



Emergency Management

Internal Audit Report

City of Adelaide

May 2024



Acknowledgement of Country

KPMG acknowledges Aboriginal and Torres Strait Islander peoples as the First Peoples of Australia. We pay our respects to Elders past, present, and future as the Traditional Custodians of the land, water and skies of where we work.

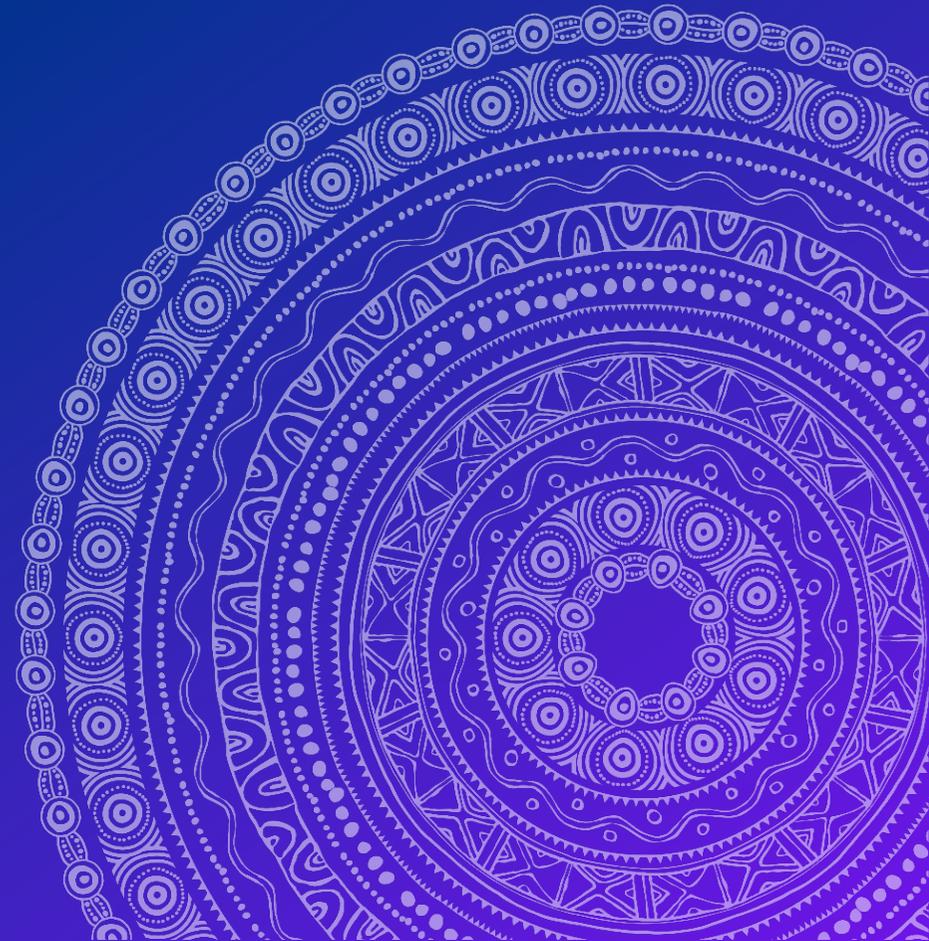
At KPMG, our future is one where all Australians are united by a shared, honest, and complete understanding of our past, present, and future. We are committed to making this future a reality. Our story celebrates and acknowledges that the cultures, histories, rights, and voices of Aboriginal and Torres Strait Islander People are heard, understood, respected, and celebrated.

Australia's First Peoples continue to hold distinctive cultural, spiritual, physical and economical relationships with their land, water and skies. We take our obligations to the land and environments in which we operate seriously.

Guided by our purpose to 'Inspire Confidence. Empower Change', we are committed to placing truth-telling, self-determination and cultural safety at the centre of our approach. Driven by our commitment to achieving this, KPMG has implemented mandatory cultural awareness training for all staff as well as our Indigenous Peoples Policy. This sincere and sustained commitment has led to our 2021-2025 Reconciliation Action Plan being acknowledged by Reconciliation Australia as 'Elevate' – our third RAP to receive this highest level of recognition. We continually push ourselves to be more courageous in our actions particularly in advocating for the Uluru Statement from the Heart.

We look forward to making our contribution towards a new future for Aboriginal and Torres Strait Islander peoples so that they can chart a strong future for themselves, their families and communities. We believe we can achieve much more together than we can apart.

*This acknowledgement of country has been developed within KPMG Indigenous Network (KIN) should you wish to modify the wording please reach out for consultation of the KIN. The KIN is a culturally safe and supportive space for Aboriginal and Torres Strait Islander colleagues from all geographies, divisions, and levels of the firm and you can get in touch by emailing smoates@kpmg.com.au



Contents

01	Executive Summary	4
02	Background	5
03	Detailed Findings	8
05	Appendices	18

Executive Summary

In accordance with the 2023/24 Internal Audit Plan for the Corporation of the City of Adelaide (CoA), an internal audit focusing on the policies, processes, risks and controls relating to Emergency Management was performed. The objective, scope and approach for this internal audit project are outlined below.

Objective

The objective of this internal audit project has considered the CoA’s framework and processes for Emergency Management, including an assessment of the CoA’s emergency response plans for appropriateness including associated development and maintenance processes.

Scope

The scope of this internal audit has considered the CoA’s processes, practices and systems in relation to Emergency Management, with a specific focus on the following:

- Framework: Governance and management controls, policies and procedures and identification of roles and responsibilities.
- Risk identification and Business Impact Assessment: Identification and assessment of risks and disruption scenarios, critical business process and functions and key IT systems/services supporting critical functions.
- Plan development: Identification and high-level assessment of recovery strategies included in the Emergency Management Plan, plan maintenance procedures and version control.
- Recovery plans: Recovery objectives, strategies and dependencies, procedures for activation, prioritisation, backup and restore action procedures, community recovery strategies, resourcing of emergency response team, agreements with third party suppliers and alignment to the Emergency Management Plan.
- Exercising: Exercise and test strategies for Emergency Management, including the development of exercise plans, execution to validate plans and recovery capabilities and reporting of exercise and test results.
- Continuous improvement: Review and improvement cycle for Emergency Management and business continuity and staff awareness and training.

