Unconfirmed

AUDIT COMMITTEE MINUTES

PROCEEDINGS OF AUDIT COMMITTEE
1 May, 2019
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Minutes of the Meeting of the Audit Committee held in the Mobilong Suite, Local Government Centre 2 Seventh Street, Murray Bridge, on Wednesday 1 May, 2019, commencing at 1.10 pm.

**Members:**
Mr Peter Brass – Presiding Member  
Cr Wayne Thorley – Elected Member representative  
Cr Fred Toogood – Elected Member representative  
Mr Peter Canaway – Independent representative  
Mr Luke Williams – Independent representative

**Observers:**
Mr Michael Sedgman, Chief Executive Officer  
Ms Heather Barclay, General Manager Assets & Infrastructure  
Mr Martin Smallridge, Manager Organisational Development  
Mr Brad Warncken, Senior Financial Analyst  
Mr Matt Miles, Events Co-ordinator  
Ms Ros Kruger, Executive Officer  
Ms Heather Martens, KPMG, Internal Auditor  
Mr Justin Jamieson, KPMG, Internal Auditor (via telephone)

10. **WELCOME**  
Audit Committee Chair – Peter Brass

11. **APOLOGIES**

12. **CONFIRMATION OF MINUTES**

**Recommendation:**  
That the minutes of the Meeting of Audit Committee held on the 27 February, 2019 as circulated to Members, be taken as read.

Peter Canaway moved  
That the recommendation be adopted – namely,  
That the minutes of the Meeting of Audit Committee held on the 27 February, 2019 as circulated to Members, be taken as read.  
Seconded by Cr Toogood and CARRIED
DECLARATIONS OF CONFLICT OF INTEREST

In line with Section 74 of the Local Government Act, 1999

(1) A member of a council who has an interest in a matter before the Council must disclose the interest to the Council.

(2) A member in making a disclosure under subsection (1) must provide full and accurate details of the relevant interest.

(3) A disclosure made under subsection (1) must be recorded in the minutes of the council (including details of the relevant interest).

Members to advise of any Conflict of Interest Declarations

NIL REPORTED

13. VALUED ENVIRONMENT
   Nil

14. GREAT PEOPLE AND LIFESTYLE
   Nil

15. DYNAMIC ECONOMY
   Nil

16. CONNECTED COMMUNITIES
   Nil
17. OUR COMMITMENT - ENSURING DELIVERY

17.1 AUDIT COMMITTEE WORK PLAN 2019-2020

Author: Ros Kruger

Purpose
To provide the Audit Committee with a proposed Work Plan for the 2019/2020 financial year.

Background
The Audit Committee work plan has been prepared based on the Audit Committee’s terms of reference.

Proposal
A copy of the proposed 2019/2020 work plan is provided as Attachment 1 for the information of the Committee.

The Audit Committee at its meeting on the 10 December 2018, item 37.2 agreed the following meeting dates for 2019:
- Tuesday 26 February 2019
- Wednesday 1 May 2019
- Wednesday 14 August 2019
- Wednesday 13 November 2019

A Special Audit Committee meeting has been scheduled for 25 September 2019 (Audit Committee 27 February 2019, item 8.3) to receive a report from the External Auditors on the Audited Financial Statements to be presented to the Council meeting on the 14 October 2019.

A further report will be submitted at the November 2019 meeting to set the 2020 Audit Committee meeting dates.

Legislative Requirements
Local Government Act 1999

Council Policy
Audit Committee Terms of Reference and Work Plan.

Financial Implications
Costs associated with implementing the Audit Committee work plan have been included within Council’s budget.

Risk
The identification and mitigation of risk is an important issue and without undertaking risk assessments Council exposes itself to project failure and/or possible litigation.

WHS
The identification and mitigation of risks in relation to WHS issues is an important issue for Council’s administration to address.

Asset Management
Asset Management plans and policies are provided to the Audit Committee for review.
**Implementation Strategy**
The Chief Executive Officer to ensure the General Managers and staff are reminded of their reporting responsibilities to the Audit Committee.

**Communication Strategy**
The Audit Committee and Council will continue to be provided with information in relation to the Audit Committee work plan.

**Strategic Plan**
Goal 5 - Our Commitment
5.4 - Transparent

**Recommendation**
1. That item number 17.1 on the Audit Committee agenda of 1 May 2019 be received and the proposed 2019/2020 Audit Committee Work Plan be endorsed.

**Attachments**
18. 2019-2020 Audit Committee Work Plan Attachment

**Luke Williams moved**
1. That item number 17.1 on the Audit Committee agenda of 1 May 2019 be received and the proposed 2019/2020 Audit Committee Work Plan be endorsed.

Seconded by Peter Canaway and CARRIED
<table>
<thead>
<tr>
<th>Frequency</th>
<th>Timing</th>
<th>Terms of Reference / Report</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 - Q3</td>
<td>Jan - Feb 2020</td>
<td>External Audit - End of Financial Year/ Audit Approach &amp; Reporting</td>
</tr>
<tr>
<td></td>
<td>April - Jun 2020</td>
<td>Audit Committee Performance - Audit Committee Meeting with External Auditors</td>
</tr>
<tr>
<td></td>
<td>Jul - Sep 2020</td>
<td>Annual Report from the Chair</td>
</tr>
<tr>
<td></td>
<td>Oct - Dec 2020</td>
<td>Review of Audit Committee Work Plan</td>
</tr>
<tr>
<td></td>
<td>Jan - Mar 2021</td>
<td>Review of Annual Audit Plan 2020/21</td>
</tr>
<tr>
<td></td>
<td>Apr - Jun 2021</td>
<td>Review of the Terms of Reference</td>
</tr>
<tr>
<td></td>
<td>Jul - Sep 2021</td>
<td>Review of Annual Business Plan</td>
</tr>
<tr>
<td></td>
<td>Oct - Dec 2021</td>
<td>Review of the Minutes of the Audit Committee Meeting</td>
</tr>
<tr>
<td></td>
<td>Jan - Mar 2022</td>
<td>Review of the Minutes of the Audit Committee Meeting</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Financial Reporting</th>
<th>Internal Audit</th>
<th>Good Public Administration Framework</th>
</tr>
</thead>
<tbody>
<tr>
<td>Review of Annual Business Plan</td>
<td>Annual Business Plan</td>
<td>Results of the LG A Risk Management Review</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>External Audit</th>
<th>Internal Audit</th>
<th>Good Public Administration Framework</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Audit Committee Performance</th>
<th>Financial Reporting</th>
<th>External Audit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Audit Committee Meeting with External Auditors</td>
<td>Review of Annual Audit Plan 2020/21</td>
<td>Review of Annual Business Plan</td>
</tr>
</tbody>
</table>

Attachment 1 2019-2020 Audit Committee Work Plan
### 17.2 AUDIT COMMITTEE DEVELOPMENT & TRAINING PLAN

**Author:** Ros Kruger

<table>
<thead>
<tr>
<th>Legislative (X)</th>
<th>Corporate ()</th>
<th>Other ()</th>
</tr>
</thead>
</table>

**Purpose**
To seek input from Audit Committee Members in relation to their training requirements.

**Background**
The Audit Committee at its meeting on the 10 December 2018 (item 37.1) received a report providing Council policies relevant to the Audit Committee relating to Code of Conduct and meeting process along with Council’s Risk Management Framework (item 37.7).

