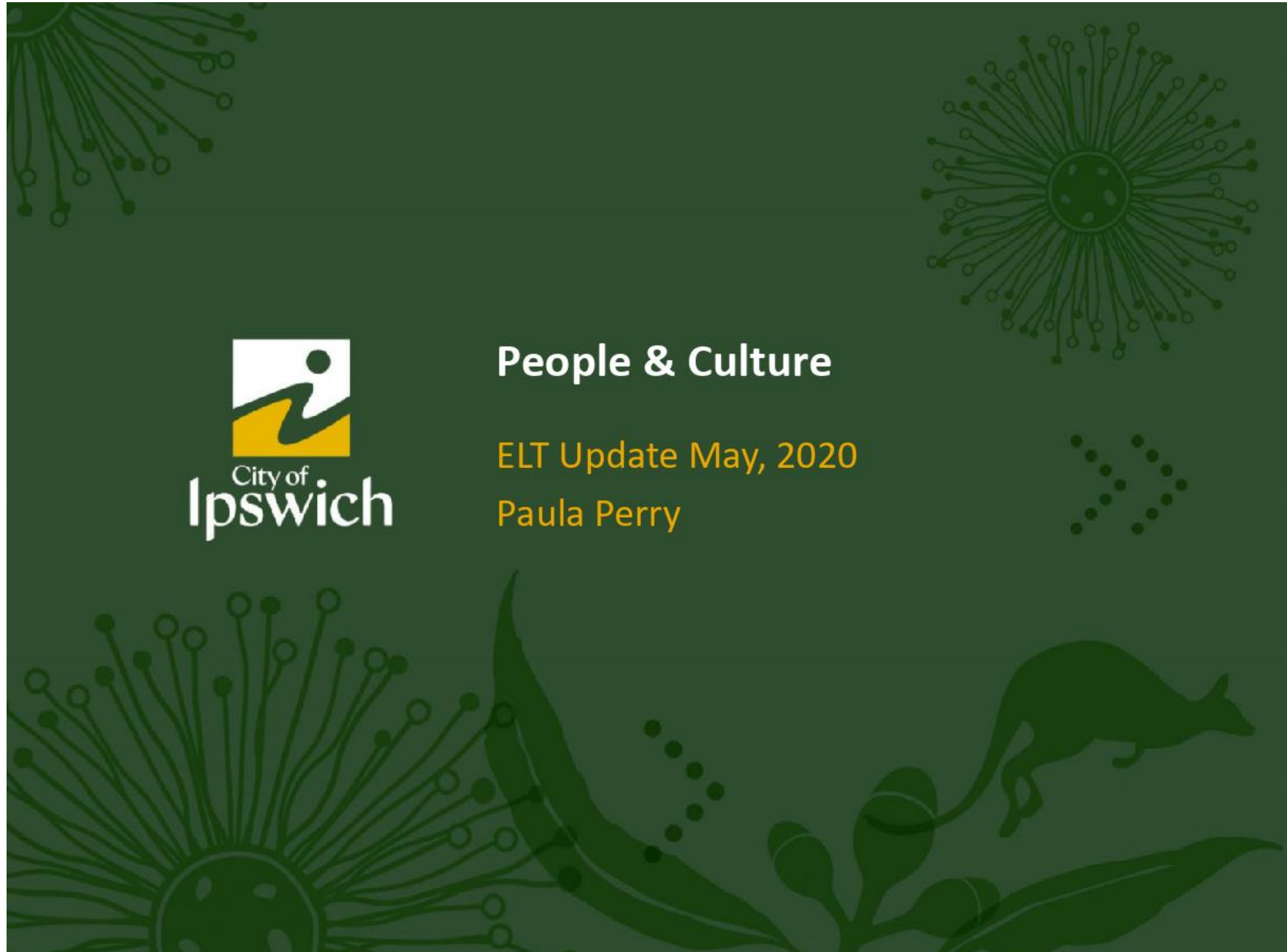
I concur with the recommendations contained in this report.

Sonia Cooper

**GENERAL MANAGER CORPORATE SERVICES**



***“Together, we proudly enhance the quality of life for our community”***







## The first 90 days...

- Where do I start?! Is it only 90 days...
- *We've developed a P&C Vision Statement (still WIP)*  
**"We partner with our customers, enabling ethical and effective leadership for successful business outcomes where employees feel safe, supported and valued."**
- We've reviewed the P&C Strategic plans (and other 5 documents!) to prioritise our work, reset timeframes and consolidate what had commenced
- The old and new team members are getting to know each other and...

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## BUILD A CREDIBLE AND VALUED PEOPLE AND CULTURE BRANCH

*We will implement and deliver on the People and Culture Framework in order to live up to our stated value proposition.*

- ✓ Recruit and induct P&C Team vacancies
- ✓ Increased data and reporting – Payroll, Safety & P&C generally
- ✓ Updating Procedures, Directives and repeal of old Policies (via Council)
- ✓ Responded to Audit reports
  - Internal – Payroll, Workplace Safety & Wellbeing Report, Recruitment & Selection.
  - External – Payroll
- ❑ Embed P&C Team and finalise roles and functions
- ❑ Continue to improve quality and content of reporting, including monthly P&C Report
- ❑ Complete all Audit actions from internal and external audits.

BUILD A CREDIBLE  
AND VALUED  
PEOPLE AND  
CULTURE BRANCH

PEOPLE AND  
CULTURE  
FRAMEWORK AND  
ACTION PLAN

SYSTEM  
CAPABILITY AND  
REPORTING



## VALUES-BASED CULTURE

*We will create a values aligned culture that supports and upholds our Behaviour Principles in everything we do, and which ensures ethical, responsible behaviour by all*

- ✓ Leadership Charter finalised and launched
- ✓ Development of Behavioural Principles aligned to Leadership Charter
- ✓ Development of bi-monthly Pulse Survey to assess culture
- ❑ Development of a Performance Management Framework
- ❑ Redevelopment of P&C Intranet to improve the employee experience, access and information for all employees and managers

VALUES-BASED  
CULTURE

BEHAVIOUR  
PRINCIPLES

PERFORMANCE  
FRAMEWORK AND  
PLANNING

REVIEW AND  
ALIGN VALUES  
AND BEHAVIOURS

EMPLOYEE  
ENGAGEMENT





## DEVELOP CAPABLE AND ACCOUNTABLE LEADERSHIP

*We will develop our collective and individual leadership capability and strengthen our focus on outcomes and accountability at all levels*

- ✓ Leadership Competency Framework drafted
- ✓ Lunch and Learn series commenced to address immediate leadership skill gaps & priorities for managing a remote workforce
- ❑ Leadership Competency Framework finalised, approved and launched
- ❑ Development of Leadership Program to develop on competencies
- ❑ Corporate KPI's confirmed and linked to Performance Plans (including Safety KPI's)

LEADERSHIP  
CAPABILITY AND  
ACCOUNTABILITY

LEADERSHIP  
COMPETENCY  
FRAMEWORK

LEADERSHIP  
DEVELOPMENT  
PROGRAM

CORPORATE KPIs  
AND  
PERFORMANCE  
PLANS



## ORGANISATIONAL CULTURE AND CHANGE

*We will support the effective and thoughtful management of change and support our people as they adapt and respond to our changing environment and community needs.*

- ✓ Delivered Change Planning workshops for Corporate Service
- ✓ Draft Change Management tools to support people change initiatives
- ✓ The team has supported a range of organisational change initiatives across Council Departments
- ✓ Reviewing submissions of External Providers for delivery of Team Effectiveness Program
- ❑ Development of the Organisational Change Management Process for Organisational Change Management
- ❑ Incorporate Change Management Tools and disciplines into business advice
- ❑ Identify teams for pilot of Team Effectiveness Program & trial

ORGANISATIONAL  
CULTURE AND  
CHANGE

CHANGE  
MANAGEMENT

TEAM  
EFFECTIVENESS  
PROGRAM





## DEVELOP A CAPABLE AND RESPONSIVE WORKFORCE

*We will implement strategies that ensure we understand, plan for and respond to our current and future workforce capability and capacity requirements, to be able to deliver on our short- and long term corporate objectives*