Scope exclusions:

Detailed assessment of emergency response plans for appropriateness and detailed assessment of, or consultation with, third party stakeholders (i.e. adjacent Councils or Emergency Services).

A detailed list of the scope and approach are included in Appendix 2.

Positive Observations

The CoA has developed and implemented a range of initiatives to further develop and improve their Emergency Management procedures over the last few years. Several positive observations during our review were identified regarding the CoA’s Emergency Management, which are outlined below:



The CoA has developed an Emergency Management Steering Committee which includes attendance from Senior Management, the current Council Commander and representatives from the subsidiaries at Rundle Mall and Adelaide Central Market Authority. The Committee meets quarterly to discuss key emergency topics impacting the CoA. Emerging Risks is a standard agenda item that is covered within this Committee to ensure the CoA is well prepared for all new potential emergencies.



Council Commanders are selected based on capabilities as opposed to hierarchy. This is to ensure that Council Commanders have a clear understanding and solid knowledge base to be applied in the event of an emergency.



The CoA has delivered and is planning to deliver further scenario-based Emergency Management exercises simulating Emergency Management scenarios to internal Council employees and external stakeholders, including neighbouring Councils. Exercise scenarios including emerging responses to earthquakes, bomb threats and active shooters have either been completed or planned. Post-exercise completion, the CoA develops debrief papers which are circulated to relevant key stakeholders.



A comprehensive and mature suite of draft Policy, Procedures and Plans has been developed and adapted within the CoA regarding Emergency Management. This documentation has provided critical key information such as checklists for a range of roles that can be utilised in the event of an emergency.

Key Findings and Recommendations

The number of findings identified during the course of this internal audit is shown in the table below with detail of the findings in this report. Classification of internal audit findings are detailed in Appendix 3. These findings and recommendations were discussed with the CoA Management. Management has accepted the findings and has agreed action plans to address the recommendations.

Critical	High	Moderate	Low	PIO
-	-	3	3	1

Background

Due to the COVID-19 pandemic, planning Emergency Management responses has received increased focus by organisations globally. The Commonwealth National Emergency Declaration Act 2020, introduced in response to the pandemic, prescribes duties to be undertaken in ‘preparation, response and recovery of emergencies that are likely to cause harm’ if a national emergency such as a global pandemic is declared.

In addition to Commonwealth legislation, councils must abide by local South Australian laws, regulations and directions regarding Emergency Management. Previous state-based emergencies impacting the CoA include major flooding and power outages.

The CoA is a unique organisation given the Council is responsible for employee and community safety, requiring strong Emergency Management protocols. The CoA has a wide range of controls and policies in place to effectively manage emergencies when they occur.

Preparation & Response of Emergencies

In the event of an emergency, the CoA has a range of obligations and actions to undertake to maintain the safety and wellbeing of residents and visitors. As part of the CoA’s effective response protocols, the CoA has appointed six Council Commanders that are tasked with activating the Council Incident Management Team (CIMT); the Council Commander is responsible for executing activities to manage emergencies.

The appointed Council Commander is supported by advisors that assist with decision-making on behalf of the CoA in an emergency, minimising impact to the CoA’s business operations and ensuring the safety of staff, Council residents and the public. Dependant on the nature of the emergency, the Council Commander will elect advisors with appropriate experience and expertise in order to effectively respond to the emergency on behalf of the CoA. This structure closely aligns to the Incident Management structure used by Australian Emergency Services under the Australian Interservice Incident Management System (AIIMS).

Policy and Procedures

Governance of Emergency Management across the CoA is spread across a suite of plans, policies and procedures which are managed by various areas across the organisation. The below list is the suite of the CoA’s key Emergency Management artefacts:

- BCP & IT Disaster Recovery Plan
- Crisis Communication Guidelines
- CoA Emergency Management Plan
- CoA Emergency Operations Manual
- CoA Leadership Management Process
- Workplace Emergency & Evacuation Plans
- Workplace Emergency Guideline

Governance

Emergency Management Steering Committee: The CoA has implemented an Emergency Management Steering Committee which meets quarterly to provide strategic planning for workplace emergencies and Emergency Management activities. Committee attendees include a key team member from each business unit, typically a member of the Senior Leadership Team (SLT), as well as the active Council Commander. This Committee provides an opportunity for a representative from each business unit to discuss key items impacting Emergency Management including trends and emerging risks.

Strategic Risk and Internal Audit (SRIA): The SRIA monthly meetings include a range of standing agenda items that address emergency related items such as: New Emerging Risks, Watch List, Emergency Management, High Risk items, etc. These standing agenda items provide an opportunity to discuss mitigation strategies for risks that may arise in a future emergency.

Training and Education

Council Commanders are required to undertake specific training which is conducted by the Local Government Association (LGA). This training is conducted in a group setting with trainees from a variety of councils from across South Australia. The selection process for the CoA staff to undertake the Council Commander role is dependent on their experience and capabilities.

The CoA has recently conducted Exercise Crumble, a scenario-based planning training exercise that simulated emergency responses in the event of an earthquake. Several external stakeholders were invited to take part in this exercise including SAPOL and neighbouring council, the City of Charles Sturt. The purpose of this collaborative exercise was to test the CoA’s response to an emergency at a localised-level and collaborate with relevant external stakeholders in workshopping an Emergency Response Plan. From discussions with stakeholders and participants, they advised that there is a desire to continue delivering scenario-based training due to the success and value delivered in Exercise Crumble.

