

Membership:	The Lord Mayor 1 Council Member 3 External Independent Members 2 Proxy Council Members
Quorum:	3
Presiding Member	Mr David Powell
Deputy Presiding Member	Mr Ross Haslam
Members	The Right Honourable the Lord Mayor [Sandy Verschoor] Ms Paula Davies Councillor Hyde (Deputy Lord Mayor)
Proxy Members	<i>Councillor Knoll [proxy for the Lord Mayor]</i> <i>Councillor Couros [proxy for Councillor Hyde].</i>

1. Confirmation of Minutes – 7/2/2020

That the Minutes of the meeting of the City of Adelaide Audit Committee held on 7 February 2020 be taken as read and be confirmed as an accurate record of proceedings.

2. Acknowledgement of Country

'Council acknowledges that we are meeting on traditional Country of the Kaurna people of the Adelaide Plains and pays respect to Elders past and present. We recognise and respect their cultural heritage, beliefs and relationship with the land. We acknowledge that they are of continuing importance to the Kaurna people living today.

And we also extend that respect to other Aboriginal Language Groups and other First Nations who are present today.'

3. Presiding Member Reports

4. Workshops

4.1. Workshop – Fixed Asset Accounting Guidelines [2020/00273] [Page 3]

4.2. Workshop – Service Prioritisation [2017/03236] [Page 8]

5. CEO Update

5.1. Financial Impact COVID-19

6. Emerging Key Risks

- 7. Independent Member Discussion**
 - 8. Other Business**
 - 9. Item Seeking Exclusion of the Public (If required)**
 - 10. Confidential Item (if any)**
 - 11. Closure**
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Fixed Asset Accounting Guidelines

Workshop Purpose:

Review of the draft Fixed Asset Accounting Guidelines

PROGRAM: FINANCE AND PROCUREMENT

AUTHOR: Liz Packer

Audit Committee Meeting - Agenda - 27 March 2020

REVIEW OF THE DRAFT FIXED ASSET ACCOUNTING GUIDELINES | AUDIT COMMITTEE 27 MARCH 2020

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CORPORATE

Purpose

- Formally document the City of Adelaide's Fixed Asset Accounting Guidelines
- The guidelines will provide the approach to be followed by the City of Adelaide when accounting for non-current assets
- [Draft Fixed Asset Accounting Guidelines](#) link

Content

The Fixed Asset Accounting Guideline is a comprehensive document that covers:

- Asset recognition
- Treatment of expenditure after asset acquisition – capital vs non capital
- Classification of assets
- Depreciation, Useful Life & Residual Value of Assets
- Derecognition of Assets
- Revaluation
- Stocktakes
- Impairment
- Investment Properties
- Intangible Assets
- Work in Progress (WIP)

Feedback

Fixed Asset Accounting Guideline

- Internal CoA stakeholders
- Other Local Government Councils
- Other Capital City Councils
- External consultant review by Nexia Marshall Edwards

Next Steps

- Finalise guidelines
- Endorsement from Executive
- Approval from Council

KEY QUESTION

What feedback do you have on the Draft Fixed Asset Accounting Guidelines

KEY QUESTION

Any other considerations as part of next steps?

Audit Committee March 2020

Service Prioritisation

Workshop Purpose:

Audit Committee - Update on Service Prioritisation.

PROGRAM: Customer and People

AUTHOR: Vanessa Godden | APPROVING OFFICER: Clare Mockler

- Post the informal gathering with Council Members in October 2019, we developed an equitable approach to service prioritisation that allowed us to assess all 93 services delivered by the City of Adelaide.
- This detailed piece of work has been summarised for the purposes of providing greater context on our services in alignment with the presentation of the 2020-21 Operating Budget (which has been built at a Service Category level).
- We acknowledge that the prioritisation approach we have taken is the beginning of a more detailed process and that further work will be required to enhance our service based knowledge including, but not limited to, an assessment of public value.
- The information in this workshop demonstrates where we have identified the **opportunity to make changes** to the services we deliver **within 3 key areas only**:
 1. Council's role in the delivery of the service and the level of service we provide
 2. How we deliver the service (e.g. co-delivery, insourcing versus outsourcing etc).
 3. Opportunities to commercialise a service offering.
- The output of this model has been based on what is **theoretically** possible within the boundaries of legislation, council policy and or strategy.
- We acknowledge that an understanding of **public value** is a critical element that is necessary for future decision-making about services and we commence engagement on this element as part of the 2020-21 budget consultation.
- This workshop seeks to share information, and seek your input on, the opportunities we have identified to progress to a service review process following the initial prioritisation.

