

INTERNAL AUDIT REPORT: PENALTY & INFRINGEMENT COMPLIANCE

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1. EXECUTIVE SUMMARY

In accordance with the 2024-25 Internal Audit Plan for the City of Adelaide (CoA), an internal audit focussing on Council's penalty and infringement assessment of compliance has been undertaken. The objective, scope, approach, and findings are outlined below.

2. OBJECTIVES

This internal audit project covered five key elements:

1. Assessment of the compliance through sample testing of Council-issued penalties and infringement notices under the various relevant Acts with a particular focus on cancelled or amended infringement notices
2. Delegations of Authority
3. Segregation of duties and conflicts of interests
4. Relationship with the Fines Enforcement and Recovery Unit (FERU)
5. Relationship with the Department for Infrastructure and Transport (DIT)

This review is included in the 2024-25 Internal Audit Plan to assure the CoA Executive Team, the Executive Strategic Risk and Internal Audit Group (SRIA), and the CoA Audit and Risk Committee (ARC).

3. SCOPE

This audit has assessed the overall framework of penalty and infringement assessment.

3.1 Scope Topics

The seven main audit areas are:

- **Governance Framework** – Are relevant policies/procedures and guidelines in place to guide staff when issuing penalties and infringement notices? Are we adhering to legislative requirements?
- **Roles and Responsibilities** – What is the overall organisation structure, resources, roles and responsibilities? Is there a segregation of duties in place when reviewing an infringement notice to determine if it should be cancelled? Are the relevant delegations in place?
- **Compliance** – Are the processes in place for cancelling or amending penalties and infringement notices? Is this managed efficiently and effectively? Is the decision-making process documented when a penalty or infringement notice is cancelled or amended? Is the decision-making process documented when a late payment is applied to an infringement, and is this applied to all or by discretion? How are infringement notices recorded when they are applied in error?
- **Systems** – What systems are used to manage penalties and infringement notices? Is this managed in accordance with legislation?
- **Third-party relationships** – What is the role of FERU? What processes are in place in the recovery of penalties and infringements with the relevant State Government agency in particular when the debt is waived?
- **Benchmarking** – How does CoA compare to other local government agencies in their approach to issuing, cancelling or amending penalties and infringement notices?
- **Sample Testing** – Testing to be performed to ensure policies and procedures are being followed in line with legislation.

3.2 Timeframes

The scope was developed and approved by SRIA on 17 October 2024. The audit began in November 2024.

Consultation and meetings with relevant stakeholders occurred from November to December 2024 to gather and source information.

- Meetings with action owners and report finalisation occurred in February 2025.
- The report will be presented to SRIA in February 2025.
- The final report will be presented to the ARC in April 2025.

4. METHODOLOGY

The audit focused on the penalty and infringement assessment of compliance and processes against the following guidelines and procedures:

- *Local Government Act 1999 (SA)*
- *Private Parking Areas Act 1986*
- *Road Traffic Act 1961*
- *SA Expiation of Offences Act 1996*
- *Graffiti Control Act 2001*
- *Fire and Emergency Services Act 2005*
- *Local Nuisance and Litter Control Act 2016*
- *Environmental Protection Act 1993*
- *Dog and Cat Management Act 1995*
- *Food Act 2001*
- *Planning Development Infrastructure Act 2016*
- *Planning Development and Infrastructure (General) Regulations 2017*
- *South Australian Public Health Act 2011*
- Council By-Laws
- City Safety Compliance and Enforcement Policy
- City Safety Compliance and Enforcement Guideline
- Standard Operating Procedures for Parking and Information Officer Regulatory Services
- Various internal processes and procedures for parking and non-parking expiations.

The engagement was performed using the following approach:

- CoA staff member Annette Pianezzola, Risk and Audit Analyst performed the audit.
- One-on-one discussions with relevant CoA programs:
 - Customer and Marketing
 - Finance & Procurement
 - Regulatory Services
- Review relevant documentation associated with the penalty and infringement function.