Background

Recent Timeline of the CoA's Emergency Management Roadmap

Since the COVID-19 global pandemic expectations on Emergency Management have shifted for many organisations in Australia as challenges from COVID-19, Australia's decline in skilled labour and evolving regulatory processes, such as the 'Right to Disconnect' Fair Work Act provision, continue to impact business continuity planning.

The shift in attitudes towards organisational working culture can impact how Australia's workforce, including the CoA, view the criticality of Emergency Management to provide a structured framework for decision-making at a time when the CoA requires greater agility to respond to emergency incidents and ongoing challenges.

The timeline of key incidents impacting the CoA's Emergency Management maturity is captured below.

2017

- KPMG performed an internal audit on Emergency Management.
- It was identified that clarity on roles and responsibilities and improving resourcing needs was required to uplift Emergency Management protocols.
- This led to the creation of documents including the Crisis Communication Plan to further enhance and clarify roles and responsibilities.
- Additionally, the CoA improved their Emergency Management resourcing model.

2019-2020

- The CoA last reviewed and updated Emergency Management policies, procedures and processes in 2019, incorporating recommendations from the 2017 Internal Audit report.
- In March 2020, an unprecedented worldwide emergency was experienced as the COVID-19 global pandemic was declared, changing the landscape of organisational working globally.
- The pandemic greatly impacted the CoA's operations to provide services to the community and rapidly demanded enhanced Emergency Management protocols.

2024

- Emergency Management does not have a distinct operational arm despite it being critical to core operations. Additionally, Emergency Management resourcing is shared with security management.
- Whilst Emergency Management activities are currently operating well, there is an opportunity to implement additional resources to further enhance the CoA in their journey towards maturing Emergency Management protocols and procedures.
- The CoA has introduced scenario-based training exercises to emergency incident response knowledge across the CoA.

The Roadmap Forward

The CoA has recognised the need to further improve Emergency Management protocols since previously updating documents and procedures in 2019, prior to the pandemic. The current drafted documents demonstrate that the CoA has a mature environment to respond to various types of emergencies from cyber-attacks to natural disasters. It was observed that key stakeholders are adequately prepared and have the supporting tools and resources to effectively perform duties with minimal impact to the CoA's day-to-day operations in an emergency. Additionally, the CoA has planned and executed training initiatives to further enhance and develop their responses to emergencies.

The roadmap forward requires the CoA to continue the journey of uplifting Emergency Management processes, practices and systems to further improve Emergency Management maturity levels. This involves aligning response procedures across all Council functions to ensure widespread adequate preparation in responding to and managing any type of emergency alongside continuing business operations and delivering services to the community.

Internal Audit Findings

Internal Audit identified three (3) moderate risk-rated findings, three (3) low risk-rated finding and one (1) performance improvement opportunities (PIO). The details of the findings are provided in the 'Detailed Findings' section of this report. These findings have been individually rated as follows:



Rating	Ref #	Description
Moderate	F1	Further Emergency Management training and education of staff is required
Moderate	F2	Emergency Management Policies, Procedures and Plans require improvement
Moderate	F3	Consideration of sustainable resourcing and workforce planning is required to elevate Emergency Management readiness and execution of roles and responsibilities
Low	F4	Diversification of mobile phone providers
Low	F5	Update and integrate business continuity processes into tools supporting Emergency Management
Low	F6	There is a desire and need to increase the frequency of communication between Council Commanders
PIO	PIO 1	Opportunity to improve communication of Emerging Risks and Watch List throughout the organisation

Detailed Findings

Observations and Recommendations

Rating: Medium

Finding 1: Further Emergency Management training and education of staff is required

Observations	Recommendation(s)	Agreed Management Actions
<p>Whilst Emergency Management training is currently provided to relevant CoA staff, several areas were identified to uplift current training provided. This included inconsistencies and gaps identified in the delivery of Emergency Management training across the CoA.</p> <p><u>Council Commanders Refresher Training</u></p> <ul style="list-style-type: none"> • Council Commanders are only required to participate in one Local Government Functional Support Group (LGFSG) training prior to becoming a Council Commander. There can be long periods elapsing between when Council Commanders have received initial training and when they are rotated into the activated Council Commander role. • Whilst Council Commanders have a strong understanding of their responsibilities in the event of an emergency, a lack of understanding of some critical processes was observed i.e., accessing contact details to communicate information to employees. • Additionally, it is noted that due to the variety of the CoA locations (Depot, Community Centres, Town Hall) there is an opportunity for Council Commanders to get an understanding of each site to ensure Council Commanders have knowledge of each site in the event of an emergency. <p><u>CoA Staff Emergency Response Training</u></p> <ul style="list-style-type: none"> • Emergency Management information provided to staff through training on responding to incidents can be further uplifted. Staff are well trained in how to respond in an orderly manner during a building evacuation initiated via an alarm in several scenarios including fire and earthquakes. However, training should distinguish as to how staff should respond to a soft evacuation in comparison to a life-threatening emergency. • It was observed that current policies, including the Workplace Emergency Evacuation Plans do not consider soft evacuation protocols that align to the CoA's Business Continuity Plan. For example, it is not documented in evacuation procedures that in a soft evacuation all workers must safely evacuate Council premises with laptops and/or other important working materials so they are able to continue working remotely. • Additionally, it is not documented that the CoA staff are to bring their necessary personal belongings in a soft evacuation to ensure they can safely access their homes (i.e. keys, bus card, credit card, ID, phone, medical devices (e.g. EpiPen, asthma inhaler). The lack of understanding of these processes may impact on the ability to continue critical business operations and provide services. <p style="text-align: right;"><i>(Continued on next page)</i></p>	<p>It is recommended that the CoA:</p> <ol style="list-style-type: none"> 1. Update current Workplace Emergency Evacuation Plans to include clear guidance on: <ol style="list-style-type: none"> a. In the event of an emergency on Council premises and a soft evacuation is required, laptops and all personal essential belongings must be taken to ensure there is minimal disruption to ongoing business operations. b. Evacuation accessibility in processes for non-ambulant staff. 2. Uplift the training/induction pack to include: <ol style="list-style-type: none"> a. How to execute an orderly shut-down of work procedures including which belongings must be taken (i.e. laptop). b. Define and distinguish the difference in emergency response processes for a soft evacuation and a life-threatening evacuation. c. Information on Council Commanders i.e. who they are, what their role is, when they should be contacted and how they should be contacted. 	<ol style="list-style-type: none"> 1. Corporate Governance will update all Workplace Emergency Evacuation Plans to include: <ol style="list-style-type: none"> a. Clear guidance on soft evacuations and what equipment can be considered to be taken with the staff member. b. Processes for non-ambulant staff. 2. All training/induction pack will be updated to include: <ol style="list-style-type: none"> a. Shutdown of work procedures. b. Soft evacuation. c. Council Commanders (direction to be given how to find information on Emergency Management). 3. Consideration will be given to tailoring specific training for certain groups with Council / locations etc. 4. Refresher courses will be investigated with the LGFSG for Council Commanders and tailoring it to Local Government. <p><i>(Continued on next page)</i></p>