- ✓ Development of workforce reporting data for analysis
- ✓ Development of Recruitment & Selection strategy
- ✓ A draft Workplace Relations Framework has been prepared taking into account Acts, Awards, Certified Agreements and relevant Directives and Procedures
- ❑ Review and update executive remuneration framework
- ❑ Development of recruitment reporting and targets
- ❑ Development of Talent Management Process and implementation



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## ENSURE EVERY PERSON FEELS VALUED AND SUPPORTED

*We will implement strategies that recognise and support the uniqueness, qualities and strengths of each person in our organisation to ensure they feel valued, confident and fairly treated at work.*

- ✓ Development of Grievance Management Process (to be approved by JCC)
- ✓ Review of Diversity & Inclusion Strategy and implantation plans developed
- ✓ Increased reporting and analysis of current state
- ☐ Development of a ICC Reward and Recognition Program
- ☐ Develop and deliver Complaints and Grievance Management training and awareness
- ☐ Review and update Remuneration and role classification process, updating remuneration and reward guidelines

VALUED AND  
SUPPORTED

COMPLAINTS &  
GRIEVANCES

DIVERSITY AND  
INCLUSION

REMUNERATION  
AND  
CLASSIFICATION

REWARD AND  
RECOGNITION



## ENSURE OUR PEOPLE STAY HEALTHY, SAFE AND PROTECTED FROM HARM

*We will build a safety-first culture with a zero tolerance to harm where we all feel confident and committed to actively ensuring our personal and collective safety and wellbeing.*

- ✓ Finalised Safety & Wellbeing Strategy
- ✓ Safety responsibilities entered into all position Descriptions
- ✓ The establishment of a core group of frontline employees as Safety Champions
- ✓ Nationally recognised mental health first aid training provided to 38 ICC employees with further sessions planned to achieve target of 10% of business trained
- ✓ WHS duties and obligations training delivered to ELT and commitment to Safety KPI's
- ✓ Formed a partnership with Local Government Workcare (LGW) to deliver long term strategies and resources to strengthen this partnership for support our injured workers.
- ✓ Establishment of an early intervention program to identify and implement opportunities to manage non work related injury and illness in the workplace – the WorkReady program
- ❑ WHS duties and obligations training to be delivered to Branch managers
- ❑ Link Safety KPI's to Corporate KPI's and Performance Management Plans
- ❑ Develop a Safety Leadership module to include in Leadership Development Program

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HEALTH AND  
SAFETY

SAFETY CULTURE  
AND LEADERSHIP

MENTAL HEALTH  
AND WELLBEING





## INTERRUPTIONS – A PANDEMIC

*On 8 March, 2020 – COVID-19 was declared a Pandemic*

P&C were required to support the organisation in the management of this situation in a number of ways, including:

- Development of new Directives/Procedures to support the changes:
  - Special Pandemic Leave, Flexible Working Arrangements during a Pandemic, Redeployment Procedures, Changes to Leave approvals
- Identification of Risks and New Procedures under the Health Directives
  - Social Distancing, Changed Cleaning Protocols, Safe Work Procedures in Customer Facing areas, Money Handling, Paper Handling procedures, review of PPE and other chemical availability
  - High Risk Employees identified and redeployed to safer roles or placed on leave
- Development of a Virtual Lunch and Learn Series, including:
  - Managing Remote Teams
  - Managing Performance remotely
  - Effective Communications online
- Transitioned to Online Employee Inductions for all staff (within 3 days!)
- Transitioned to completely remote payroll management function
- Responding to **many** employee and management requests, emails, calls
  - Leave options, Working From Home, Parenting school children while working from home, School Closures, Impacts on performance,



## Key Risks & Challenges

- Maintaining momentum, enthusiasm and engagement of the team, especially when they all return to the office after working remotely
- Bringing all team members along the journey of change and growth
- Changing the perception of P&C across the business
- Engaging all leaders across council to focus on their people, when they have so many competing priorities
- Some broader skills and capability gaps within the team to be developed
- Fast pace of work and changing/unknown circumstances with the current Pandemic
- Significant People challenges across the business due to significant change to working arrangements, unknown health, family and economic impacts



# What's coming up?

## People and Culture Strategic Plan Actions

Action and KPI	Responsible	Timeframe	Status	FY2019-2020			FY2020-2021				
				APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV
<b>Behaviour Principles developed and approved</b>	OD	30 APR 2020	In progress								
- Integrated into daily practices	OD	30 JUN 2021									
<b>Performance Framework developed and approved</b>	OD	30 JUN 2020	Not started								
- Training delivered and system build ready for next phase	OD	30 SEP 2020									
- First round discussions complete	OD	18 DEC 2020									
- Performance Plans in place <sup>2</sup>	OD	18 DEC 2020									
<b>ICC Values and Behaviours reviewed and aligned</b>	OD	30 JUN 2021									
<b>Employee Engagement Pulse Surveys and Actions</b>	OD	18 DEC 2020	In progress								
<b>Leadership Competency Framework developed and approved</b>	OD	30 JUN 2020	In progress								
<b>Leadership Development Program <sup>1</sup></b>	OD										
- Analysis completed	OD	31 JUL 2020									
- Develop and approved	OD	30 SEP 2020									
- Program delivered and complete for ELT and group 1	OD	18 DEC 2020									
- Program delivered and complete for all other leaders	OD	17 DEC 2021									
<b>- Online Leader Learning</b>	OD	Ongoing	In progress								
<b>Leadership Performance</b>											
- Corporate Goals agreed by ELT	MPC	30 SEP 2020									
- Performance plans in place <sup>2</sup>	MPC	18 DEC 2020									
<b>Organisational Change</b>											
- People practices, procedures and training for managing change <sup>4</sup>	OD	30 JUN 2020	In progress								
- Change Leadership Development Module <sup>1</sup>	OD	30 SEP 2020									
- Team Effectiveness Development Program <sup>2</sup>	OD	31 MAR 2021									
<b>Attraction and Selection</b>											
- Recruitment Strategy	BS	31 DEC 2019	Completed								
- Secondments and Temp Appoint. Process	BS	30 JUN 2020	Not started								
<b>ICC Workforce Framework developed</b>	OD	30 SEP 2020									
- Branch Level 3-year Workforce Plans	WR / BS	30 JUN 2021									
<b>Key Job Families</b>											
- Competency Framework developed	OD	30 JUN 2020									
- Position Description Templates developed	WR / BS	18 DEC 2020									
<b>Learning and Development Strategy</b>											
- Aligned to Competency Framework	OD	18 DEC 2020									
- L&D Plan in place	OD	30 JUN 2021									
<b>Succession Planning Strategy developed and approved</b>	OD	31 MAR 2021									
- Plan in place for critical roles	OD	30 JUN 2020									
- Plan in place for managerial and hard-to-fill	OD	30 JUN 2021									
<b>Talent Management Framework and Communication Plan developed</b>	OD	30 JUN 2021									



Doc ID No: A6183064

ITEM: 18

SUBJECT: IMPACT OF NEW ACCOUNTING STANDARDS - FY 2020

AUTHOR: PRINCIPAL FINANCIAL ACCOUNTANT

DATE: 27 APRIL 2020

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## **EXECUTIVE SUMMARY**

This is a report concerning a request from the Queensland Audit Office (QAO) requiring Ipswich City Council (ICC) to provide a position paper regarding the impact of recently issued or amended accounting standards for Council and its controlled entities (Ipswich City Properties Pty Ltd (in Members Voluntary Liquidation), Ipswich City Enterprises Pty Ltd, Ipswich City Enterprises Investments Pty Ltd, Ipswich Arts Foundation, Ipswich Arts Foundation Trust and Cherish the Environment Foundation Ltd). In accordance with the key milestones agreed in the External Audit Plan, Council is required to provide the position paper to QAO by 31 May 2020.