The prioritisation of services has been based on where we have the **opportunity** to make changes to the services we offer, within the boundaries of;

- Council's role and where this is defined (i.e. legislation / Council Strategy or Policy)
- Levels of service and the barriers to change (i.e. legislation/ council strategy/ Long Term Contracts)
- Risk in regards to changing council role or level of service and or how we deliver services.
- Opportunities to commercialise a service offering, and
- Potential level of financial return and ease of realisation (timing) if changes were to be pursued.

While systematic and equitable across all 93 services, this is a theoretical process and would require an in depth review to validate the estimated outcomes prior to working to realise the potential identified return as well engagement with the community on their expectations regarding levels of service.

The option to remove services has not been considered as part of this process as this would require further insight into public value and service levels prior to integrating this information.

Future opportunities that will enhance our knowledge of services

- **Public Value Assessment** – Understanding what services are important to our community.
- **Detailed Service Demand Planning** – Identifying the future state of services including what will be required, at what level, community expectation on service standards, and the scale of the service being provided.

CITY OF ADELAIDE Service Assessment

This survey has been designed in response to Council Member's and Audit Committee's request to identify opportunities for efficiency and effectiveness in the delivery of our services.

The questions outlined below help us to identify quick wins and strategically prioritise future opportunities.

Hi Matthew, when you submit this form, the owner will be able to see your name and email address.

* Required

Service Identification

Please enter below the service name and associated code so that we can identify which service your survey responses align with.

1. Service Name (This should be in alignment with the Service Directory) *

2. Service Code (As Provided) *

Next

This figure represents the top 50 services identified within the prioritisation framework at a category level.

These services returned the highest overall **opportunity** score in regards to the ability to change a service within the boundaries of legislation, current council policy and or strategy.

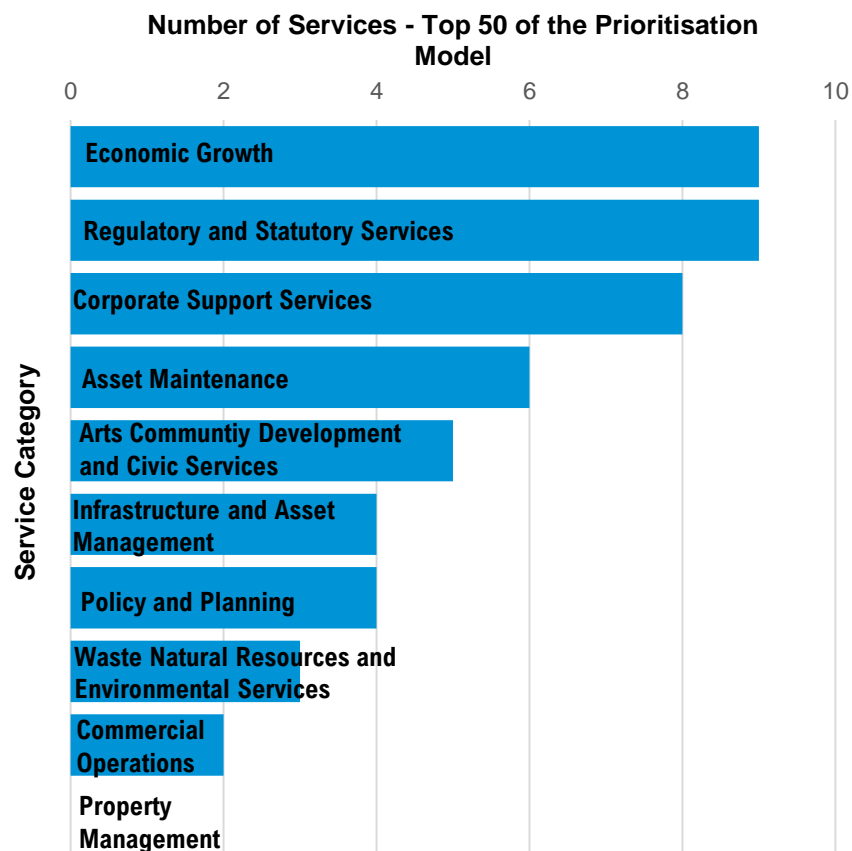
Opportunity to make changes at a service level principally refers to two things:

- A change in level of service provision and/or,
- A change in how we deliver a service.