These policies were formalised through a training session on Audit Committee Roles & Responsibilities at the Audit Committee on 27 February 2019 (item 6.1).

**Proposal**
The item is listed for discussion with the Audit Committee to identify future training requirements that would be of most benefit to the Audit Committee function.

Audit Committee members will be kept informed of any changes to Legislation as part of the Local Government Reform process.

Council has the ability of arranging its own inhouse training, tailored to our specific needs. This would allow Council to negotiate a suitable time for Audit Committee Members as well as Council Members who are interested in attending.

**Legislative Requirements**
Local Government Act 1999

**Council Policy**
Council Member Induction, Training and Development Policy
Code of Conduct for Independent Members
Code of Conduct for Council Members

**Financial Implications**
Costs associated with training have been allocated in the 2018/2019 budget and will also be incorporated within the 2019/2020 budget.

**Risk**
Audit Committee Members and Council Members have legislative responsibilities

**WHS**
There are no new risks identified for staff.

**Asset Management**
The Audit Committee receives regular updates on Council’s Asset Management processes.

**Implementation Strategy**
That Audit Committee members advise of their training requirements relating to Audit Committee.

**Communication Strategy**
Relevant training opportunities will be provided to Audit Committee members.
Strategic Plan
Goal 4 - Organisation
4.1 - Provide effective and accountable leadership and teamwork throughout the organisation

Recommendation
1. That item number 17.2 on Audit Committee agenda of 1 May 2019 be received and noted.

Attachments
1. Audit Committee Development & Training Plan

Luke Williams moved
1. That item number 17.2 on Audit Committee agenda of 1 May 2019 be received and noted.

Seconded by Peter Canaway and CARRIED
## 2019 Audit Committee Development & Training Plan

<table>
<thead>
<tr>
<th>RCMB Internal Proposed</th>
<th>Date/Item Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Code of Conduct requirements to Audit Committee</td>
<td>10 December 2018, Item 37.1</td>
</tr>
<tr>
<td>Council Meeting Policies relevant to Audit Committee</td>
<td>10 December 2018, Item 37.1</td>
</tr>
<tr>
<td>Risk Management Framework Policies</td>
<td>10 December 2018, Item 37.1</td>
</tr>
<tr>
<td>Roles &amp; Responsibilities</td>
<td>27 February 2019, Item 6.1</td>
</tr>
<tr>
<td>Legislation Change affecting Audit Committee from Local Government Reform</td>
<td>TBA</td>
</tr>
</tbody>
</table>
17.3 INTERNAL AUDIT PROGRAM - UPDATE

Author: Ros Kruger

Purpose
To provide the Audit Committee with an update of the findings and status of the actions arising from the Internal Audit Program.

Background
KPMG were appointed in October 2015 to undertake a three-year program of internal audits and at the Audit Committee meeting of 10 December 2018, item 37.3, the Audit Committee endorsed a two-year internal audit program for 2019 and 2020.

The status of outstanding actions relating to the following internal audit reviews are provided in this report:

- Building Management/Utilisation
- Procurement and Contract Management Compliance
- IT Security
- Environmental Management Compliance
- Dog and Cat Management
- Capital Works Delivery
- Event Management – refer item number 15.4

Building Management/Utilisation
The full report on the audit findings was provided to the Audit Committee on 26 October 2016 (Item 20.5). The audit review identified 11 actions.

- Risk Rating High – Nil
- Risk Rating Moderate – 2
- Risk Rating Low – 9 (1 completed)

One low risk action has been completed, three actions are overdue, with the remaining actions generally on track in accordance with the timelines noted by the Audit Committee in August 2018.

Procurement and Contract Management Compliance
The Procurement and Contract Management Compliance Audit report was presented to the Audit Committee on 2 August 2017 (Item 13.6). The audit review identified 7 actions.

- Risk Rating High – Nil
- Risk Rating Moderate – 5 (1 completed)
- Risk Rating Low – 1 (completed)
- Process Improvement - 1

One medium and one low actions have been completed with other being on track for completion this year.

IT Security
The internal audit report – Information Technology Security – was provided to the Audit Committee on 7 November 2017 (Item 21.1). The audit review identified 5 actions.

- Risk Rating High – 4 (2 completed)
- Risk Rating Moderate – 1

Two high risk actions have been completed, the outstanding high risk actions are being
closely monitored and rely on support from external contractors.

Environmental Management
The Environmental Management Review was reported to Audit Committee on 8 August 2018 (Item 25.2). The review identified 9 actions.

- Risk Rating High – 1
- Risk Rating Moderate – 2 (1 completed)
- Risk Rating Low – 3
- Process Improvement - 1

One moderate risk action has been completed, with all other actions currently under review. The identified high risk action is being managed by the General Manager Assets & Infrastructure with regular reporting to ELT on its status.

Dog and Cat Management
The Dog and Cat Management Review was reported to the Audit Committee on 8 August 2018 (Item 25.3). The audit review identified 9 actions.

- Risk Rating High – Nil
- Risk Rating Moderate – 3 (2 completed)
- Risk Rating Low – 4 (1 completed)
- Process Improvement – 2 (2 completed)

Five actions have been completed with all other actions on track.

Capital Works Delivery
The Capital Works Delivery Review was provided to the Audit Committee on the 10 December 2018 (item 37.5). The review identified 7 actions.

- Risk Rating High – 1
- Risk Rating Moderate – 5
- Risk Rating Low – 1

Proposal
That the Audit Committee notes the progress of the Internal Audit Program and the status of the actions arising from the program.

Legislative Requirements
Local Government Act 1999

Council Policy
Internal Controls Policy

Financial Implications
There are no financial implications resulting from this report. The cost of undertaking the two-year Internal Audit Program has been budgeted for in each of the two years.

Risk
Undertaking internal audits and completing the recommended actions significantly reduces the inherent risks of each activity.

WHS
No new issues have been identified

Asset Management
Not applicable
Implementation Strategy
The internal audits are performed according to the approved Internal Audit program. A summary of the status of actions from the Audit Reviews will be provided to the Audit Committee in accordance with the Audit Committee work plan.

Communication Strategy
Not applicable

Strategic Plan
Goal 5 - Our Commitment
5.1 - Effective
5.4 - Transparent

Recommendation
1. That item number 17.3 on Audit Committee agenda of 1 May 2019 be received.
2. That the Audit Committee notes the progress of the Internal Audit Program and the status of the actions arising from the program.

Attachments
Nil

Peter Canaway moved
1. That item number 17.3 on Audit Committee agenda of 1 May 2019 be received.
2. That the Audit Committee notes the progress of the Internal Audit Program and the status of the actions arising from the program.

Seconded by Cr Toogood and CARRIED
17.4 INTERNAL AUDIT REPORT - EVENT MANAGEMENT
Author Ros Kruger

Legislative ()  Corporate (X)  Other ()

Purpose
To provide the Audit Committee with the report on Event Management which forms part of the 2019-2020 Internal Audit Plan.

Background
The Audit Committee at its meeting on the 10 December 2018 item 37.3 endorsed the 2019-2020 Internal Audit Plan.

Event Management was identified as an Internal Audit with a Strategic Risk Focus.