## **RECOMMENDATION/S**

**That the report of the Principal Financial Accountant regarding the impact of the recently released or amended Accounting Standards for Ipswich City Council dated 27 April 2020 be received and the contents noted.**

## **RELATED PARTIES**

The impact of new accounting standards reported in this paper includes financial information relating to Council's controlled entities (Ipswich City Properties Pty Ltd (in Members Voluntary Liquidation), Ipswich City Enterprises Pty Ltd, Ipswich City Enterprises Investments Pty Ltd, Ipswich Arts Foundation, Ipswich Arts Foundation Trust and Cherish the Environment Foundation Ltd).

## **ADVANCE IPSWICH THEME**

Listening, leading and financial management

## **PURPOSE OF REPORT/BACKGROUND**

The Australian Accounting Standards Board (AASB) issued new accounting standards which Council adopted on 1 July 2019, this report details the material impact of:

- AASB 15 Revenue from Contracts with Customers
- AASB 1058 Income of Not-for-Profit Entities
- AASB 16 Leases.

Council assessed the new Accounting standard AASB 1059 Service Concession Arrangements: Grantors and determined that it is not expected to have any impact. While



AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material, will require Council to consider materiality of information disclosed in the financial statements.

### **AASB 15 Revenue from Contracts with Customers**

#### **AASB 1058 Income of Not-for-Profit Entities**

Under AASB 15 and AASB 1058 the timing of income recognition will depend on whether a grant is enforceable and gives rise to a sufficiently specific performance obligation, liability or contribution by owners. Hence, revenue is recognised initially as a liability and once the obligation is satisfied the liability is derecognised and revenue recognised. (Refer to paragraph 15 and 16 of AASB 15 and paragraph 16 of AASB 1058.) Revenue is recognised either “at a point in time” or “over time”. Also, AASB 1058 requires the fair value measurement of assets and transactions for which consideration is significantly below fair value (including peppercorn leases). (Refer to paragraph 7 of AASB 1058.)

In adopting AASB 15 and AASB 1058 the modified retrospective approach has been applied whereby an adjustment is processed as at 1 July 2019 and comparatives have not been adjusted. The impact of AASB 15 and AASB 1058 for Council and the controlled entities revenue has been assessed. Refer to Attachment 1 for details.

### **Grants**

In accordance with the Queensland Audit Office’s recommendations, in assessing the application of AASB15 and AASB1058 for grants, the materiality threshold is \$1 million for Council and no threshold for the controlled entities.

#### **Assessment: Grants for financial assets**

Council receives grants for financial assets, but no financial grant agreement includes sufficiently specific performance obligations. If there is a performance obligation to deliver goods or services, only targets are stated in the grant agreement. Targets are not considered a performance obligation as these are goals for Council to achieve. Also, the requirement of progress reports or acquittal reports do not constitute a sufficiently specific performance obligation. No grants for financial assets span over the end of financial year. Grants of financial assets will be recognised as revenue upon receipt, hence “at a point in time”. Grants for financial assets of material value include Financial Assistance Grants, Home Assist Secure and Commonwealth Home Support Program. The controlled entities do not receive grants.

#### **Assessment: Grants for capital assets**

Council’s receives grants for capital assets which have an enforceable grant agreement and contain sufficiently specific performance obligations to deliver goods or services. These are initially recognised as a liability and then revenue when the performance obligation (percentage of completion) is satisfied. Most grants have an initial upfront payment then a requirement for milestone claims when a percentage of works have been completed and revenue is recognised upon submission of the claim. Some capital grants do span over the end of financial year. At the end of financial year Council will assess capital grants to identify contract assets (construction work where an invoicing milestone has not yet been met) and contract liabilities (grant funding received prior to performance obligations being satisfied).

Grants for capital assets with sufficiently specific performance agreements will be recognised “over time”.

Grants for capital assets of material value include:

- Roads to Recovery (Brisbane Street, West Ipswich) - \$2,327,860
- Local Government Grants and Subsidies Program (Rosewood Library Construction) - \$2,689,696
- Cycle Network Local Government Grants Program (Brisbane Valley Rail Trail Connector - Brassall Bikeway Stage 7) – \$1,050,000
- Blackspot (Cobalt Street and Johnson Road) - \$1,270,000

Council receives quarterly payments for Roads to Recovery (R2R) grants and in turn provides quarterly expenditure reporting. For R2R there are no sufficiently specific performance obligations as Council controls the work schedule and quarterly reporting does not constitute a performance obligation.

Capital grants for Rosewood Library Construction, Brisbane Valley Rail Trail Connector – Brassall Bikeway Stage 7 and Blackspot (Cobalt Street And Johnson Road) all include sufficiently specific performance obligations in the grant agreement which is measurable based on the percentage of completion (costs incurred) for the project and span over the end of financial year. In 2018-2019, Council had recognised grant revenue of \$489,507 which had sufficiently specific performance obligations that had not been satisfied and grant revenue of \$14,789 which Council was entitled to for unbilled works. In applying the modified retrospective approach as at the 1 July 2019, adjustments will be made as follows:

DR Work in Progress - Unbilled Revenue (Contract Assets)	\$ 14,789	
DR Accumulated Surplus	\$474,718	
CR Work in Progress - Unearned Revenue (Contract Liability)		\$489,507

This adjustment will reverse during 2019-2020 when obligations are completed.

As at the 30 June 2020, estimated adjustments for capital grants are as follows:

DR Work in Progress - Unbilled Revenue (Contract Assets)	\$262,500	
DR Capital Grant Revenue	\$298,500	
CR Work in Progress - Unearned Revenue (Contract Liability)		\$561,000

The impact of AASB 15 and AASB 1058 for Council’s capital grant revenue has been assessed. Refer to Attachment 2 for details.

Additional details will be disclosed in the notes to the financial statements which will include capital grant revenue being reported as either “recognised at a point in time” or “recognised over time”.

### **Contributions**

Developer contributions are paid at any point prior to the survey plan being released or before they commence the use on a material change of use application. The developer will not be entitled to the survey plan until contributions are paid in full and all conditions are met. Developer contributions paid after use has commenced is recognised as revenue immediately. While for donated assets (eg. land, infrastructure assets and artworks) when these become “on maintenance” an asset is recognised at fair value and revenue recognised immediately. Ipswich Arts Foundation and Ipswich Arts Foundation Trust receive contributions from Council and the Friends of Ipswich Art Gallery; these contributions do not have sufficiently specific performance obligations so contributions are recognised upon receipt. Cherish the Environment Foundation receives contributions relating to the envioplan of which these contributions do not have sufficiently specific performance obligations. Both contributions and donated assets revenue are recognised as revenue “at a point in time”.

### **Rates Paid in Advance**

From the 1 July 2019 rates paid in advance has been recognised as a financial liability, then when rates generation occurs (obligation is fulfilled) the financial liability is drawn down and rates revenue is recognised. In applying the modified retrospective approach an adjustment has been processed to recognise the prepaid portion of rates as at the 1 July 2019. Modified retrospective adjustment as at the 1 July 2019 has been posted as follows:

DR	Equity Account	\$4,102,563
CR	Unearned rates paid in advance (Financial Liability)	\$4,102,563

### **Fees and Charges**

Town planning fees are recognised as revenue upon receipt. Animal, infringement and other licence fees revenue is recognised upon receipt as there is no enforceable contract with the customer, no sufficiently specific performance obligations attached and these transactions are large volumes of low dollar value over a short-term period. These fees are recognised “at a point in time”. In Council’s assessment of license fees due to licences being for a 12 month period and of low value, Council has applied the exemption for short-term licences and licences issued for a low transaction price in accordance with paragraph 4 of AASB 2018-4 Amendments to Australian Accounting Standards – Australian Implementation Guidance for Not-for Profit Public Sector Licensors which primarily amends AASB 15 to add requirements and authoritative implementation guidance

### **Volunteer Services**

AASB 1058 requires that an inflow of resources in the form of volunteer services is recognised as an asset or expense if the services can be measured reliably and would have been purchased if they were not donated. Council has 571 volunteers who provide services and Council considers these services as community or value add services for Ipswich. Council departments would not purchase these services except for some services performed at Queens Park. The value of these services performed at Queens Park, if purchased is approximately \$72,131 annually, however due to movement in numbers of volunteers at Queens Park throughout the year the estimate is not reliable so Council will not recognise

the estimate. Refer to Attachment 3 for details. In response to Paragraph 19 of AASB 1058 Council has elected not to recognise volunteer services. Council will disclose in the “Notes to the Financial Statements” that volunteer services are not recognised as the majority of services would not have been purchased if they had not been donated and the services cannot be reliably measured. Due to COVID-19 Council currently has no volunteers.