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- Review of enforcement processes including when expiations are transferred across to the Fines Enforcement and Recovery Unit.
- Role and responsibility of CoA and other government agencies.
- Benchmarking of expiations issued with other local government agencies.
- Sample testing of waived expiations.
- Identification of any performance improvement opportunities.

5. BACKGROUND

5.1 Benchmarking on Expiations

The City of Adelaide (CoA) adheres to several Acts and Regulations, and each business unit will ensure that business owners and members of the public comply with these Acts and Regulations. However, when required, expiations are generated and enforced if a section of the Act or Regulation is breached by the business owner or member of the public.

The CoA will issue a variety of infringements under the Acts and Regulations, and they can be categorised as follows:

- Parking
- Compliance
- Animal
- Local Nuisance and Litter

Over the course of a 3-year period, the following expiations were issued by CoA:

	2021/2022	2022/2023	2023/2024
Dog & Cat expiations	3	12	27
Local Government expiations	-	5	2
Local Nuisance and Litter expiations	4	3	6
Development Act expiations	1	1	-
By-Law expiations	2	1	3
Food Act expiations	6	2	7
Public Health (Legionella) expiations	2	-	2
Parking expiations	85,826	107,538	133,243

A benchmarking exercise was undertaken across South Australian and other capital city councils. The following expiations were issued over a 3-year period:

	2021/2022	2022/2023	2023/2024
City of West Torrens	8,810	7,691	19,926
The City of Norwood, Payneham & St Peters	10,778	10,601	10,621

City of Onkaparinga	979	1,325	3,988
City of Playford	4,745	4,428	2,562
City of Prospect	5,627	7,350	6,541
City of Port Adelaide Enfield	5,575	6,077	4,976
City of Sydney	152,386	250,046	273,960
City of Perth	66,702	67,133	61,638
Brisbane City Council	167,039	194,059	197,069
The City of Adelaide	85,844	107,562	133,290

If the infringement is not paid, reminder notices are sent out either by the Customer Centre to the member of the public or by the relevant business unit that maintains the relationship with the business owner. After the reminder notice is sent and the infringement has not been paid, then, after a set time period, the Enforcement Officer will enforce and transfer the expiation to FERU. FERU is a State Government agency that manages overdue fines and debts issued by South Australian state government agencies and it adheres to the *Fines Enforcement and Debt Recovery Act 2017*.

Expiations sent to FERU or equivalent:

	2021/2022	2022/2023	2023/2024
City of West Torrens	1,290	1,469	4,114
City of Onkaparinga	Approx. 24% of expiations issued are sent to FERU		
City of Playford	1,235	1,073	578
City of Prospect	On average about 90 expiations per month are sent to FERU		
City of Port Adelaide Enfield	84	106	109
City of Perth	17,239	12,250	12,629
Brisbane City Council	29,304	37,276	38,128
The City of Adelaide	9,975	9,752	12,202

FERU will receive the expiation from South Australian councils once local government agencies cannot recover the debt. However, for expiations issued by the City of Sydney, the debt is automatically transferred to Revenue NSW, which will manage it going forward. This is for all debts, even those paid within the first 28 days. The City of Perth and Brisbane City Council have a similar arrangement as CoA.

FERU requires a lodgement fee of \$23.40 per expiation; therefore, CoA has paid \$233,415 (2021/22), \$228,196.80 (2022/23), and \$285,526.80 (2023/24) over the past three years.

5.2 Essential Safety Provisions

Essential Safety Provisions (ESP) are legislated provisions relating to building fire safety. They require annual testing and maintenance, and building owners must submit forms to the Council to confirm the completion of maintenance.

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There are more than 2000 buildings in CoA required to submit annual ESP maintenance forms to Council, known as 'Form 3s'. In 2022/2023, just 54 Form 3s were submitted to Council. In 2023/2024 Council appointed an ESP Officer and following the new role commencing, 128 Form 3s were submitted.