Proposal
The overall objective of this internal audit was to evaluate the adequacy and effectiveness of the controls, processes and procedures in place to mitigate the business risks associated with the management and execution of events. Specific focus was also given to identifying efficiency improvements during the management of events.

The Event Management Internal Audit Report (Attachment 1) contains management’s response.

The internal audit identified 8 actions.
- Risk Rating High – 2
- Risk Rating Moderate – 3
- Risk Rating Low – 1
- Process Improvement -2

Legislative Requirements
Local Government Act 1999
WHS Act 2012

Council Policy
Risk Management Framework
Strategic Plan 2016-2020
Economic Development Strategy (2015-2030)

Financial Implications
There are no direct financial implications as a result of this report

Risk
The completion of actions in response to the recommendations of this internal audit review will provide for management of Council’s risks in relation to event management.

WHS
The WHS requirements for Events will be reviewed in line with the Internal Audit report.

Asset Management
The use of Council’s assets for Events will be reviewed in line with the Internal Audit report.

Implementation Strategy
All agreed management actions have been assigned to responsible officers and target dates for completion have been set.
Audit Committee
Wednesday 1 May, 2019
Public Minutes

Communication Strategy
The Audit Committee will be provided with a regular status report on completion of all recommendations in accordance with Council’s Risk Management Framework.

Strategic Plan
Goal 3 - Dynamic Economy
3.4 - Tourism is contributing to a diverse economy and creating opportunity

Recommendation
1. That item number 17.4 on Audit Committee agenda of 1 May 2019 be received and noted.

Attachments
10. Report - Internal Audit Event Management Attachment

Luke Williams moved
1. That item number 17.4 on Audit Committee agenda of 1 May 2019 be received and noted.

Seconded by Peter Canaway and CARRIED (1/19)
Rural City of Murray Bridge

Event Management Internal Audit Report

2 May 2019
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Distribution

For action:
Michael Sedgman, Chief Executive Officer
Martin Smallridge, Manager, Organisational Development
Matt Miles, Events Coordinator, Organisational Development

For information:
RCMB Audit Committee

Inherent Limitations
This report has been prepared as outlined in the Executive Summary of this report. The services provided in connection with the engagement comprise an advisory engagement which is not subject to Australian Auditing Standards or Australian Standards on Review or Assurance Engagements, and consequently no opinions or conclusions intended to convey assurance will be expressed. Due to the inherent limitations of any internal control structure, it is possible that fraud, error or non-compliance with laws and regulations may occur and not be detected. Further, the internal control structure, within which the control procedures that have been subject to the procedures we performed operate, has not been reviewed in its entirety and, therefore, no opinion or view is expressed as to its effectiveness of the greater internal control structure. The procedures performed were not designed to detect all weaknesses in control procedures as they are not performed continuously throughout the period and the tests performed on the control procedures are on a sample basis. Any projection of the evaluation of control procedures to future periods is subject to the risk that the procedures may become inadequate because of changes in conditions, or that the degree of compliance with them may deteriorate.

No warranty of completeness, accuracy or reliability is given in relation to the statements and representations made by, and the information and documentation provided by, Rural City of Murray Bridge’s management and personnel. We have not sought to independently verify those sources unless otherwise noted within the report. We are under no obligation in any circumstances to update this report, in either oral or written form, for events occurring after the report has been issued in final form unless specifically agreed with Rural City of Murray Bridge. The internal audit findings expressed in this report have been formed on the above basis.

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

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1.0 Executive summary

In accordance with the 2019 Internal Audit Plan of the Rural City of Murray Bridge (RCMB), as approved by RCMB's Audit Committee, an internal audit of the RCMB's event management was undertaken. The objective, scope and approach for the internal audit are detailed below.

Objective
The overall objective of this internal audit project was to evaluate the adequacy and effectiveness of the controls, processes and procedures in place to mitigate the business risks associated with the management and execution of events. Specific focus was also given to identifying efficiency improvements during the management of events.

Scope
To address the overall objective above, the scope of the event management internal audit included consideration of the following:

- The governance, process and procedure arrangements for the RCMB's event management program
- Planning, delivery and post event review processes with a specific focus on the following safety risk management processes:
  - Identification of significant safety hazards
  - Analysis and evaluation of hazards
  - Assessment of treatment options
  - Implementation of controls.
- The communication and coordination across the RCMB during event planning and execution
- The effective implementation of relevant RCMB policies, procedures and controls during events
- Adequacy of event benefits realisation reviews.

This review considered all event types handled by the RCMB including Council executed, community and sponsored events.

Approach
The approach for the event management internal audit project included the following:

- Review of relevant documentation, including policies, procedures, event documentation and Strategic and Community Plans
- Meetings with relevant RCMB stakeholders that included discussions to understand key issues and identify improvement opportunities to the event management process
- Consideration of the key risks and controls regarding event management
- A collaborative workshop with relevant RCMB stakeholders to develop recommendations and actions to strengthen the Council's event management program
- Preparation of a report containing our findings and recommendations as appropriate.
Key findings and recommendations

The number of findings identified during the course of this internal audit project is shown in the table below. A full list of the findings identified and the recommendations made is included in this report. Classification of internal audit findings are detailed in Appendix 2 to this report in accordance with the RCMB’s risk management framework.

These findings and recommendations were discussed with RCMB Management responsible for event management. Management has accepted the findings and agreed action plans to address the recommendations.

<table>
<thead>
<tr>
<th>Severe</th>
<th>High</th>
<th>Moderate</th>
<th>Low</th>
<th>PIO</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of internal audit findings</td>
<td>-</td>
<td>2</td>
<td>3</td>
<td>1</td>
</tr>
</tbody>
</table>

A listing of stakeholders consulted as part of this engagement is included at Appendix 3.

Events selected for sample testing

The events listed below were selected to review as part of the Internal Audit. A selection of key events held across the 2018-2019 Financial Year were selected for testing.

<table>
<thead>
<tr>
<th>Type of Event</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>RCMB</td>
<td>Murray Bridge Fringe</td>
</tr>
<tr>
<td>Sponsored</td>
<td>2019 NHMA National Rally</td>
</tr>
<tr>
<td>Sponsored</td>
<td>Murray Bridge Sufferfest Triathlon Festival</td>
</tr>
<tr>
<td>Sponsored</td>
<td>2018 Australian International Pedal Prix</td>
</tr>
<tr>
<td>Sponsored</td>
<td>2018 Masters Games Opening Ceremony</td>
</tr>
<tr>
<td>Sponsored</td>
<td>2018 Murray Bridge Christmas Pageant</td>
</tr>
<tr>
<td>Sponsored</td>
<td>Murray Bridge Speedway</td>
</tr>
</tbody>
</table>
### 2.0 Summary of internal audit findings

<table>
<thead>
<tr>
<th>Ref #</th>
<th>Description of internal audit findings and recommendations</th>
<th>Rating of internal audit findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>An event safety framework, including WHS requirements, has not been formally defined for RCMB events</td>
<td>High</td>
</tr>
<tr>
<td>2</td>
<td>Limitations identified with current risk assessments</td>
<td>High</td>
</tr>
<tr>
<td>3</td>
<td>An overarching event strategy should be developed</td>
<td>Moderate</td>
</tr>
<tr>
<td>4</td>
<td>Lack of formalised event management policies and procedures</td>
<td>Moderate</td>
</tr>
<tr>
<td>5</td>
<td>Event outcomes are not defined and event post reviews are not performed consistently</td>
<td>Moderate</td>
</tr>
<tr>
<td>6</td>
<td>Documentation of events requires improvement</td>
<td>Low</td>
</tr>
<tr>
<td>7</td>
<td>Further opportunities to improve the event planning, communication and coordination processes</td>
<td>PIO</td>
</tr>
<tr>
<td>8</td>
<td>Further opportunities to measure event success through the development of KPIs and attendee satisfaction survey</td>
<td>PIO</td>
</tr>
</tbody>
</table>
3.0 Background

Events at the RCBM are a major feature of Community engagement and regional tourism to Murray Bridge. During the 2018-2019 Financial Year, the RCBM has sponsored 30 and hosted more than 100 community events on Council land. A number of flagship events are also held on an annual basis, including the Australian International Pedal Prix, the Murray Bridge Masters Games and the Murray River SPLASH.