Observations and Recommendations

Rating: Medium

Finding 1: Further Emergency Management training and education of staff is required

Observations	Recommendation(s)	Agreed Management Actions
<p><u>CoA Staff Emergency Response Training (continued)</u></p> <ul style="list-style-type: none"> The CoA Management are committed to educating staff on how to properly evacuate in an emergency in a safe and informed manner. It is acknowledged that the Coordinator, Security and Emergency Management has identified these deficiencies in current procedural documentation alongside opportunities to further improve processes for an orderly shut-down of work procedures that are inclusive for non-ambulant staff. Further, it is understood that evacuation training delivered to the City Library in February 2024 included consideration of preparing an ‘emergency bag’ to bring when evacuating buildings. <p><u>Council Commanders’ roles in Emergency Management requires clarification</u></p> <ul style="list-style-type: none"> From consultations performed, it was expressed that inductions should include information on the role of Council Commanders in the event of an emergency. It was observed that some staff cannot distinguish between the role of a Council Commander and Fire Warden in a Fire Evacuation as they do not have clarity over roles and responsibilities. 	<ol style="list-style-type: none"> With consideration to resourcing and capacity, it is recommended the Council considers adapting its Emergency Management training structure to include scenario-based planning exercises that are tailored to specific functions as part of overall periodic Emergency Management training. Provide a refresher training to all Council Commanders on core Emergency Management processes based on the Council’s Emergency Operations Centre (CEOC). This includes: <ol style="list-style-type: none"> Specifically tailoring training to incident response management for localised emergencies as identified as risks specific to the CoA. At a minimum, refresher trainings should be provided annually. Require Council Commanders to visit the CoA’s primary operational sites such as the depot to understand how the site operates by performing tests on shift i.e., checking access keys work and checking the black boxes are in appropriate locations. 	<p>Responsibility:</p> <ol style="list-style-type: none"> Manager Governance Manager Governance Manager Governance Manager Governance <p>Target Dates:</p> <ol style="list-style-type: none"> 31 December 2024 30 September 2024 30 June 2025 31 December 2024
<p>Risk(s)</p> <p>Limited Emergency Management training and education for the CoA staff may cause a risk of:</p> <ul style="list-style-type: none"> Lack of knowledge of the CoA Emergency Management processes and controls which may lead to ineffective Emergency Management by the CoA individuals. The CoA staff, including Council Commanders, may be unclear on roles and responsibilities regarding Emergency Management which may expose CoA staff to greater risk. The absence of continuous training can create a gap in skills, knowledge or updated Emergency Management approaches which may result in a Council Commander being inadequately prepared to responded to an emergency when rostered. 		

Observations and Recommendations

Rating: Medium

Finding 2: Emergency Management Policies, Procedures and Plans require improvement

Observations	Recommendation(s)	Agreed Management Actions
<p>The CoA is currently reviewing and updating Emergency Management artefacts to support the improvement of the Emergency Management process. The Council previously updated their Emergency Management processes including policies, procedures and plans in 2019, incorporating recommendations made in the previous internal audit conducted in 2017.</p> <p>The following inconsistencies were identified in the CoA's current Emergency Management framework:</p> <ul style="list-style-type: none"> A range of key Emergency Management policies, plans and procedures are incomplete and remain in draft. This includes the Emergency Management Plan that has been in draft since November 2022. Additionally, there are outdated references to processes that are no longer observed by the Council contained within the framework. For example, i-responda is referenced within policies and procedures such as the Emergency Management Plan. However, stakeholder consultations have confirmed that i-responda is not used by the Council in Emergency Management processes. The Business Continuity Plan (BCP) was not reviewed in December 2023 as outlined in the BCP, noting reviews should occur annually. The last BCP review was conducted in December 2022. As a result, core artefacts linked in the BCP including the Staff and Volunteer Contact List (Phone and Email) and Text Out Procedure are outdated. Similarly, the IT Disaster Recovery Plan (ITDPR) was last reviewed in April 2023, yet the ITDPR outlines that reviews should occur every 6 months. The ITDPR missed review in October 2023, noting the next 6-monthly review occurs in April 2024. A Community Recovery Strategy has not been developed. However, it is referenced within the Council Strategic Risk Opportunity Register as a risk mitigation for the City Emergency risk. <p>It is acknowledged that the finalisation of Emergency Management documents, in particular the Emergency Management Plan is at the forefront of the Risk function's agenda. Presently, they have limited resourcing and capacity to execute (refer to Finding 3).</p> <p>Risk(s)</p> <ul style="list-style-type: none"> Lack of accuracy and completeness in key Emergency Management policies, plans and procedures presents a risk that Council staff may not be adequately informed to respond to emergencies. Additionally, the misalignment of documentation across Council may cause confusion amongst staff when responding to an emergency. 	<p>It is recommended that the CoA:</p> <ol style="list-style-type: none"> Follow a refresh process that applies to other policies, procedures and manuals at the Council (i.e. refresh emergency procedure documentation every term). Dedicate resourcing to update and review policies, procedures and plans in draft state for relevance. This may require additional resources to share responsibilities of the Risk and Audit Analyst reducing additional workload (refer to recommendations in Finding 3). 	<ol style="list-style-type: none"> The CoA will review, update and finalise all Emergency Management policies and operating guidelines and ensure there is a review period included. Consideration will be given to identify resourcing capacity to assist with the update and review of policies, procedures and plans. <p>Responsibility:</p> <ol style="list-style-type: none"> Manager Governance Manager Governance <p>Target Dates:</p> <ol style="list-style-type: none"> 31 December 2024 30 June 2024