The low completion rate is not unique to CoA and is partly why legislative changes were made. Additionally, many building owners undertake ESP annual maintenance but do not submit the Form 3s documentation to Council.

In November 2024, Administration commenced formal communication with building owners and this was prioritised based on risk. This letter to business owners outlined their legislated responsibilities, the format for the new Form 3, and the timeframe required for submission. All 2000 buildings will be engaged through a prioritised approach, focusing on those buildings that present the highest risk to safety first. Approximately 100 building owners were notified in November and December 2024. The letter confirmed that expiations of \$750 per building will apply if ESP forms are not submitted correctly or in the required timeframe.

6. FINDINGS

The number of findings identified during the audit is shown in the table below.

The Summary of Findings section of the report contains a complete list of the identified findings and agreed-upon management actions. Risk ratings are listed in Appendix 1.

Findings	Risk Rating
Increase in Essential Safety Provisions Expiations	Moderate
Lack of transparency in debt collection	Moderate
Procedures not reviewed	Low
Opportunity to utilise PinForce for non-parking expiations	Improvement Opportunity
Opportunity to request discounted search fees	Improvement Opportunity

7. CONSULTATION

The following CoA stakeholders were involved in meetings throughout this audit:

- Martin Smallridge, Associate Director Customer & Marketing
- Robert Donoghue, Enforcement Officer
- Tammy Bria, Team Leader Customer Centre
- Anastasia Kallika, Team Leader Customer Centre
- Remi Layne, Senior Customer Service Representative
- Georgia Stoilov, Regulatory Services Project Officer
- Steph Paprzycki-Baker, Team Leader Community Safety
- Lisa Loveday, Manager City Safety
- Marc Lucas, Team Leader Building & Environmental Services
- Sharee Trenerry, Senior Business Partner
- Nicole Van Berkel, Acting Manager Finance & Procurement
- Karen Harvey, Team Leader Business Centre
- Raj Rajput, Performance & Operations Analyst
- Brooke Winter, Lead Customer Readiness
- Betty Sfyrios, Customer Advocate

8. SUMMARY OF FINDINGS

Ref #1 Increase in Essential Safety Provisions Expiations	Rating: Moderate
Description of finding	Agreed Actions
<p>Identification:</p> <p>Section 94 of the <i>Planning, Development and Infrastructure (General) Regulations 2017</i> declares the Essential Safety Provisions –</p> <p>“(1) This regulation applies in relation to a building in which essential safety provisions are installed or required to be installed or to be inspected, tested or maintained under the Building Code or any former regulations under the <i>Building Act 1971</i> or the <i>Development Act 1993</i>.</p> <p>(3) In this regulation, a reference to maintenance in respect of essential safety provisions includes a reference to replacing the safety provisions, and to keeping records relating to the carrying out of maintenance work on the safety provisions.</p> <p>(4) A relevant authority or council must –</p> <ul style="list-style-type: none"> (a) on granting a building consent in relation to the construction of a building to which this regulation applies; or (b) on the assignment of a change in the classification of a building to which this regulation applies in a case where there is no building work; or (c) on application by the owner of a building to which this regulation applies and payment of the prescribed fee; or (d) on issuing any other certification with respect to building work complying with the Building Rules in a case where this regulation applies, 	<ol style="list-style-type: none"> 1. A review of the enforcement approach will be conducted to confirm if existing resourcing will deliver the intended outcomes in a timeframe which is considered reasonable. <p>Target Date: December 2025</p> <ol style="list-style-type: none"> 2. Following the review of the enforcement approach, if required, a budget bid may be submitted to request additional resourcing to ensure all building schedules have been consolidated and enforced in a reasonable timeframe. <p>Target date: June 2026</p>

Issue a schedule in the form determined by the Chief Executive for the purposes of this regulation and published on the SA planning portal that specifies –

- (e) the essential safety provisions for the building; and
- (f) the standards or other requirements for maintenance and testing in respect of each of those essential safety provisions as set out in any relevant Ministerial building standard.