The successful execution of events positively impacts on the RCBM’s community and is closely aligned to numerous Council objectives and strategies. These include the Economic Development Strategy (2015-2030), which aims to work with neighbouring Councils to develop events to increase residential amenity and attract tourism, and the Community Plan (2016-2032), which includes festivals and events to help deliver on the RCBM’s vision of thriving communities.

Types of Events

The RCBM hosts and manages three distinct types of events:

- **Community events** – Events such as weddings, corporate functions, festivals and concerts. The RCBM offer a wide range of council owned parks and gardens, halls and other facilities that are available to hire through lodgment of the Event Booking form.

- **Sponsorship events** – Events that the RCBM sponsor through their major event sponsorship program that drives regional tourism and economic impact to Murray Bridge.

- **RCBM events** – Events that are solely Council run that include flagship events, a number of which are held on an annual basis.

Events Governance

The Events Coordinator in Organisational Development is responsible for coordinating and managing the majority of events across the RCBM including community, sponsorship and RCBM events throughout the year. Other areas of the Council also run various community events, these include:

- The Youth Sport and Recreation team run events at the Station in Murray Bridge by using music as a tool to engage and help young people become their best self.

- The Community Development team runs a number of events that contribute to the empowerment and development of the Community.

The event management structure is supported by the Event Steering Committee (ESC). The ESC includes a diverse range of stakeholders across the RCBM, and was developed to provide oversight and support for the RCBM’s event management program that the Council commits in excess of $350,000 annually to. Event financial management includes monthly budget to actual reporting on individual events, performed by the Finance team. Event finances are also discussed during the monthly ESC meetings.

Event Planning and Safety Inspection Checklist

Event planning includes outlining event requirements, key risks, security and safety, and who will be involved in the event. The event application, checklist and the WHS event inspection checklist are key tools in helping to facilitate planning and outlining event requirements. These are retained as a record once the event is complete.
The event checklist details the following items:

- Event description and operational details and services
- Key tasks to be completed (or that have been completed)
- Safety and security requirements, including permits, licensing and registration, accessibility, entry and exit points, fire prevention and traffic management
- Hazard risk assessment.

**Event Risk Management**

As part of the management of Council events, there is an expectation that there are systems in place to ensure the management of Workplace Health and Safety (WHS) and the execution of RCMB’s duty of care. This is largely achieved by the RCMB through:

- The WHS Event Inspection Checklist and WHS Contractor Monitoring Form that includes the appointment of a WHS and Risk Officer for identified large and high risk events
- Assistance to event organisers in the development of Risk Management Plans (RMP) and their corresponding approvals. The RMP’s capture risks and identify control measures that need to be implemented
- The knowledge and experience of WHS and operational personnel.

Event WHS is also supported by the RCMB’s WHS documentation. A general Work Health Safety and Return to Work Policy is in place, which outlines RCMB’s commitment to WHS and details roles, responsibilities and references to relevant WHS legislation. A number of other policies and procedures relating to WHS subject areas, including contractor management and hazard management have also been established.

**Positive Observations**

During our internal audit, the following key positive observations were observed:

- The Council is streamlining and creating customer centric updates to the external event application process. This includes recent updates to the event application form and guidelines.
- The Event Steering Committee provides support and oversight to the RCMB’s event portfolio, which is an effective governance mechanism.
- There is an attitude of continuous improvement towards event planning and event management, demonstrated by the RCMB’s commitment to implementing event debriefs to incorporate learnings of what did and did not work well into future event planning.
- Other initiatives are in place to improve the overall execution and management of RCMB events. This includes the development of an event strategy and event management procedure.
4.0 Internal audit findings to be actioned

1. An event safety framework, including WHS requirements, has not been formally defined for RCMB events

Finding(s) and impact:
Minimal internal guidance is provided on the WHS documentation and the review and approval processes that are required to be completed for events. This includes a lack of guidance in place detailing the type and size of events which require a risk assessment, risk management plan and an onsite safety inspection to be performed.

It was observed that an event risk management assessment and risk management plan (RMP) have been performed for a number of large and higher risk RCMB events. The risk management plans identify, analyse and document the risks associated with key components for each event. Through stakeholder consultation, it was further advised that on-site safety inspections have also been performed for a number of larger RCMB events.

However, a RCMB event safety procedure is not in place to guide staff on the WHS deliverables required for each event. It was further observed that for a number of recent events the WHS documentation has been inconsistently performed. Specifically, this has included:

- The Murray Bridge Fringe - The Risk Management Plan was not updated for feedback provided, and an on-site safety inspection was deemed not to be required.

- 2019 NHMA National Rally - The Risk Assessment and Risk Management Plan were not updated for feedback provided, and an on-site safety inspection was deemed not to be required.

Recommendation(s):
Establishment of a more formalised and structured approach to the documentation of event safety should be undertaken. In developing the event safety framework, the RCMB should ensure clear guidance is provided on WHS deliverables, including:

- The category of different event types, and the documentation required for each category
- Types of deliverables and their content
- Whether they are compulsory or optional
- Approval requirements
- Responsibility for their development

By outlining a coordinated and documented set of activities to be undertaken before, during and after an event, WHS will be managed more effectively.

The RCMB should also consider guidance that is available on event safety. For example, SafeWork SA’s Event Safety Risk Assessment: Small to Medium Sized Community Events

Rating of internal audit finding: High
Likelihood: unlikely, Consequence: extreme

Agreed Management action(s):
1. Agreed. A policy and procedure for the event management process will be developed. This will include consideration of relevant WHS requirements and an event safety framework.

2. Subsequent to the development of the policy and procedures, event external guidelines will be updated to reflect the internal policy and procedures and to provide further guidance and clarity for event applicants.
1. An event safety framework, including WHS requirements, has not been formally defined for RCMB events

- The Murray Bridge Sufferfest Triathlon Festival - The Risk Management Plan was not updated for feedback provided and an on-site safety inspection was deemed not to be required.

- Inconsistencies were also observed in the collection and storage of records to evidence that appropriate contractor checks had been completed for recent events. For example, during the Murray Bridge Fringe the contractor induction process for this event was in contradiction of the RCMB contractor engagement process. This includes pre-qualification checks including confirmation of relevant insurances not completed.