### **AASB 16 Leases**

The intention of AASB 16 Leases is to put ‘off-balance sheet’ operating leases ‘on-balance sheet’. As a result, a right-of-use asset and a lease liability is recognised for the discounted cash flow of lease payments for the lease term. (Refer to paragraph 22 to 28 of AASB 16 Leases.) Right-of-use assets are depreciated over the period of the lease using the straight-line method.

Council has 10 property leases agreements, of which 8 leases require the recognition of right of use assets (ROU) and lease liabilities, while exemption applies to 2 leases due to low-value (under \$10,000) or short-term lease (12 months or less). Council has no embedded leases where there is an explicit or implicit asset in the contract and the customer controls use of the asset. Council does not lease any vehicles, waste trucks, plant or equipment. The controlled entities have no leased properties from third parties.

In adopting AASB 16 Leases the modified retrospective approach will be applied whereby adjustments will be processed as at 1 July 2019 and comparatives will not be adjusted. Applying the modified retrospective approach as at the 1 July 2019 a right of use asset of \$6,996,397 and lease liability of \$5,287,649 will be recognised. As at the 30 June 2020, the balance of right of use assets is estimated to be \$6,274,741 (ROU \$6,996,397 less amortisation \$721,656) and lease liability of \$4,647,242 (lease liability \$5,287,649 less principal payments \$640,407). Council has not included the extension options for 2 leases as these have been assessed as not reasonably certain, however the leases note will disclose the \$252,159 in potential future lease payments if these extension options had of been exercised. Refer to Attachment 4 for details.

Council uses an Excel based leases model and will post end of financial year (EOFY) journals in Period 13 of 2020 FY to account for the 2019-2020 transactions. The ROU arising under AASB 16 will be disclosed in a separate note to the Property, Plant and Equipment note in the financial statements.

### ***Peppercorn Leases***

AASB 16 and AASB 1058 requires lease payments of nominal value and that do not reflect the market value of lease payments for the property being leased, be brought to fair value with the difference between the right-of-use asset (measured at fair value) and the lease liability (measured at present value) recognised as revenue. The AASB has provided temporary relief for all not-for-profit entities in relation to peppercorns until further guidance and thresholds for the valuation of right of use assets have been finalised. Council has 3 peppercorn leases which are leased from the Department of Natural Resources and Mines. Council will continue to recognise these peppercorn leases at nominal value. It is

expected that this will have a material impact for Council when implemented in the future. Refer to Attachment 4 for details.

#### **AASB 1059 Service Concession Arrangements: Grantors**

AASB 1059 has no impact as Council does not have any service concession arrangements with a private sector (operator) for the delivery of public services, hence Council will not control any service concession assets.

#### **AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material**

Effective from the 1 January 2020. Council will assess the materiality of individual or combination of items, transactions and or other events in accordance with the revised definition of “material” and guidance provided in the examples of AASB2018-7 in preparing the financial statements. The revised definition of material is *“Information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity”*. AASB2018-7 provides examples of circumstances that may result in material information being obscured:

- information regarding a material item, transaction or other event is disclosed in the financial statements but the language used is vague or unclear;
- information regarding a material item, transaction or other event is scattered throughout the financial statements;
- dissimilar items, transactions or other events are inappropriately aggregated;
- similar items, transactions or other events are inappropriately disaggregated; and
- the ability to understand the financial statements is reduced as a result of material information being hidden by immaterial information to the extent that a primary user is unable to determine what information is material.

#### **LEGAL/POLICY BASIS**

This report and its recommendations are consistent with the following legislative provisions:

*Local Government Act 2009*

*Local Government Regulation 2012*

*Australian Accounting Standards*

#### **RISK MANAGEMENT IMPLICATIONS**

The risk in not approving the recommendation would result in Council not complying with Australian Accounting Standards. As a result, Council’s financial statements would receive a qualified audit opinion.

#### **FINANCIAL/RESOURCE IMPLICATIONS**

For financial year 2020 and future financial years, the impact of new accounting standards will result in deferral of revenue recognition for some capital grant revenue (AASB 15 and AASB 1058) and the recognition of right of use assets and lease liabilities (AASB 16).

#### **COMMUNITY AND OTHER CONSULTATION**

The Treasury team has been consulted in regards to the assessment of revenue and leases for the controlled entities.





#### **CONCLUSION**

The impact of AASB 15 Revenue from Contracts with Customers and AASB 1058 Income of Not-for Profit Entities will result in some grant revenue for non-financial assets (capital assets) being deferred until sufficiently specific performance obligations are complete. A modified retrospective adjustment of \$474,718 will be applied against accumulated surplus for grant revenue that should have been recognised as unearned as at the 30 June 2019. Rates paid in advance is recognised initially as a liability and then revenue when the rating period occurs. A modified retrospective adjustment of \$4,102,563 has been applied against accumulated surplus for rates revenue that should have been recognised as unearned as at the 30 June 2019.

The impact of AASB 16 Leases is to put 'off-balance sheet' operating leases 'on-balance sheet' will result in the recognition of a right-of-use asset and lease liability. The modified retrospective approach will be applied to recognise a right-of-use asset of \$6,996,397 and lease liability of \$5,287,649. Recognition of revenue relating to peppercorn leases has been delayed until fair value thresholds are established, when this does occur it is expected this will have a material impact for Council.

The impact of AASB 2018-7 Amendments to Australian Accounting Standards – Definition of Material will be applied in considering the materiality aspect of disclosing information in the financial statements.

#### ATTACHMENTS AND CONFIDENTIAL BACKGROUND PAPERS

1.	Revenue Analysis - AASB 15 and AASB 1058 - Council and Controlled Entities <a href="#">↓</a> 
2.	Capital Grants Analysis - AASB 15 and AASB 1058 <a href="#">↓</a> 
3.	Volunteer Services Analysis - AASB 1058 <a href="#">↓</a> 
4.	Leases Analysis - AASB 16 <a href="#">↓</a> 

Barbara Watson

**PRINCIPAL FINANCIAL ACCOUNTANT**

I concur with the recommendations contained in this report.

Jeffrey Keech

**MANAGER, FINANCE**

I concur with the recommendations contained in this report.