Observations and Recommendations

Rating: Medium

Finding 3: Consideration of sustainable resourcing and workforce planning is required to elevate Emergency Management readiness and execution of roles and responsibilities

Observations

During discussions with key stakeholders, it was observed that the activities required for effective Emergency Management may not be sustainable given the demand and breadth of current key activities. Further, Emergency Management is only effective if the CoA has experienced and trained staff with adequate knowledge to respond to an incident.

The responsibility of Emergency Management is assigned to the Coordinator, Security and Emergency Management, with risk based and documentation activities shared between the Team Leader Governance & Legal and Risk & Audit Analyst. It is acknowledged that prior to the current Coordinator, Security and Emergency Management joining the Council in December 2022, the role of Security Coordinator did not contain Emergency Management tasks such as training fire wardens and facilitating scenario planning exercises.

Specifically, our review noted the following:

- The CoA has contracted external providers (Fire Safety Australia and First Five Minutes) to provide fire safety exercises. Outsourcing fire training exercises may not ensure that knowledge is internally maintained by the CoA, can be costly and does not provide tailored training to the CoA's premise requirements. It is acknowledged that the Council is of a size where internalising fire training exercises rather than outsourcing is feasible, as funds can be redirected to support an internal and tailored service whilst still meeting necessary standards.
- Presently, key personnel currently assigned to update and review the large suite of critical Emergency Management documents and procedures do not have capacity due to other work commitments and priorities. This has resulted in delays in updating revisions to documents (refer to Finding 2 for synergies). Documents include:
 - Emergency Management Plan.
 - Council Emergency Operations Manual.
 - Business Continuity Plan.
 - Community Recovery Strategy.
- The Council has experienced a recent turnover of experienced staff trained as Council Commanders, resulting in the need to train new Council Commanders to fulfil this role. It was noted that the Council is experiencing a higher rate of attrition relative to their acceptable tolerance level.
- Relying on core team members to complete several critical roles can create a key person risk. If these core team members were unable to continue performing their role, the Council may be impacted as other staff may not have a requisite knowledge to fulfil these roles.

(Continued on next page)

Recommendation(s)

- It is recommended that the CoA:
1. Consider Emergency Management as an operational arm within the overall governance structure as it represents core business operations.
 2. Have a dedicated Emergency Management resource governed by the current responsible function.
 3. Perform a cost/benefit analysis considering whether it is value-accretive to have a dedicated Emergency Management resource fulfil this role as opposed to outsourcing/contracting emergency response exercises.
 4. Dedicate resourcing to update the critical suite of Emergency Management documentation and tools that requires periodic review and ongoing management. For example, updating the Business Continuity Plan (BCP) to include changes to key contacts mobile numbers. This BCP will need to be updated on Council Commander USBs (refer to recommendation 3 for further details).

Agreed Management Actions

1. The governance structure will be considered after the currently vacant position of Manager Governance is filled.
2. The governance structure will be considered after the currently vacant position of Manager Governance is filled.
3. In conjunction with the review of the governance structure a cost/benefit analysis will be undertaken to determine whether in-house resourcing is supported for the delivery of exercises which are currently outsourced.
4. The governance structure will be considered after the currently vacant position of Manager Governance is filled.

Responsibility:

1. Manager Governance
2. Manager Governance
3. Manager Governance
4. Manager Governance

Target Dates:

1. 30 June 2025
2. 30 June 2025
3. 30 June 2025
4. 30 June 2025

Observations and Recommendations

Rating: Medium

Finding 3: Consideration of sustainable resourcing and workforce planning is required to elevate Emergency Management readiness and execution of roles and responsibilities

Observations	Recommendation(s)	Agreed Management Actions
<p>• A large number of the Council’s workforce is expected to retire within the next five years. This could impact the CoA through the loss of experience and knowledge across all areas of the business, including understanding the processes and intricacies of their business area to respond to incident and Emergency Management.</p> <p>Risk(s)</p> <p>Increasing individual workloads with responsibilities by amalgamating Emergency Management activities within existing functions may result in:</p> <ul style="list-style-type: none"> • Capacity limitations to execute all activities, including procedures becoming out of date due to insufficient time to document procedural documentation updates. • The creation of a key person risk as only few select individuals have the skills, knowledge and competencies to perform activities related to managing, monitoring or responding to emergencies and incidents. 		