We were advised by the RCMB that delays in receiving risk documentation by external event organisers have contributed to the updates to the risk documentation not being formally documented. It was further advised that this is a known issue, and an on-going campaign will be put in place to raise awareness of risk documentation timeframe requirements.

Without a guiding framework, there is a risk that there are inconsistent approaches adopted in the WHS deliverables completed for each event. This may result in the Council breaching its legislative requirements, and also a negative reputational impact to the RCMB.

<table>
<thead>
<tr>
<th>Responsibility</th>
<th>Manager, Organisational Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target date</td>
<td>1. 30 July 2019</td>
</tr>
<tr>
<td></td>
<td>2. October 31 2019</td>
</tr>
</tbody>
</table>

Rating of internal audit finding: High
Likelihood: unlikely, Consequence: Extreme

Provides information on WHS and event safety considerations and documentation.
2. Limitations identified with current risk assessments

**Finding(s) and impact:**

There are a number of limitations with the current risk assessment processes associated with the range of WHS risks and controls being documented.

We were advised by the RCMB that the process involved for the completion of event risks assessments includes consultation with the event sponsors and the RCMB WHS & Risk Officer. For sponsored events, the *Information on Events* document details that at a minimum, a RMP and a Site Plan are required.

While our review observed that WHS risks have been considered for all events, we identified instances where prominent WHS risks and/or controls had not been formally documented. For example:

- The 2019 NHMA National Rally’s risk assessment did not formally document risks and their appropriate controls for fire, environmental damage, aggressive behaviour, structural collapse of marquees, waste management, and lost children.

- The Murray Bridge Sufferfest Triathlon Festival included a children’s leg, but the RMP did not document the risks and controls associated with lost children and inappropriate dealings with children.

- The Murray Bridge Fringe, RMP did not formally document a number of risks and considerations relevant to the event including insufficient access for emergency vehicles and lost children. Additionally, appropriate controls were not documented relating to drug and alcohol related issues.

**Recommendation(s):**

It is recommended that the RCMB:

1. Implement processes to ensure that event risk management plans conducted are adequate.

2. Perform an internal self-assessment subsequent to the updates being made to the Event Management Framework. This should include a spot check for a sample of events that the event safety documentation has been sufficiently performed. A report of this review should be provided to the RCMB Event Steering Committee.

**Management comment(s):**

1. Agreed. Processes will be implemented and expectations clearly documented to ensure adequate completion of event risk management documentation is performed.

2. Six months after the updated event safety framework has been approved, an internal review will be performed by the RCMB with a report issued to the Event Steering Committee detailing compliance with the updated framework.
2. Limitations identified with current risk assessments

We were advised by the RCMB that a number of controls were put in place specifically to deal with alcohol and general public issues, however were not formally documented within the Murray Bridge Fringe RMP but were documented in the event plan.

In some cases these risks may have been informally identified, but the failure of staff to document controls and actions means that assessments and decisions are not recorded and risks may not be reduced to an acceptable level. As a result, WHS risks may not be appropriately identified, assessed and managed.

<table>
<thead>
<tr>
<th>Responsibility</th>
<th>1. Manager, Organisational Development</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2. Chief Executive Officer</td>
</tr>
<tr>
<td>Target date</td>
<td>1. 31 October 2019</td>
</tr>
<tr>
<td></td>
<td>2. 30 April 2020</td>
</tr>
</tbody>
</table>

Rating of internal audit finding: High
Likelihood: possible, Consequence: major
3. An overarching event strategy should be developed

<table>
<thead>
<tr>
<th>Finding(s) and impact:</th>
</tr>
</thead>
<tbody>
<tr>
<td>The RCMB does not currently have an overarching, standalone event strategy that sets out the RCMB’s vision, strategic objectives (and associated targets) and initiatives with respect to events held and sponsored by the RCMB.</td>
</tr>
<tr>
<td>Currently, the RCMB Event Steering Committee provides oversight for Sponsorship events, and the broader events program as a whole. The RCMB's Economic Development Strategy (2015-2030) also includes reference to events, including the aim to work with &quot;neighbouring Councils to develop and promote an integrated schedule of events that increases residential amenity and attracts tourist.&quot; The Business Plan also includes a key objective regarding the number of events to be held annually.</td>
</tr>
<tr>
<td>Through stakeholder meetings it was advised that it would be beneficial to re-assess the current portfolio of Council sponsored events and their alignment to the RCMB’s Strategic Plan (2016-2020) and other relevant Council community plans. From review of the 2018 Financial Year events, it was noted that a majority of events are sporting related, and approximately $300,000 of the approved $380,000 budget relates to these events.</td>
</tr>
<tr>
<td>It was further noted through stakeholder interviews, that the current portfolio of RCMB events includes a number of sponsored events that have rolled from year to year. This includes 11 out of 30 events that are repeated sponsorship</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Agreed Management action(s):</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Agreed. The development of a RCMB Event Strategy will be completed that incorporates what the RCMB is looking to achieve through its community, sponsorship and RCMB events. The Strategy will include key targets and key initiatives, and a roadmap for how the RCMB will achieve its objectives. The development of the Strategy will align with the RCMB’s 2024 Strategic Plan review.</td>
</tr>
<tr>
<td>2. Agreed. Subsequent to its development, the Event Strategy will be reviewed at regular periodic intervals.</td>
</tr>
</tbody>
</table>
## 3. An overarching event strategy should be developed

Agreements. As a result, there is a broader opportunity to reassess the current events program and how it aligns to RCMB’s Strategic Plan (2016-2020) and its four key pillars.

In the absence of an event strategy, there is a risk that the RCMB may not optimise the outcomes and benefits that can be achieved through its event management programs, or that the RCMB’s funding of events may not align to its overall strategic direction.

### Rating of internal audit finding:
- **Likelihood:** likely
- **Consequence:** minor

<table>
<thead>
<tr>
<th>Responsibility</th>
<th>Manager, Organisational Development</th>
</tr>
</thead>
</table>
| **Target date** | 1. 31 October 2019  
2. On-going |
4. Lack of formalised event management policies and procedures

**Finding(s) and impact:**

There is a lack of formally defined internal policies and procedures defining the guiding principles of the event management process at the RCMB. This includes the following items identified as not being formally defined:

- The level of documentation required for different categories of events, including traffic management plans, emergency management plans and communication plans
- Roles and responsibilities of staff involved in the event process
- Requirements including attendees and documentation for event debriefs
- Timelines associated with the event process.

Internal Audit observed that a new event application form, event planning checklist, and information on event guidelines have recently been developed. The checklist and application form were also noted as providing some detail on planning and practices to be implemented.

If the guiding principles for event management are not formally defined and documented, relevant event stakeholders may not be appropriately informed, and WHS and risk requirements may not be sufficiently assessed. This may potentially impact the efficiency of event planning and execution activities and safety risk management.

**Recommendation(s):**

It is recommended that the RCMB:

1. Develop an Event Management Policy and Procedure. The Policy should include at a minimum:
   - Introduction, guidance and key principles of the event management process.
   - Defined roles and responsibilities including those performed by the Events Coordinators, WHS and Risk Officers, Environmental Health Officers and the Communications Team.
   - Contain key definitions required to be understood during the event management process.
   - Approvals required at a Council level for Community, Sponsorship and Council events.
   - An indicative event timeline including key milestones.