Sonia Cooper

**GENERAL MANAGER CORPORATE SERVICES**

***"Together, we proudly enhance the quality of life for our community"***

## Revenue Analysis (Application of AASB 15 and AASB 1058) - Council and Controlled Entities - 31 March 2020

Account	Account Name	1 July Opening Bal	Debits	Credits	Closing Balance	Adjustment	Revised Closing Balance	Recognition of Revenue	Revenue / Fee Type	Sufficiently Specific Performance Obligation	Revenue recognised
<b>Ipswich City Council</b>											
210101	General rates rev	-	285,706,654.35	421,555,349.34	-135,848,694.99	-	-135,848,694.99	At a point in time.	General rates	No	Rates generation.
210204	Property related chg rev	-	161,373.50	297,738.32	-136,364.82	-	-136,364.82	At a point in time.	Property related charges	No	Rates generation.
210205	Garbage charges rev	-	46,634,704.15	69,896,726.80	-23,262,022.65	-	-23,262,022.65	At a point in time.	Garbage charges	No	Rates generation.
210210	Rural fire levy rev	-	283,672.50	567,208.95	-283,536.45	-	-283,536.45	At a point in time.	Rural fire levy	No	Rates generation.
210211	Enviroplan levy rev	-	5,715,606.65	8,575,396.00	-2,859,789.35	-	-2,859,789.35	At a point in time.	Enviroplan levy	No	Rates generation.
210301	On time payment discount	-	13,971,279.90	6,989,269.40	6,982,010.50	-	6,982,010.50	At a point in time.	On time payment discount	No	Upon receipt.
210302	Pensioner concession disc	-	2,734,858.25	1,367,914.10	1,366,944.15	-	1,366,944.15	At a point in time.	Pensioner concession discount	No	Rates generation.
220101	Town planning develop fee	-	28,214,017.94	38,776,423.13	-10,562,405.19	-	-10,562,405.19	At a point in time.	Private Certification, lodgement fees (eg. plumbing applications), examination and signing of subdivision plan, building inspections, annual registration of backflow device, re-configure a lot, renewal of backflow device, assess building class, inspect building class and change development approvals.	No	Recognised as revenue when received.
220102	Hlth animal cemetery fees	-	1,193,368.29	2,173,975.92	-980,607.63	-	-980,607.63	At a point in time.	Animal registration, medium priority supermarket and food business licence, inspection fee, higher risk personal appearance fee and temporary food stall.	No	Upon receipt - Animal, commercial and food licences are for a 12 month period and of low value. Council has applied the exception for short-term licences and licences issued for a low transaction price as per AASB 2018-4.
220103	Civic Centre services fee	-	265,135.53	352,799.66	-87,664.13	-	-87,664.13	At a point in time.	Technical labour, stage and first-of-house ushers hire fee and hire of Civic Hall.	No	Invoice issued - Obligation has already been completed.
220104	Traffic and reg park fees	-	3,194,905.23	5,922,276.52	-2,727,371.29	-	-2,727,371.29	At a point in time.	Parking Infringements	No	Upon receipt - Obligation already complete.
220106	Change of ownership fees	-	294,895.00	560,447.00	-265,552.00	-	-265,552.00	At a point in time.	Change of ownership fees	No	Upon receipt - Obligation already complete.
220109	Waste disposal fees	-	5,001,668.47	11,007,767.50	-6,006,099.03	-	-6,006,099.03	At a point in time.	Commercial and industrial waste fees.	No	Invoice issued - Obligation has already been completed.
220110	Other fees and charges	-	2,467,466.33	4,024,897.85	-1,557,431.52	-	-1,557,431.52	At a point in time.	Various - Property search fee, dog impounding, etc.	No	Invoice issued - Obligation has already been completed.
230101	Sales contracts recover	-	4,333,463.10	6,962,493.90	-2,629,030.80	-	-2,629,030.80	At a point in time.	Road Maintenance Performance Contract Claims relating to QLD Govt.	No	Invoice issued - Obligation has already been completed.
240101	Govt grant subsidy op rev	-	8,304,841.78	14,270,765.95	-5,965,924.17	-	-5,965,924.17	At a point in time.	Various	No	Reviewed operational grant funding agreements and no agreements had sufficiently specific performance obligations. Revenue recognised immediately or via milestone claims.
240102	Govt grnt subsidy cap rev	-	2,408,365.00	8,157,010.30	-5,748,645.30	2,780,288.00	-2,968,357.30	At a point in time.	Various	Yes	Reviewed capital grant funding agreements only 3 capital grant agreements had sufficiently specific obligations. Revenue mainly recognised via milestone claims.
240102	Govt grnt subsidy cap rev	-	-	-	-	-2,780,288.00	-2,780,288.00	Over time	Various	Yes	Completion of performance. Only 3 capital grant agreements with sufficiently specific performance agreements. Refer to Attachment 2 for details.
240201	Donated asset rev	-	195,092,448.10	282,294,655.72	-87,202,207.62	-	-87,202,207.62	At a point in time.	Land, artworks and infrastructure.	No	When the donated asset becomes "on maintenance".
240301	Cash contribution op rev	-	68,768.11	158,001.60	-89,233.49	-	-89,233.49	At a point in time.	Developer contributions	No	Upon receipt - Obligation already complete.
240302	Cash contribution cap rev	-	22,695,480.40	39,920,016.32	-17,224,535.92	-	-17,224,535.92	At a point in time.	Developer contributions	No	With developer contributions they can be paid at any point prior to the survey plan being released or before they commence the use on a material change of use application.
250101	Interest investments rev	-	12,381,142.99	15,810,949.43	-3,429,806.44	-	-3,429,806.44	At a point in time.	Interest from investments	No	Upon receipt or accrual basis - Obligation already complete.
250102	Rate utility interest rev	-	821,670.69	1,180,991.34	-359,320.65	-	-359,320.65	At a point in time.	Interest from overdue rates and utilities.	No	Rates generation.





## Revenue Analysis (Application of AASB 15 and AASB 1058) - Council and Controlled Entities - 31 March 2020

Account	Account Name	1 July Opening Bal	Debits	Credits	Closing Balance	Adjustment	Revised Closing Balance	Recognition of Revenue	Revenue / Fee Type	Sufficiently Specific Performance Obligation	Revenue recognised
<b>Ipswich City Council (continued)</b>											
260101	Rent Council f'ties rev	-	2,569,216.67	4,484,345.13	-1,915,128.46	-	-1,915,128.46	At a point in time.	Rental and lease revenue - Council property (eg. Asphalt plant, Willowbank Raceway, Queens Park Kiosk, Humanities Building, parcels of land, etc.)	No	Invoice issued - Obligation has already been completed.
260102	Hire Council f'ties rev	-	1,030,094.31		-456,833.26	-	-456,833.26	At a point in time.	Rental and lease revenue - Council property (eg. Humanities Building, Sporting Grounds, etc.) Civic Centre Ticket Sales	No	Invoice issued - Obligation has already been completed.
260103	Vehicle lease fees rev	-	137,583.95	283,686.46	-146,102.51	-	-146,102.51	At a point in time.	Internal vehicle lease fee.	No	Invoice issued - Obligation has already been completed.
260104	Sale stock merch'dise rev	-	1,628,890.94	2,254,182.90	-625,291.96	-	-625,291.96	At a point in time.	Sales from Civic Centre, Ipswich Visitor's and Information Centre, and Ipswich Art Gallery.	No	Upon receipt - Obligation already complete.
260105	Commissions rev	-	146,764.37	286,950.24	-140,185.87	-	-140,185.87	At a point in time.	Ticketmaster commission.	No	Upon receipt - Obligation already complete.
260106	Dividends received rev	-	28,550,785.73	38,501,571.46	-9,950,785.73	-	-9,950,785.73	At a point in time.	QUU Dividend	No	Upon receipt or accrual basis - Obligation already complete.
260107	Other sundry receipts	-	24,847,460.44	31,330,646.98	-6,483,186.54	-	-6,483,186.54	At a point in time.	Various	No	Invoice issued - Obligation has already been completed.
260110	QUU Tax Revenue	-	8,226,053.00	16,398,037.00	-8,171,984.00	-	-8,171,984.00	At a point in time.	QUU Tax Revenue	No	Upon receipt or accrual basis - Obligation already complete.
270101	*Gain on disposal asset	-	727,486.55	887,805.64	-160,319.09	-	-160,319.09	At a point in time.	Disposal proceeds	No	Upon receipt - Obligation already complete.
		-	709,810,122.22	1,035,250,300.86	-326,927,106.21	-	-326,927,106.21				
<b>Ipswich City Properties Pty Ltd</b>											
	Interest received	-	-	2,097.81	2,097.81	-	2,097.81	At a point in time.	Interest from investments	No	Upon receipt or accrual basis - Obligation already complete.
		-	-	2,097.81	2,097.81	-	2,097.81				
<b>Ipswich City Enterprises Pty Ltd</b>											
	Interest received	-	-	332.21	332.21	-	332.21	At a point in time.	Interest from investments	No	Upon receipt or accrual basis - Obligation already complete.
		-	-	332.21	332.21	-	332.21				
<b>Ipswich City Enterprises Investments Pty Ltd</b>											
	Interest received	-	-	2,256.60	2,256.60	-	2,256.60	At a point in time.	Interest from investments	No	Upon receipt or accrual basis - Obligation already complete.
		-	-	2,256.60	2,256.60	-	2,256.60				
<b>Ipswich Arts Foundation</b>											
8-3310	Foundation Events	-	-	1,409.02	1,409.02	-	1,409.02	At a point in time.	Contributions	No	Upon receipt.
8-3420	Friends Annual Couple	-	-	109.08	109.08	-	109.08	At a point in time.	Contributions	No	Upon receipt.
8-3430	Friends Annual Family	-	-	45.45	45.45	-	45.45	At a point in time.	Contributions	No	Upon receipt.
8-3710	Friends Functions & Tours	-	-	4,199.97	4,199.97	-	4,199.97	At a point in time.	Contributions	No	Upon receipt.
8-3810	Operations Contribution ICC	-	-	48,000.00	48,000.00	-	48,000.00	At a point in time.	Contributions	No	Upon receipt.
8-4120	Trust Management Fees	-	-	9,000.00	9,000.00	-	9,000.00	At a point in time.	Fees and Charges	No	Upon receipt or accrual basis - Obligation already complete.
8-8020	Interest Revenue on Bank A/cs	-	-	21.31	21.31	-	21.31	At a point in time.	Interest from investments	No	Upon receipt or accrual basis - Obligation already complete.
		-	-	62,784.83	62,784.83	-	62,784.83				