Observations and Recommendations

Rating: Low

Finding 4: Diversification of mobile phone providers

Observations	Recommendation(s)	Agreed Management Actions
<p>The majority of the CoA staff mobile phones are with the network service provider Optus. Concentrating mobile phones to a single service provider creates potential issues if the network fails.</p> <p>In the event of contacting a Council Commander during an emergency, calls are diverted to their mobile phones in which the service provider is Optus. As the cards are not dual simmed devices, if Optus experiences an outage, then the Council Commanders cannot be contacted.</p> <p>KPMG raised this finding in the 2017 Emergency Management Internal Audit Report. Since the previous review undertaken, Optus experienced a nationwide outage of mobile phone and internal services in November 2023. The outage impacted approximately 10 million Optus customers as well as hundreds of thousands of businesses, including government services, public health systems and public transport systems.</p> <p>The diversification of mobile phone providers is imperative to business continuity and recovery. In the event of an emergency, communicating with team members and community stakeholders is critical. Embedding mobility into your business continuity plan means thinking about how your teams can access the services required in an emergency to continue operations.</p> <p>Risk(s)</p> <ul style="list-style-type: none"> • With all mobile phones using the same network provider, there is a risk that if the Optus network (current provider) experiences another outage and becomes unavailable, critical communications will be impacted. • If the network becomes unavailable during an emergency, this will significantly impact the Council's communications and likely hinder any form of communication while the server is inoperative. 	<p>It is recommended that the CoA:</p> <ol style="list-style-type: none"> 1. Implement effective communication processes in an emergency by requiring Council Commanders, Executive Leadership team and the Emergency Management team have diverse mobile providers. 2. Collate a list of all staff phone numbers and their network providers. In an emergency, Council Commanders are aware of who can be contacted if networks are compromised. 	<ol style="list-style-type: none"> 1. In consultation with Information Management, discuss requirements of diversifying mobile providers for select Council Commanders, Executive Leadership Team and the Emergency Management Team. 2. Consider the benefits of gathering mobile phone providers from staff and whether this is a breach of CoA's privacy policy. 3. Consider diverse mobile phone providers as part of the Council's approach to market for mobile telecommunication services in 2024/25 financial year, including impacts to budget and service delivery. <p>Responsibility:</p> <ol style="list-style-type: none"> 1. Manager Governance 2. Manager Governance 3. Manager Information Management <p>Target Dates:</p> <ol style="list-style-type: none"> 1. 31 December 2024 2. 30 September 2024 3. 30 April 2024

Observations and Recommendations

Rating: Low

Finding 5: Update and integrate business continuity processes into tools supporting Emergency Management

Observations	Recommendation(s)	Agreed Management Actions
<p>To support business continuity of the CoA and recovery of operations in the event of an emergency, several tools and processes embedded in the Emergency Management Plan (EMP) and Business Continuity Plan (BCP) must be updated so they are fit-for-purpose.</p> <p>These include the following:</p> <p><u>1. Reintroduce USBs storing key information critical to Emergency Management response</u></p> <ul style="list-style-type: none"> It is understood that the CoA previously used USBs to store copies of critical procedural documentation including the EMP and BCP, and key contact information that can be accessed in the event of an emergency, particularly where network servers are impacted and shared files cannot be accessed. From enquiring with stakeholders, it is noted that this process is no longer maintained. USBs have not been updated in recent years with current procedural documentation, procedures and plans. <p><u>2. Black boxes are not up-to-date</u></p> <ul style="list-style-type: none"> The contents of Black Boxes stored across three Council locations are not regularly updated to include copies of the most relevant information, reducing its effectiveness. From enquiries with Management, it is observed that there is an overall lack of knowledge as to the location of Black Boxes by Council Commanders. Additionally, the Council Emergency Operations Manual (CEOM) states that content of these boxes should be checked every three months by the Emergency Management Specialist. When enquired with Management, we note that the periodic checks ceased when the role of Emergency Management Specialist was restructured in early 2020. <p>Risk(s)</p> <ul style="list-style-type: none"> In the event of an emergency and the network server is unavailable, there is risk that key documentation which is current and relevant is not accessible to provide guidance on emergency responses. 	<p>It is recommended that the CoA:</p> <ol style="list-style-type: none"> Provide USB sticks to all Council Commanders which contain current and relevant documentation that is of assistance within an emergency. USBs are to be updated annually at minimum or when a policy or plan is updated. USBs should be password protected to mitigate against security threats. Establish support and review processes to ensure contents within Black Boxes remain current and relevant containing hard copies of the relevant Emergency Management plans and manual. Black Boxes are to be updated annually at minimum or when a policy or plan is updated. Require that each time a Council Commander rotates on duty they inspect a Black Box at its physical location (i.e. once every 18 months). Require the information contained with the USB and Black Boxes should be updated and loaded on the Council's SharePoint, so it is stored in a central repository that is accessible to all staff for understanding and familiarity. 	<ol style="list-style-type: none"> Provide USBs to all Council Commanders once all policies have been updated and inform Information Management that Council Commanders will hold USBs. A review will be conducted on contents of Black Boxes and will be updated. At the Emergency Management Steering Committee, the outgoing and incoming Council Commander will inspect the Black Box. Set up as a standing Agenda Item as part of the meeting. All procedures on the USB and checklist of the Black Box will be available online for council commanders. <p>Responsibility:</p> <ol style="list-style-type: none"> Manager Governance Manager Governance Manager Governance Manager Governance <p>Target Dates:</p> <ol style="list-style-type: none"> 30 June 2025 30 September 2024 30 June 2024 31 December 2024

Observations and Recommendations

Rating: Low

Finding 6: There is a desire and need to increase the frequency of communication between Council Commanders