2. Develop a clear process to agree and amend event management policies and procedures.

3. Re-enforce the requirement and timeframes stated within the policy throughout the event management process.

**Agreed Management action(s):**

1. Agreed. A formalised policy and procedure for the event management process will be developed.

2. External guidelines will be updated to reflect the internal policy and procedures to provide guidance and clarity for applicants.

3. The timeframe and requirements stated within the Policy throughout the event management process will be communicated and re-enforced with applicants.

<table>
<thead>
<tr>
<th>Responsibility</th>
<th>Manager, Organisational Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target date</td>
<td>1. 31 July 2019, 2. 31 October 2019, 3. 31 December 2019</td>
</tr>
</tbody>
</table>
5. Event outcomes are not defined and event post reviews are inconsistently performed

Finding(s) and impact:
Event goals and outcomes are not clearly defined within the Event Application Form, and are not always clearly articulated. Our review also highlighted that post event reviews are not always conducted, and minimal guidance is available to staff on post event review requirements. As a result, the RCMB may be unable to appropriately measure the benefits realisation of events, and understand what did and did not work well. It was also noted that a process is not in place to combine post-event review findings holistically across all events to assist in future event planning, and to ensure information sharing occurs across relevant areas of the Council.

During stakeholder meetings, it was advised that a post event review is conducted after the majority of major events with relevant stakeholders. However, it was observed that relevant stakeholders were not always included in the post event review process, including representatives from the Communications team and Environmental Health Officers.

Post event reviews meetings were also noted as not always being documented. A post event review was conducted after the Australian International Pedal Prix, however minutes from this meeting were not documented, and the lessons learnt were relayed in an internal stakeholder meeting at a later stage.

Recommendation(s):
It is recommended that the RCMB:

1. Develop event outcomes and goals for RCMB events as appropriate to the size and scale of the event. These goals should be agreed with event sponsors, and detailed within the event sponsorship agreement and/or internal event application.

2. Guidance is documented and developed around post event reviews, specifically outlining the requirement for:
   - A formal meeting to be conducted as appropriate to the size and scale of the event, and an electronic debrief for smaller events within a reasonable timeframe following the event
   - Relevant key event stakeholders to be included
   - The meeting to be documented and minutes distributed to relevant stakeholders.

3. All post-event reviews and their lessons learnt are documented and stored in a central register that is available to all Council staff involved within the event management process.

Agreed Management action(s):
1. Agreed. Event outcomes and goals will be developed and linked to the event strategy as appropriate to the size and scale of the event.

2. Agreed. Guidance around post event reviews will be developed which are appropriate for the size and scale for different event categories.

3. Agreed. Meeting minutes and sufficient documentation will be retained on file for post event reviews performed.
5. Event outcomes are not defined and event post reviews are inconsistently performed

<table>
<thead>
<tr>
<th>Responsibility</th>
<th>Manager, Organisational Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target date</td>
<td>31 December 2019</td>
</tr>
</tbody>
</table>

If event outcomes are not defined and post event reviews are not conducted consistently, then:
- Issues may not be assessed and improvement opportunities may not be identified to apply to future events.
- There is potential for inefficiencies to occur through missed opportunities to leverage from learnings of past events.

A requirement to consider these lessons could be included within the Event Checklist.

Rating of internal audit finding: Moderate
Likelihood: possible, Consequence: minor
6. Documentation of events requires improvement

Finding(s) and impact:

The documentation retention and records management of RCMB requires improvement. As at the time of our fieldwork, a number of event records were unable to be provided by the RCMB, these included:

- Planning meeting minutes for the 2018 Murray Bridge Christmas Pageant, 2018 Masters Games Opening Ceremony, Murray Bridge Fringe, Murray Bridge Sufferfest Triathlon Festival and the 2019 NHMA National Rally
- As noted above in Finding 1 and Finding 2, insufficient risk documentation was completed for three of the seven sampled events.

It is recognised that a recent change has occurred within Organisational Development and event management personnel at the RCMB. As a result of this transition, we were advised that there has been challenges in sourcing the documentation that was maintained by the previous staff member.

Documentation and retention is a key component of the event management process. Sufficient documentation is also a requirement for evidencing safety risk management, due care and other legislative requirements by the RCMB.

Recommendation(s):

It is recommended that the RCMB:

1. Clearly and consistently label event documentation to ensure all relevant employees and stakeholders involved in the event planning process can easily refer to and locate the stored documentation.
2. Event documentation requirements are included within the internal event procedure (refer finding 4 above).

Agreed Management action(s):

1. Agreed. An updated filing structure for the document retention for events will be developed. This will be done in consultation with the Records Management team.
2. Agreed.
7. Further opportunities to improve the event planning, communication and coordination processes

**Finding(s) and impact:**

The event planning checklist has recently been developed, which includes consideration of a number of key event actions. This checklist also includes consideration for the various teams across the RCMB which are involved in the event planning and execution processes.

During our review, it was identified that this checklist and the overall internal event planning process can be further improved by incorporating the following items:

- event schedule of activities
- all staff, contractors and entertainers involved and their inductions
- event budget
- emergency management plan
- security.

Through stakeholder meetings, it was advised that more regular event communications would be beneficial. This includes forward communications provided to relevant RCMB teams on upcoming events. For example, the environmental health team advised that early notice of upcoming events would help to ensure resource requirements for event activities including event food safety inspections and public amenities.

If event considerations are not detailed and documented relevant event stakeholders may not be informed within a timely manner.

**Recommendation(s):**

It is recommended that the RCMB:

1. Update the event planning checklist for the items noted in the observation. It is recommended that the checklist is tailored to the complexity and size of the event, and a streamlined checklist is used for smaller events.
2. Undertake regular communication with relevant stakeholders across the RCMB to formally discuss and plan for the upcoming portfolio of events.
3. Document all relevant employees and stakeholders involved in the event planning process.

**Rating of internal audit finding: PIO**

**Agreed Management action(s):**

1. **Agreed.** The event planning checklist will be updated for the items stated within the internal audit observation.
2. **Agreed.** Regular communication with relevant stakeholders will be undertaken across the RCMB which will include additional forward planning provided to relevant RCMB teams.
3. **Agreed.** Event plans will include documentation of identified key stakeholders and involved personnel, both internal and externally as required.
### 7. Further opportunities to improve the event planning, communication and coordination processes

<table>
<thead>
<tr>
<th>Responsibility</th>
<th>Manager, Organisational Development</th>
</tr>
</thead>
<tbody>
<tr>
<td>Target date</td>
<td>31 December 2018</td>
</tr>
</tbody>
</table>

Rating of internal audit finding: PIO
8. Further opportunities to measure event success through the development of KPIs and event satisfaction surveys

<table>
<thead>
<tr>
<th>Finding(s) and impact:</th>
<th>Recommendation(s):</th>
</tr>
</thead>
<tbody>
<tr>
<td>A standard set of event metrics has not been developed to measure event success. For a number of larger events, post event reviews have been performed, which has included reports provided by third parties including for the Pedal Prix and the Masters Games. In assessing success post event, the use of a standard set of metrics can be a helpful tool to assess the overall success of the event, including areas for improvement and what has worked well. If KPIs are not defined at the beginning of the event planning process, there is possibility for missed opportunities to grow the target audience and boost the event’s return on investment. was further observed that post event surveys have not been regularly utilised. Event surveys can be a useful tool to gauge the target audience’s overall experience of the event. Additionally, if attendee satisfaction is not measured post event, there may be missed opportunities in encouraging attendees to return for future events. However, it is noted that as a requirement of the sponsorship agreement, event organisers complete a post event acquittal for RCMB with an event specific assessment.</td>
<td>It is recommended that the RCMB: 1. Develop event specific KPIs to assist in measuring the success of events and providing an effective and appropriate analysis in the post event debrief. A reference of example event KPIs has been included at Appendix 1 for the RCMB’s consideration. 2. Work with event sponsors to develop and distribute an attendee satisfaction survey for events that can be sent to attendee’s post event to measure their overall experience.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Responsibility</th>
<th>Target date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Manager, Organisational Development</td>
<td>30 April 2020</td>
</tr>
</tbody>
</table>
Appendix 1 – Example event KPIs

Detailed below, a list of example event KPIs has been provided for RCMB’s consideration.