## Revenue Analysis (Application of AASB 15 and AASB 1058) - Council and Controlled Entities - 31 March 2020

Account	Account Name	1 July Opening Bal	Debits	Credits	Closing Balance	Adjustment	Revised Closing Balance	Recognition of Revenue	Revenue / Fee Type	Sufficiently Specific Performance Obligation	Revenue recognised
<b>Ipswich Arts Foundation Trust</b>											
4-1110	Donation Box	-	-	2,889.55	2,889.55	-	2,889.55	At a point in time.	Contributions	No	Upon receipt.
4-1145	Cash for Artwork	-	-	13,866.00	13,866.00	-	13,866.00	At a point in time.	Disposal proceeds	No	Upon receipt.
4-4100	Operations	-	-	12,000.00	12,000.00	-	12,000.00	At a point in time.	Contributions	No	Upon receipt.
4-5200	Friends of Ipswich Art Gallery	-	-	4,199.97	4,199.97	-	4,199.97	At a point in time.	Contributions	No	Upon receipt.
4-6100	Interest on Bank Accounts	-	-	179.93	179.93	-	179.93	At a point in time.	Interest from investments	No	Upon receipt or accrual basis - Obligation already complete.
4-6300	Interest on Term Deposits	-	-	5,658.80	5,658.80	-	5,658.80	At a point in time.	Interest from investments	No	Upon receipt or accrual basis - Obligation already complete.
4-6400	Distributions - QCF	-	-	1,433.00	1,433.00	-	1,433.00	At a point in time.	Contributions	No	Upon receipt.
4-6600	Contributions from IAF	-	-	51,000.00	51,000.00	-	51,000.00	At a point in time.	Contributions	No	Upon receipt.
		-	-	91,227.25	91,227.25	-	91,227.25				
<b>Cherish the Environment Foundation Limited (CTEF)</b>											
CTEF March 2020 trial balance report is not available so revenue analysis is based on 2018-2019 revenue streams.											
	Interest received	-	-	21,113.09	21,113.09		21,113.09	At a point in time.	Interest from investments	No	Upon receipt or accrual basis - Obligation already complete.
	Koala Offset Service Revenue	-	-	238,201.00	238,201.00		238,201.00	At a point in time.	Koala Offset Revenue	No	Upon receipt.
	Enviroplan Contributions	-	-	82,359.00	82,359.00		82,359.00	At a point in time.	Enviroplan Contributions	No	Upon receipt.
	Rents Received	-	-	11,732.15	11,732.15		11,732.15	At a point in time.	Rental and lease revenue	No	Upon receipt.
	Services Agreement Revenue	-	-	110,617.00	110,617.00		110,617.00				
		-	-	464,022.24	464,022.24	-	464,022.24				

**Capital Grants Analysis - Application of AASB 115 and AASB 1058.**

Four (4) capital grants exceed materiality threshold of \$1 million, however only three (3) have sufficiently specific performance obligations.

Funding Body	Program	Grant Name	Duration	Grant Amount Approved (excl GST)	Payment (Revenue) prior to 1/07/19	Costs incurred as at the 30/06/19	Payment (Revenue) in FY 2020	Estimated Costs Incurred as at the 30/06/20	Scheduled Completion Date	Sufficiently Specific Performance Obligations	Modified Retrospective Approach as at 1/07/19		Estimated adjustments for 30/06/20	
											Contract Asset	Contract Liability	Contract Asset	Contract Liability
Department of Infrastructure, Transport, Cities and Regional Development	Roads to Recovery	Brisbane Street, West Ipswich	2/7/19 - 30/6/20	\$ 2,327,860	\$ -	\$ -	\$ 2,327,860	\$ 3,478,434	15/07/20	No	N/A	N/A	N/A	N/A
Department of Infrastructure, Local government and Planning	LGGSF - Local Government Grants & Subsidies Program	Rosewood Library Construction	1/11/17 - 28/02/20	\$ 2,689,696	\$ 806,908	\$ 821,697	\$ 1,882,788	\$ 1,882,788	29/02/20	Yes	\$ 14,789	\$ -	\$ -	\$ -
Department of Transport and Main Roads	CNLGGP - Cycle Network Local Government Grants Program 2018/19	Brisbane Valley Rail Trail Connector / Brassall Bikeway Stage 7 (CNLGGP 2018/19)	30/06/18 - 30/06/20	\$ 1,050,000	\$ 525,000	\$ 35,493	\$ 262,500	\$ 2,326,107	31/08/20	Yes	\$ -	\$ 489,507	\$ 262,500	\$ -
Department of Transport and Main Roads	Blackspot 2019/20	Cobalt St / Johnson Rd (Blackspot 19/20)	1/06/19 - 31/12/20	\$ 1,270,000	N/A	N/A	\$ 635,000	\$ 74,000	31/12/20	Yes	\$ -	\$ -	\$ -	\$ 561,000
<b>Adjustment Totals</b>				<b>\$ 7,337,556</b>	<b>\$ 1,331,908</b>	<b>\$ 857,190</b>	<b>\$ 5,108,148</b>	<b>\$ 7,761,329</b>			<b>\$ 14,789</b>	<b>\$ 489,507</b>	<b>\$ 262,500</b>	<b>\$ 561,000</b>

**Modified Retrospective Approach**

**Journals required AASB @ 1/7/2019**

DR Work in Progress - Unbilled Revenue (Contract Assets) \$ 14,789  
 DR Accumulated Surplus 474,718  
 CR Work in Progress - Unearned Revenue (Contract Liability) \$ 489,507  
 (Apply AASB 1058 to grant revenue as at 1/7/2019 - modified retrospective approach.)

**Journals required AASB @ 30/6/2020 (Estimates)**

DR Work in Progress - Unearned Revenue (Contract Liability) \$ 489,507  
 CR Capital Grant Revenue \$ 474,718  
 CR Work in Progress - Unbilled Revenue (Contract Assets) 14,789  
 (Performance obligations completed drawdown Unearned Revenue and grant revenue received for Unbilled Revenue recognised at 1/7/2019.)

DR Work in Progress - Unbilled Revenue (Contract Assets) \$ 262,500  
 DR Capital Grant Revenue 298,500  
 CR Work in Progress - Unearned Revenue (Contract Liability) \$ 561,000  
 (End of financial year adjustment for Unearned Revenue and Unbilled Revenue.)