Observations	Recommendation(s)	Agreed Management Actions
<p>Incoming and outgoing Council Commanders do not have a handover process or touchpoint to discuss relevant Emergency Management issues. Previously, Council Commanders met bi-annually to formally discuss incident management and emerging risks. This formal meeting no longer takes place.</p> <p>There is room to foster continuous improvement by sharing knowledge and lessons learned by creating a forum where information can be openly shared and debriefed with the Committee. This can be achieved by the current Council Commander communicating key instances of emergencies experienced and how they were handled. For example, the current Council Commander should communicate how many calls were received during this tenure, what the calls related to, what support was asked for, etc.</p> <p>To improve communication and emerging issues identification, incidents that occur should be uploaded to the SharePoint for all Council Commanders to access. It is noted that only the Council Commander on duty must attend the Emergency Management Steering Committee and report on recent incidents. By uploading a summary of all incidents to SharePoint, this shares knowledge and insight which can better prepare the next Council Commander to deal with any pre-existing issues.</p> <p>Risk(s)</p> <ul style="list-style-type: none"> Council Commanders do not communicate between shifts which may cause critical information or observations of emerging risks to not be shared, which could lead to knowledge gaps and inadequate preparation for an emergency. 	<p>It is recommended that the CoA:</p> <ol style="list-style-type: none"> Consider the most appropriate communication channels for Council Commanders to communicate Emergency Management content amongst all relevant parties. Upload a copy of reported incidents to SharePoint for all Council Commanders to access, fostering transparency and promoting trend analysis and issue spotting. Coincide the Emergency Management Steering Committee meeting with the incoming Council Commander. This will require all Council Commanders to attend two meetings in their capacity as both incoming and outgoing Council Commanders. This can streamline the exchange of knowledge between Council Commanders. Set up a Microsoft Teams chat for Council Commanders enabling means for communication. 	<ol style="list-style-type: none"> Develop a SharePoint page for Council Commanders and all relevant information will be posted here, including a Teams group. Upload minutes and incidents / debriefs / review will be included on the Council Commander SharePoint. Outgoing and incoming Council Commanders will be at each Emergency Management Steering Committee Meeting. Teams group/chat will be set up for Council Commanders, this will coincide with the SharePoint site. <p>Responsibility:</p> <ol style="list-style-type: none"> Manager Governance Manager Governance Manager Governance Manager Governance <p>Target Dates:</p> <ol style="list-style-type: none"> 31 December 2024 31 December 2024 30 June 2024 31 December 2024

Observations and Recommendations

Rating: PIO

PIO 1: Opportunity to improve communication of Emerging Risks and Watch List throughout the organisation

Observations	Recommendation(s)	Agreed Management Actions
<p>There is an opportunity for CoA to improve communication of emerging risks as well as the Watch List within the CoA.</p> <ul style="list-style-type: none"> The SRIA and the Emergency Management Committee hold key discussions identifying emerging risks that may potentially impact the CoA. Additionally, the SRIA develops a Watch List documenting emerging risks which are monitored, as well as any key items which SRIA attendees believe are critical to the COA. Discussions on emerging risks at SRIA and Emergency Management Committee meetings are not formally communicated with Senior Managers and Associate Directors. Increased knowledge of emerging risks within the CoA will allow for increased awareness, identification and monitoring of trends. This may lead to better preparedness for future risks. It is acknowledged that there is a strong process for communicating emerging risks upwards which is encouraged and supported by the SRIA and Emergency Management Committee. 	<p>It is recommended that the CoA:</p> <ol style="list-style-type: none"> Communicate emerging risks and watch lists to Senior Managers and Associate Directors. This can be achieved by incorporating discussion of emerging risks and the watch list as an agenda item in the SLT monthly meetings. 	<ol style="list-style-type: none"> The agenda for SLT monthly meetings will include a standing agenda item "Emerging Risks / Watch List" so the Manager Governance can share the information, including any information from the Emergency Management Steering Committee. <p>Responsibility:</p> <ol style="list-style-type: none"> Manager Governance <p>Target Dates:</p> <ol style="list-style-type: none"> 30 June 2024

Appendices

1. Scope and Approach	19
2. Stakeholders consulted	20
3. Classification of Internal Audit Findings	21
4. Disclaimer	23

Appendix 1 - Scope and Approach

Scope

The scope of this internal audit considered the CoA's processes, practices and systems in relation to Emergency Management, with a specific focus on the following:

- Framework: Governance and management controls, policies and procedures and identification of roles and responsibilities.
- Risk identification and Business Impact Assessment: Identification and assessment of risks and disruption scenarios, critical business process and functions and key IT systems/services supporting critical functions.
- Plan development: Identification and high-level assessment of recovery strategies included in the Emergency Management Plan, plan maintenance procedures and version control.
- Recovery plans: Recovery objectives, strategies and dependencies, procedures for activation, prioritisation, backup and restore procedures, community recovery strategies, resourcing of emergency response team, agreements with third party suppliers and alignment to the Emergency Management Plan.
- Exercising: Exercise and test strategies for Emergency Management, including the development of exercise plans, execution to validate plans and recovery capabilities and reporting of exercise and test results.
- Continuous improvement: Review and improvement cycle for Emergency Management and business continuity and staff awareness and training.

Scope exclusions:

Detailed assessment of emergency response plans for appropriateness (we considered processes in place in relation to their development and maintenance), and detailed assessment of, or consultation with, third party stakeholders (i.e. adjacent Councils or Emergency Services).

Approach

This engagement was performed using the following approach:

- Reviewed key documentation to gain an understanding of Emergency Management processes, controls, applicable policies and reporting and accountability arrangements.
- Conducted a total of six interviews with key stakeholders to gain a high-level understand of the CoA's Emergency Management practices, including response strategy, emergency sites, supporting processes and technologies.
- Undertook a walkthrough of relevant processes, systems and controls to consider the extent to which current practices adequately support the resumption of business operations and disaster recovery.
- Discussed findings with CoA Management.
- Drafting and finalisation of an internal audit report outlining internal audit findings, recommendations and any performance improvement opportunities.
- Presentation of the report to the CoA Audit Committee.

Appendix 2 - Stakeholders Consulted

The table below outlines all personnel who were involved in discussions and contributed to the observations in this report.