The top 5 Service Categories that identified opportunity to make change were:

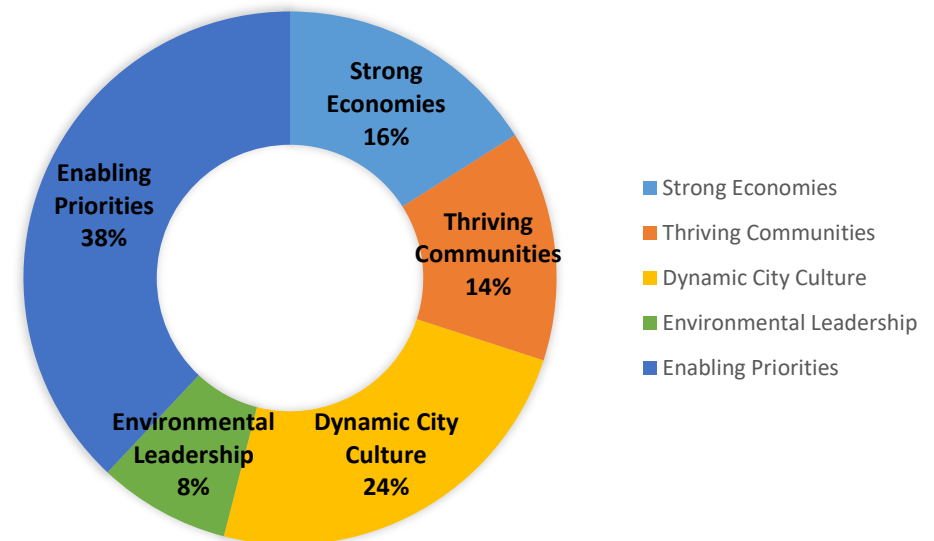
1. Economic Growth
2. Regulatory and Statutory Services
3. Corporate Support Services
4. Asset Maintenance
5. Arts Community Development and Civic Services

Top 50 Services Represented by Service Category



- The top 50 services (identified by category on the previous slide) have been mapped in alignment with the 2020-24 Strategic Plan Outcomes.
- These are the services that have been identified as having the greatest opportunity for change.
- The majority of prioritised services align with Enabling Priorities
- We would look to commit to prioritising the review of those enabling services, which come from numerous categories such as;
 - Corporate Support Services
 - Economic Growth
 - Infrastructure and Asset Management
 - Regulatory and Statutory Services
- There is a link between the capacity to deliver on community expectation through the support given by our enabling services.
- We would therefore need to balance efficiencies with our ability to continue to meet community expectations.
- We also commit to build a greater understanding of public value to feed the priority of future service reviews

TOP 50 SERVICES REPRESENTED IN THE CONTEXT OF THE 2020-24 STRATEGIC PLAN



Community consultation on the 2020-21 Budget will gather an initial understanding of public value in relation to our service categories.

It is currently proposed that each service category will be represented by one statement that describes the value that the community receives from each category.

Based on the 10 statements we will be seeking insights on:

- What's important to the community, ranking each statement from 1 through 10; and
- What's performing well vs not performing in their view, again ranking each statement from 1 to 10.

Based on the value statements we will also seek input from the community on where they would prioritise investment.

This approach will provide high level insight into the public value on our services to inform future decision-making.

Next Steps;

1. Review key services within the Enabling Priorities outcome of the new Strategic Plan.
2. Continue to increase our assessment of public value – understanding what services are important to our community.
3. Build service performance monitoring in alignment with the new strategic plan.
4. Build an approach to ongoing service demand planning – identifying future state of services including what will be required, at what level.
5. Continue to explore through the service review process the opportunity for financial return within the top 5 categories identified.
6. Present back to Council and Audit Committee the outcomes of any review processes in relation to a change in levels of service or mode of service delivery