**Volunteer Services 2019 - 2020**

Department	Business Function	No. of Volunteers	Would the department have purchased the service in the absence of volunteers? (As advised by that department.)	Average volunteer hours per week.	Average volunteer hours per year	Number of volunteer hours per week	Number of FTEs (Estimate)	Weekly Value of FTE if Purchased (Estimate)
Planning and Regulatory Services	Business Services	0	No	-	-	-	-	-
Corporate Services	Finance and ICT	0	No	-	9,760	187.68	4.94	-
Infrastructure and Environment	Bushcare Groups	28	No	-	490	9.42	0.25	-
Infrastructure and Environment	Community Tree Planting Environmental Education Centre (Queens Park)	300	No	-	300	5.77	0.15	-
Infrastructure and Environment	ICC Nursery Volunteering	13	Yes	-	1,553	29.87	0.79	1,073.09
Infrastructure and Environment	Ipswich Nature Centre (Queens Park)	2	No	-	284	5.46	0.14	-
Infrastructure and Environment	Parkcare Group	23	Yes (Estimated 20%) Equates to 0.23 FTE.	-	2,310	44.42	1.17	314.04
Infrastructure and Environment	Ipswich Visitor's and Information Centre	26	No	-	675	12.98	0.34	-
Community, Cultural and Economic Development		55	No	4.00	-	110.00	2.89	-
Community, Cultural and Economic Development	Ipswich Art Gallery	4	No - Elderly volunteers. IAG considering winding up program.	-	-	-	-	-
Community, Cultural and Economic Development	Ipswich Civic Centre	0	No	-	-	-	-	-
Community, Cultural and Economic Development	Alchemy Street Choir	51	No	1.00	-	25.50	0.67	-
Community, Cultural and Economic Development	The Weavers	9	No	1.00	-	4.50	0.12	-
Community, Cultural and Economic Development	Libraries	37	No	-	-	22.30	0.59	-
Community, Cultural and Economic Development	Riverview Community Centre	4	No	2.00	-	8.00	0.21	-
Community, Cultural and Economic Development		19	No	0.50	-	9.50	0.25	-
Planning and Regulatory Services	Ipswich Pound	0	No	-	-	-	-	-
Planning and Regulatory Services	Ipswich Cemetery	0	No	-	-	-	-	-
Planning and Regulatory Services	Safe City Monitoring	0	No	-	-	-	-	-
		<u>571</u>		<u>8.50</u>	<u>15,371.50</u>	<u>475.41</u>	<u>12.51</u>	<u>\$ 1,387.13</u>
Annually								\$ 72,130.76

Leases Summary 2019-2020.

As at the 31 March 2020

												After 1/7/2019 (Total amount at end of lease.)	
Lease No.	Lease Description	Lease Start	Lease End	Monthly Rent	Fixed Lease Term	Option to Renew	Discount Rate	Total Lease Payments	Right of Use Asset	Lease Liability	Prepaid	Amortisation Expense	Interest
1	Car Park - 3 West Street Ipswich (A5793119)	01/07/2017	30/06/2022	\$ 2,085	5	0	1.084%	\$ 125,085	\$ 121,702	(73,811)	\$ -	\$ 73,021	\$ 1,240
2	Car Park - 205 Brisbane Street Ipswich	01/07/2017	30/06/2022	2,708	5	0	1.084%	166,858	162,312	(99,567)	-	97,387	1,673
3	Springfield Library (A5099518)	01/07/2018	30/06/2028	50,013	5	5	1.084%	5,401,440	5,101,395	(4,674,450)	-	4,591,256	246,862
4	Hockey Grounds - 65 Briggs Road Raceview (A5573477)	01/07/2013	30/06/2033	4,583	20	0	0.000%	1,100,000	1,100,000	0	(1,100,000)	770,000	-
5	Shed 4A 31-33 Briggs Road Ipswich (A5281519)	21/02/2019	20/02/2024	1,825	5	0	1.084%	116,270	114,997	(106,376)	-	105,571	2,823
6	Karalee Shopping Village Library Pod (A5758954)	01/05/2019	30/04/2022	1,813	3	0	1.084%	67,227	66,102	(62,595)	-	62,430	1,007
7	Bremer Street Ramps (A6025847)	01/07/2019	31/10/2020	2,138	2	0	1.084%	51,318	33,951	(33,951)	-	33,951	261
8	Neville Bonner Sports Complex (A6103860)	13/06/2017	12/06/2027	2,603	5	5	1.084%	312,400	295,937	(236,899)	-	234,283	10,417
				67,769				7,340,598	6,996,397	(5,287,649)	(1,100,000)	5,967,900	264,284
<b>Exempt Leases</b>													
Short-term	Library - Redbank Plaza Shopping Centre	01/07/2019	30/06/2020	10,000	1	0	0.000%	120,000	-	-	-	-	-
Low-Value	Leash Free Dog Park - Brisbane Tce Goodna	01/07/2017	30/06/2022	188	5	0	0.000%	2,252	-	-	-	-	-
				10,188				122,252	-	-	-	-	-
<b>Peppercorn Leases</b>													
	Land Lease - Moonyean Street, Bellbird Park	01/07/2014	30/06/2034	217	20.01	0	0.000%	2,601	-	-	-	-	-
	Land Lease - Lot A The Terrace North Ipswich	26/07/2016	27/07/2036	85	20.02	0	0.000%	1,017	-	-	-	-	-
	Land Lease - Lot 4 Chalk Street, Redbank	03/10/2003	02/10/2023	112	20.01	0	0.000%	1,344	-	-	-	-	-
				413				4,962	-	-	-	-	-

Journals Required AASB @1/7/2019		Transition Date	30/06/2019
1	Dr Retained Earnings		89,750
	Dr Right of Use Lease Asset		6,996,397
	Cr Lease Asset Amort		(1,028,497)
	Cr Lease Liability (refer Loan Calculator)		(5,287,649)
	Cr Prepaid Rent		(1,100,000)
	DR Accum Amortis (prepaid rent)		330,000
	(Recognise Right to Use Asset @30/6/19)		
Journals after 1/7/2019 (total amount at end of lease)			
2	Dr Amortisation Expense		5,967,900
	Cr Lease Asset (Accumulated Depreciation)		(5,967,900)
	(Depreciation based on remaining lease term)		
3	Dr Interest		264,284
	Dr Principal - Lease Liability		5,287,649
	Cr Creditor		(5,551,933)
	(Reduction in lease liability)		
			(0.00)

In 2018-19 Council recognised a lease incentive liability under AASB 117 Leases. AASB 16 does not provide any guidance about how to treat prior recognition of lease incentive liabilities.

Proposed journal for 2019-2020

Dr Lease Incentive Liability	120,032
Cr Operating Lease Rentals Expense	(120,032)

Monthly journals	Month	1	2	3	4	5	6	7	8	9	10	11	12	Total
Dr Amortisation Expense	31/07/2019	60,138	60,138	60,138	60,138	60,138	60,138	60,138	60,138	60,138	60,138	60,138	60,138	721,656
Cr Lease Asset (Accumulated Depreciation)		(60,138)	(60,138)	(60,138)	(60,138)	(60,138)	(60,138)	(60,138)	(60,138)	(60,138)	(60,138)	(60,138)	(60,138)	(721,656)
(Depreciation based on remaining lease term)														
Dr Interest		4,777	4,733	4,689	4,645	4,601	4,557	4,513	4,469	4,425	4,381	4,336	4,292	54,417
Dr Principal - Lease Liability		53,094	53,137	53,181	53,225	53,269	53,313	53,357	53,456	53,500	53,544	53,643	53,687	640,407
Cr Creditor		(57,870)	(57,870)	(57,870)	(57,870)	(57,870)	(57,870)	(57,870)	(57,925)	(57,925)	(57,925)	(57,979)	(57,979)	(694,823)
(Reduction in lease liability)														

Lease options exercised at the descretion of Council.