<table>
<thead>
<tr>
<th>Metric</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget</td>
<td>Delivery of the event within the allocated event budget.</td>
</tr>
<tr>
<td>Risk management</td>
<td>The event organiser complies with the relevant human resources and WHS policies and procedures as determined by Council.</td>
</tr>
<tr>
<td>Compliance with event</td>
<td>The Service Provider, as a minimum, develops and implements all tasks outlined within the event application form within the set timeframes.</td>
</tr>
<tr>
<td>requirements</td>
<td></td>
</tr>
<tr>
<td>Community engagement</td>
<td>Delivery of an event that caters for all ages and abilities</td>
</tr>
<tr>
<td>Social media engagement</td>
<td>Social media can be a strong indicator of customer engagement. Relevant measures include how many people shared images or videos of the event, how many people used a hashtag, or tagged the location of the event.</td>
</tr>
<tr>
<td>Number of returning attendees</td>
<td>Tracking and reporting of repeat attendance to events will help determine whether or not the event resonates with the target audience.</td>
</tr>
<tr>
<td>Attendee satisfaction surveys</td>
<td>Surveys are helpful to understand the attendee’s satisfaction and to learn what worked well and what did not. The data can subsequently be used to ensure future events are improved and exceed expectations.</td>
</tr>
<tr>
<td>Net Promoter Score</td>
<td>A score to measure the likelihood an attendee would recommend the event to someone else on a scale from 0-10.</td>
</tr>
<tr>
<td>Press and media coverage</td>
<td>The amount of press and media coverage can be a good indication of event success, and helps build knowledge of the event.</td>
</tr>
<tr>
<td>Total revenue</td>
<td>Develop an event budget and a goal for how much revenue the event plans to generate. Post event you can measure the overall expenses to the revenue produced.</td>
</tr>
<tr>
<td>Total ticket sales or</td>
<td>Indicates how many people are interested in your event, can be tracked across future events for comparisons. It is also beneficial to compare the number of registrants/tickets sold to the number of actual attendees.</td>
</tr>
<tr>
<td>registrations, and event drop</td>
<td></td>
</tr>
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<td>out</td>
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</table>

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Appendix 2 – Classification of internal audit findings

### Risk Assessment Matrix

<table>
<thead>
<tr>
<th>Risk Action</th>
<th>Consequence</th>
<th>Risk</th>
<th>Likelihood</th>
</tr>
</thead>
<tbody>
<tr>
<td>Activity A</td>
<td>Medium</td>
<td>High</td>
<td>H</td>
</tr>
<tr>
<td>Activity B</td>
<td>High</td>
<td>High</td>
<td>H</td>
</tr>
<tr>
<td>Activity C</td>
<td>Low</td>
<td>Low</td>
<td>H</td>
</tr>
</tbody>
</table>

### Risk Level

<table>
<thead>
<tr>
<th>Risk Level</th>
<th>Managing Risk - Priority Rating</th>
</tr>
</thead>
</table>
| SEVERE | 1. Add risk to Council’s Risk Register  
2. Escalate risk issue to Chief Executive Officer / Executive Management  
3. Chief Executive Officer / Executive Management to:  
a) Refer risk to risk owner  
b) Identify and develop treatment strategies for immediate action  
c) Monitor and review actions / strategies  
d) Ensure direction and information to relevant stakeholders including Audit Committee and Council |
| HIGH | 1. Add risk to Council’s Risk Register  
2. Escalate risk issue to Chief Executive Officer / Executive Management  
3. Executive Management to:  
a) Refer to risk owner  
b) Identify and develop treatment strategies with appropriate timeframes  
c) Monitor and review actions / strategies to manage risk to an acceptable level  
d) Ensure direction and information to relevant stakeholders including Audit Committee and Council |
| MODERATE | 1. Add risk to Council’s Risk Register  
2. Manage within Business Unit  
a) Identify and develop treatment strategies with appropriate timeframes  
b) Monitor and review actions / strategies to manage risk to an acceptable level  |
| LOW | 1. Undertake localised risk management & actions (if required)  
2. Review within the Business Unit parameters |

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Appendix 3 – Stakeholders

Detailed below, we have provided the list of stakeholders consulted as part of this internal audit.

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Martin Smallridge</td>
<td>Manager, Organisational Development</td>
</tr>
<tr>
<td>Matt Miles</td>
<td>Events Coordinator, Organisational Development</td>
</tr>
<tr>
<td>Melissa Watkins</td>
<td>WHS and Risk Officer, Organisational Development</td>
</tr>
<tr>
<td>Simone Zma</td>
<td>Senior Community Development Officer, Community Development</td>
</tr>
<tr>
<td>Paul Ankerson</td>
<td>Youth Officer, Youth Sport &amp; Recreation</td>
</tr>
<tr>
<td>Jeremy Byrnes</td>
<td>Environmental Health Officer</td>
</tr>
<tr>
<td>Emily Smith</td>
<td>Environmental Health Officer</td>
</tr>
<tr>
<td>Janice Blair</td>
<td>Team Leader, Communications</td>
</tr>
<tr>
<td>Jody Mills</td>
<td>Tourism and Events Officer, Organisational Development</td>
</tr>
<tr>
<td>Community Member</td>
<td>Local Community Member</td>
</tr>
</tbody>
</table>
18.  CONFIDENTIAL ITEMS

Section 83(5) of the Local Government Act states that the Chief Executive Officer may indicate on a document or report provided to members of the Council under subsection (4) (or on a separate notice) any information or matter contained in or arising from a document or report that may, if the Council so determines, be considered in confidence under Part 3, provided that the Chief Executive Officer at the same time specifies the basis on which an order could be made under that Part.

Cr Toogood moved

That:

Pursuant to Section 90(2) of the Local Government Act 1999 the Council orders that all persons, except (Michael Sedgman, Chief Executive Officer; Heather Barclay General Manager Assets & Infrastructure; Brad Warncken Senior Financial Analyst and Ros Kruger, Executive Officer Minute Secretary) be excluded from attendance at the meeting held on 1 May 2019 for agenda item/s:

18.1 DRAFT ANNUAL BUSINESS PLAN AND BUDGET 2019-20

This Council is satisfied that pursuant to Section 90(3) (b)(i) and (b)(ii) of the Local Government Act 1999, the information to be received, discussed or considered in relation to agenda item 18.1 is:

(i) information the disclosure of which could reasonably be expected to confer a commercial advantage on a person with whom the council is conducting, or proposing to conduct, business, or to prejudice the commercial position of the council; and

(ii) information the disclosure of which would, on balance, be contrary to the public interest.