Department	Role
Annette Pianezzola	Risk and Audit Analyst
Jason Barnden	Coordinator, Security and Emergency Management
Janet Crook	Team Leader, Corporate Governance & Legal
Steve Zaluski	Associate Director, Regulatory Services and Council Commander
Sonjoy Ghosh	Manager, Information Management and Council Commander
Noni Williams	Associate Director, City Operations and Council Commander
Jennifer Kalionis	Associate Director, City Culture

Appendix 3 – Classification of Findings

The following framework for internal audit ratings is based on the City of Adelaide’s risk assessment matrix.

Rating	Definition	Examples of business impact	Action(s) required
Extreme/Critical	Issue represents a control weakness, which could cause or is causing severe disruption of the process or severe adverse effect on the ability to achieve process objectives.	<ul style="list-style-type: none"> • Detrimental impact on operations or functions. • Sustained, serious loss in reputation. • Going concern of the business becomes an issue. • Decrease in the public’s confidence in the CoA. • Serious decline in service/product delivery, value and/or quality recognised by stakeholders. • Contractual non-compliance or breach of legislation or regulation with litigation or prosecution and/or penalty. • Life threatening. 	<ul style="list-style-type: none"> • Requires immediate notification to the CoA Audit Committee via the Presiding Member. • Requires immediate notification to CoA’s Chief Executive Officer. • Requires immediate action planning/remediation actions.
High	Issue represents a control weakness, which could have or is having major adverse effect on the ability to achieve process objectives.	<ul style="list-style-type: none"> • Major impact on operations or functions. • Serious diminution in reputation. • Probable decrease in the public’s confidence in the CoA. • Major decline in service/product delivery, value and/or quality recognised by stakeholders. • Contractual non-compliance or breach of legislation or regulation with probable litigation or prosecution and/or penalty. • Extensive injuries. 	<ul style="list-style-type: none"> • Requires immediate CoA Director notification. • Requires prompt management action planning/remediation actions.

Appendix 3 – Classification of Findings

The following framework for internal audit ratings is based on the City of Adelaide’s risk assessment matrix.

Rating	Definition	Examples of business impact	Action(s) required
Moderate	Issue represents a control weakness, which could have or is having a moderate adverse effect on the ability to achieve process objectives.	<ul style="list-style-type: none"> Moderate impact on operations or functions. Reputation will be affected in the short-term. Possible decrease in the public’s confidence in the CoA. Moderate decline in service/product delivery, value and/or quality recognised by stakeholders. Contractual non-compliance or breach of legislation or regulation with threat of litigation or prosecution and/or penalty. Medical treatment required. 	<ul style="list-style-type: none"> Requires CoA Director and/or Associate Director attention. Requires short-term management action.
Low	Issue represents a minor control weakness, with minimal but reportable impact on the ability to achieve process objectives.	<ul style="list-style-type: none"> Minor impact on internal business only. Minor potential impact on reputation. Should not decrease the public’s confidence in the Council. Minimal decline in service/product delivery, value and/or quality recognised by stakeholders. Contractual non-compliance or breach of legislation or regulation with unlikely litigation or prosecution and/or penalty. First aid treatment. 	<ul style="list-style-type: none"> Timeframe for action is subject to competing priorities and cost/benefit (i.e. 90 days).

Appendix 4 - Disclaimer

Inherent Limitations

This report has been prepared as outlined in the Scope Section. The services provided in connection with this engagement comprise an advisory engagement, which is not subject to assurance or other standards issued by the Australian Auditing and Assurance Standards Board and, consequently no opinions or conclusions intended to convey assurance have been 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 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 City of Adelaide management and personnel consulted as part of the process.

KPMG have indicated within this report the sources of the information provided. We have not sought to independently verify those sources unless otherwise noted within the report.

KPMG is under no obligation in any circumstance to update this report, in either oral or written form, for events occurring after the report has been issued in final form.

The findings 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 City of Adelaide'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 City of Adelaide or its delegate in connection with our engagement to perform internal audit services. Other than our responsibility to City of Adelaide, 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 City of Adelaide's external auditor, on this internal audit report. Any reliance placed is that party's sole responsibility.

Electronic Distribution of Report

This KPMG report was produced solely for the use and benefit of City of Adelaide and cannot be relied on or distributed, in whole or in part, in any format by any other party. The report is dated May 2024 and KPMG accepts no liability for and has not undertaken work in respect of any event subsequent to that date which may affect the report.

Any redistribution of this report requires the prior written approval of KPMG and in any event is to be a complete and unaltered version of the report and accompanied only by such other materials as KPMG may agree.

Responsibility for the security of any electronic distribution of this report remains the responsibility of City of Adelaide and KPMG accepts no liability if the report is or has been altered in any way by any person.



Justin Jamieson
Partner

t: +61 402 380 169
e: jjamieson@kpmg.com.au

Heather Martens
Director

t: +61 431 586 324
e: hmartens@kpmg.com.au

[KPMG.com.au](https://www.kpmg.com.au)



©2024 KPMG, an Australian partnership and a member firm of the KPMG global organisation of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee. All rights reserved.

The KPMG name and logo are trademarks used under license by the independent member firms of the KPMG global organisation.

The information contained in this document is of a general nature and is not intended to address the objectives, financial situation or needs of any particular individual or entity. It is provided for information purposes only and does not constitute, nor should it be regarded in any manner whatsoever, as advice and is not intended to influence a person in making a decision, including, if applicable, in relation to any financial product or an interest in a financial product. Although we endeavour to provide accurate and timely information, there can be no guarantee that such information is accurate as of the date it is received or that it will continue to be accurate in the future. No one should act on such information without appropriate professional advice after a thorough examination of the particular situation.

To the extent permissible by law, KPMG and its associated entities shall not be liable for any errors, omissions, defects or misrepresentations in the information or for any loss or damage suffered by persons who use or rely on such information (including for reasons of negligence, negligent misstatement or otherwise).

Liability limited by a scheme approved under Professional Standards Legislation.

Document Classification: KPMG Confidential