		Future Lease Payments		
Lease Details	Lessor	5 Years	10 Years	Potential future lease payments which are not included in the lease liability as the exercise of the option has been assessed as not reasonably certain.
	Option			
Car Park 205 Brisbane Street Ipswich	Tanda 8 Pty Ltd 1 X 5 Years	(99,567)	(258,487)	(158,920)
Shed 4A 31-33 Briggs Road Ipswich	Edwards Property Pt 1 X 5 Years	(106,376)	(220,374)	(113,998)
		(205,943)	(478,861)	(272,918)

Doc ID No: A6228462

ITEM: 19  
SUBJECT: 2019-2020 ASSET VALUATION - UPDATE  
AUTHOR: PRINCIPAL FINANCIAL ACCOUNTANT  
DATE: 11 MAY 2020

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### **EXECUTIVE SUMMARY**

This is a report concerning the progress of the 2019-2020 asset valuation for land, buildings and infrastructure assets.

### **RECOMMENDATION/S**

- A. That the report of the Principal Financial Accountant regarding the progress of the 2019-2020 asset valuation for land, buildings and infrastructure assets be received and the contents noted.**
- B. That through the Audit and Risk Management Committee Chair, the final valuation report for 2019-2020 (to be finalised by mid-June 2020) be circulated to Committee Members for discussion and endorsement and if required a special Audit and Risk Management Committee meeting be convened to approve and endorse the report prior to 30 June 2020.**

### **RELATED PARTIES**

There are no related parties.

### **ADVANCE IPSWICH THEME**

Listening, leading and financial management

### **PURPOSE OF REPORT/BACKGROUND**

In accordance with Council's Asset Accounting Policy, Asset Revaluation Procedure and the Australian Accounting Standards, Council is required to conduct an annual revaluation of its non-current asset classes. Council's current revaluation procedure Asset Revaluation FCS-005 provides that Council will revalue all its non-current assets on a five year rolling basis provided that these assets do not experience significant and volatile change in fair value.

A report was presented to the Audit and Risk Management Committee in November 2019 outlining the procurement approach Council was taking to appoint a valuer for the next 5

years including the project specifications, scope of works, deliverable etc. Following the RFQ process, utilising the existing Local Buy Contracts, the contract was awarded Cardno (QLD) Pty Ltd (**Cardno**) as they offered the best value for money and expertise to deliver the required asset revaluation for land, building and infrastructure assets to Ipswich City Council.

### Revaluation Schedule

Formal revaluations occurring in the 2019-2020 year are per the schedule below:

Year	Formal Valuation	Desktop Valuation	Final Report Due Date
2020	(a) Land	(d) and (e)	27 April 2020
2020	(b) Buildings and Structures	(d) and (e)	27 April 2020
2020	(c) Detention Basins *	(d) and (e)	27 April 2020
2021	(d) Roads, Bridges and Footpaths	(a), (b), (e)	27 April 2021
2022	(e) Flooding and Drainage	(a), (b), (d)	27 April 2022
2023	Artworks **	(a), (b), (c), (d), (e)	27 April 2023

### Actions to date

- In February 2020 Council met with Cardno and their subcontractor (Pickles Valuations Pty Ltd) as part of the commencement of the process to discuss the valuation process and to confirm the scope and deliverables. Council provided both the fixed asset register and physical asset register to Cardno along with various drawings and Council's condition assessment for road seals.
- In accordance with the project schedule, during March and April 2020 Cardno provided indexation files for infrastructure assets (roads, buildings and footpaths and drainage) to the Asset Accounting and Asset Management teams who reviewed, compared and tested the unit rates, condition assessments and useful lives applied by Cardno. Indexation movements, after review and agreement by Council are immaterial. Further details will be provided in the final revaluation report that will be submitted to the Audit and Risk Committee in June (discussed later).
- In March 2020 Ross Searle and Associates performed the indexation of artwork assets. The drafted indexation file was reviewed and tested resulting in clarification of some artworks values by Ross Searle. Then in April 2020 Ross Searle provided the revised indexation report in which Asset Accounting reviewed and subsequently accepted. Artwork assets value increased by 1.2% for artworks as the movement is immaterial (less than 5%) Council will not be applying the indexation.
- Pickles Valuations Pty Ltd (subcontracted property valuer to Cardno) performed physical inspections of over 500 buildings during March and April as part of determining the condition assessment to inform the revaluations. Valuation files were provided during April 2020 which the Asset Accounting and Asset Management

teams have reviewed, compared, tested the unit rates, condition assessments, useful lives and resolved any questions they had. The revised valuation file for buildings was provided early May 2019 in which Asset Accounting and Asset Management reviewed and subsequently accepted. Building assets increased in value by 12.34% due to being a comprehensive revaluation the increase will be applied to building assets.

- Currently Council is still waiting for the revised valuation file for other structures, however Cardno has advised that Council should receive the valuation file by 12 May 2020.
- In April 2020 Cardno provided the valuation report for the land valuation the which Asset Accounting team reviewed, compared and tested the price per square meter with recent sales and land valuation movement data released from the Queensland State Government. In consultation with Cardno's subcontracted property valuer, any questions and issued have been resolved resulting in a revised valuation file which Asset Accounting reviewed and subsequently accepted for land. Land assets value increased by 12.58% due to being a comprehensive revaluation the increase will be applied to land assets.

The valuation schedule has been delayed by two weeks due to COVID-19 as this had some impact on communication within Cardno's team, inspection of assets and further time to resolve outstanding queries.

Council is however on track to provide the asset valuation details to QAO by 15 June 2020 in accordance with the agreed external audit plan.

### **Outstanding Items**

Council is currently waiting for the revised valuation file for other structures and the draft valuation report. Cardno's intention is to provide both outstanding items by 12 May 2020.

### **2019 -2020 VALUATION REPORT AND ACCOUNTING ENTRIES**

Once the final valuation report is received and reviewed by the Asset Accounting, Asset Management Teams and Management, a 2019-2020 valuation report will be prepared to the Audit and Risk Committee outlining fully the revaluation process (outlined above), the governance controls over the processes through the asset accounting and asset management team, and the final revaluation accounting movements recommended to Council to be approved and processed.

The timing of this report has not aligned with the Audit and Risk Committee meeting dates this financial year. Accordingly it is proposed that a copy of the report be circulated to Audit and Risk Committee Members for discussion and endorsement through the appropriate governance and approval process.



### **LEGAL/POLICY BASIS**

This report and its recommendations are consistent with the following legislative provisions:

*Local Government Act 2009*

*Local Government Regulation 2012*

*Australian Accounting Standards*

### **RISK MANAGEMENT IMPLICATIONS**

The valuation of assets in accordance with the Accounting Standards, including *AASB 116 Property, Plant and Equipment & AAS13 Fair Value*, is a significant risk as part of the preparation of the Annual Financial Statements and compliance with Council's Asset Accounting policy. Council processes, the management and involvement of appropriate qualified and skilled Council staff and support from an experienced qualified valuation expert, are critical to mitigating this risk.

### **FINANCIAL/RESOURCE IMPLICATIONS**

The costs associated with undertaking the valuations are budgeted within the Corporate Services Department operational budget.

### **COMMUNITY AND OTHER CONSULTATION**

The asset management and asset accounting teams have worked closely together through the revaluation process including the provision of asset data to be revalued. The asset management team have also been consulted with and are part of the team that review the valuation and indexation files received.

### **CONCLUSION**

The revaluation processes undertaken to date are outlined in the report. Following completion of the revaluations and review and agreement by Management, a report will be prepared for circulation and endorsement by the Audit and Risk Committee Members through the appropriate governance and approval process.

Barbara Watson

**PRINCIPAL FINANCIAL ACCOUNTANT**

I concur with the recommendations contained in this report.

Jeffrey Keech

**MANAGER, FINANCE**

I concur with the recommendations contained in this report.

Sonia Cooper

**GENERAL MANAGER CORPORATE SERVICES**

***“Together, we proudly enhance the quality of life for our community”***