Seconded by Peter Canaway and CARRIED
18.1 DRAFT ANNUAL BUSINESS PLAN AND BUDGET 2019-20

Author Nikki Page

Legislative (X)  Corporate ()  Other ()

Purpose
To seek the Audit Committee’s comments on the draft 2019-20 Annual Business Plan and Budget.

Background
The Annual Business Plan is Council’s statement of its intended programs and outcomes for the ensuing year. It links the Council’s longer term planning as set out in its strategic management plans, with the allocation of resources in its budget. It also establishes the basis for review of the Council’s performance over the year included in its Annual Report.

The document includes the following elements:
- a summary of the Council’s longer term objectives, as set out in its strategic management plans;
- the Council’s specific objectives for the next year against which its performance will be measured;
- the activities (services and projects) that the Council intends to undertake to achieve its objectives;
- a summary of the proposed sources of revenue for the year;
- the Council’s proposed approach to rating for the year and what it means for ratepayers.

The annual budget is Council’s statement of:
- its intended operating and capital expenditure as well as revenue sources to give effect to its annual business plan; and
- its projected financial position.

Proposed resourcing of the Annual Business Plan on matters such as project priorities and levels of service provision are subject to the funds available, as determined through the budget process and in the context of the Council’s long term financial and asset management plans.

Consultation must be undertaken on the draft Annual Business Plan in accordance with Council’s adopted Public Consultation Policy, the minimum requirements for which are set out in Section 123(4) of the Local Government Act.

The minimum consultation requirement comprises publication of a notice in the local press allowing at least 21 days for written submissions and/or verbal submissions at a public meeting. The public meeting may form part of a meeting of the Council. Section 123(5) requires that copies of the draft Annual Business Plan must be available at the meeting and for at least 21 days before the meeting. Section 123(5a) requires that the Council must also ensure that provision is made on its website, during public consultation, for a facility for asking and answering questions and the receipt of submissions. All submissions received must be considered by the Council in finalising the Annual Business Plan.

It is proposed that the consultation process will commence on 14 May and close on 3 June 2019.
Proposal
The plan has been developed for consideration by Council and is included separate to the agenda. The Plan aims to provide a clear understanding of the annual planning process from strategic planning through to measurement of organisational performance. It aligns with the Rural City of Murray Bridge Community Plan 2016-2032 and Strategic Plan 2016-2020 with key priorities being initiatives that promote economic development, asset management and supports business improvement initiatives such as the comprehensive review of the Community and Strategic Plans and Service Reviews.

Included in the draft Annual Business Plan for consultation is a listing of Capital and Key (annual operating) Projects for the community to provide feedback.

Council has budgeted to spend $43.6m in 2019-20 this includes $30.1m on Services and Key Projects and $13.5m on new assets and significant upgrades through the Capital Projects Program. The proposed Capital Program provides for $7.441k to be spent on the renewal and replacement of existing assets and represents an Asset Sustainability Ratio of 100%. The remaining $6085k is proposed to be invested in new infrastructure.

The Rates Revenue Forecast projected in Council’s adopted Long Term Financial Plan has been achieved through the growth and property value increases reflected by the property valuations returned by the Valuer-General. As a consequence the Annual Business Plan reflects Council’s decision to not increase rates in the dollar and to limit fixed charge increases to 2%.

The draft Annual Business Plan demonstrates Council’s commitment to delivering quality services, maintaining financial accountability and sustainability and working with our communities to secure a Proud, Safe and Progressive future for the Rural City of Murray Bridge.

Legislative Requirements
Section 123 of the Local Government Act 1999
(1) A council must have, for each financial year –
   (a) an annual business plan; and
   (b) a budget
(2) a public consultation process on the Plan of not less than 21 days,
(3) a public meeting to receive verbal comments on the Plan

It is a requirement that the Annual Business Plan be adopted, by resolution, on or before 31 August each year.

Council Policy
Community Engagement Policy #938924
Rating Policy #750841
Rates Financial Hardship Policy #704117

Financial Implications

Risk
To comply with the Local Government Act 1999 Council must endorse an Annual Business Plan for public consultation, conduct a public consultation process in accordance with the Community Engagement Policy and adopt the final Annual Business Plan by 31 August each year. This year it is planned for Council to adopt the Annual Business Plan on 11 June 2019.
WHS
No new risks are identified by staff.

Asset Management
Asset Management is a component of the Annual Business Plan.

Implementation Strategy
The following outlines the next steps for finalising the Plan –

- Subject to the outcome of the Council meeting on 13 May 2019, a three week community engagement process will commence on 14 May 2019, closing on 3 June 2019.
- A public meeting will be held on 3 June 2019 to consider public submissions and representations.
- Adoption of the Annual Business Plan, Budget, valuations and declaration of rates for 2019-20 is scheduled for 11 June 2019.

Communication Strategy
It is proposed that the Draft Annual Business Plan and Budget be available for public consultation between the 14 May – 3 June 2019, with a public meeting being held on 3 June 2019 in accordance with Section 123 (4) of the Local Government Act 1999.

A communication plan is being prepared that proposes the following:
1) a media release be drafted and circulated.
2) public notices and adverts be placed in the Murray Valley Standard newspaper
3) promotion of the consultation opportunity on the electronic sign board
4) the draft plan and a summary be made available on www.murraybridge.sa.gov.au from 14 May 2019.
5) Information on the draft Annual Business Plan and Budget 2019-20 with a link to the Plan on the website will be sent to:
   a) those people registered on the let’s talk website;
   b) RCMB Facebook page
   c) relevant interest groups and potential partners;
   d) all Council Staff.
6) copies of the draft plan to be made available for viewing in council offices and the library. It is also proposed to display posters in these locations to promote the community engagement opportunities.

Strategic Plan
Goal 5 - Our Commitment
5.4 - Transparent

Recommendation
1. That item number 18.1 on Confidential Audit Committee agenda of 1 May 2019 be received.
2. That the Audit Committee notes and provides feedback or comment on the draft Annual Business Plan 2019-20.
3. That having considered agenda item 16.1 Draft Annual Business Plan and Budget 2019-20 in confidence under Section 90(2) and Section 90(3) (b)(i) and (b)(ii) of the Local Government Act 1999, the Council, pursuant to Section 91(7) of that Act orders that the documents and/or minutes related to agenda item 16.1 be retained in confidence until all documentation relating to this order be reviewed every 12 months in duration or such lesser period as may be determined by the Chief Executive Officer.
Peter Canaway moved
1. That item number 18.1 on Confidential Audit Committee agenda of 1 May 2019 be received.
2. That the Audit Committee notes the draft Annual Business Plan 2019-20.
3. That having considered agenda item 16.1 Draft Annual Business Plan and Budget 2019-20 in confidence under Section 90(2) and Section 90(3)(b)(i) and (b)(ii) of the Local Government Act 1999, the Council, pursuant to Section 91(7) of that Act orders that attachment 1 be kept in confidence until the Annual Business Plan 2019-2029 has been adopted.

Seconded by Cr Thorley and CARRIED