(5) A certificate of compliance must be provided for each essential safety provision that is specified under subregulation (4)(e).

(9) The owner of a building in relation to which a schedule of essential safety provisions has been issued must not use or permit the use of the building unless maintenance and testing have been carried out, on an annual basis, in respect of each essential safety provision of the building in accordance with the relevant Ministerial building standard in order to ensure that the essential safety provision is continuing to perform at least to the standard that was required when the essential safety provision was installed.

(10) The owner of a building to which subregulation (9) applies must, not later than 60 business days after the end of each calendar year, provide to council adequate proof of the carrying out of maintenance and testing in respect of each relevant essential safety provision for that calendar year.

(14) A person who fails to comply with a requirement under subregulations or guilty of an offence.
 Maximum penalty: \$10,000
 Expiation Fee: \$750”

Any building that is two stories high and is 500sqm or more must provide to Council a schedule of maintenance and testing that has been carried out for each relevant essential safety provision. For CoA to enforce this requirement in the Environment, Resources and Development Court, CoA is proactively assisting building owners in

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consolidating all the maintenance and testing schedules of these provisions. It has been noted that many building owners have not maintained their records. The schedules are provided to the building owner so that their accuracy can be checked. Once confirmed, then in 12 months' time, CoA will follow up with the annual maintenance and testing certificates as per the Regulation. If the building owner is not compliant with the Regulation, then CoA will enforce the requirement. The onus is on the building owner to maintain the records, once CoA has passed over the schedules.

CoA has employed an Essential Safety Provisions (ESP) Coordinator who assists building owners in consolidating their maintenance schedules to be in line with the Essential Safety Provisions. The ESP Coordinator has managed to consolidate 100 of the 2000 (approximately) over a 12-month period. Not only is the ESP Coordinator consolidating the schedules but is also keeping the consolidated schedules up-to-date with any changes. In discussion with the team, it will take approximately 19 years to complete all buildings throughout the city.

This is a Local Government Association wide issue; however, CoA has taken positive steps forward to address this risk by employing a dedicated ESP Coordinator. The risk of progressing through the consolidation with the current resources is that building owners will not test and maintain essential safety provisions as per the Regulations. CoA is assisting building owners to set them up for success. However, approximately 1,900 buildings still need to consolidate their schedules.

Recommendation:

1. In the next 12 months, review and test the enforcement approach once the first lot of building schedules have been consolidated and handed back to the building owner.

2. Following the review and test of the enforcement approach, review the current resource implication to assist in progressing through these consolidations in a more timely manner.	
Position Responsible:	Associate Director Regulatory Services
Target Date:	As above



Ref #2 Lack of transparency in debt collection	Rating: Moderate
Description of finding	Agreed Actions
<p>Identification:</p> <p>When a member of the public receives an expiation, the below process is followed before the expiation is forwarded to the FERU:</p> <ul style="list-style-type: none"> • Initial expiations - given 28 days to pay. • If not paid within 28 days, a reminder notice with a due date of 14 days is generated and forwarded to them. • If not paid, a Notice of Intended Enforcement with a due date of 14 days is generated and forwarded to them. • The Enforcement Officer will complete an enforcement validation check and determine if the expiation should be enforced. This process usually takes place about 6 weeks to 2 months after the due date of the Notice of Intended Enforcement. • If the enforcement validation check has been approved, the expiation is forwarded to FERU. <p>FERU is a State Government agency that manages overdue fines and debts issued by South Australian state government agencies.</p> <p>CoA has entered a Memorandum of Administrative Arrangement (MOAA) with FERU in Oct 2022, in which FERU would manage the debts on behalf of CoA. Part of the MOAA and key responsibility on behalf of FERU is maintaining key relationships with Issuing Authorities (CoA) 'working with Issuing Authorities to ensure relationship or engagement issues are resolved' and 'facilitating meetings and forums as required to maximise collaboration and achieve shared objectives'. In consultation with key stakeholders, only email correspondence is maintained, and infrequent meetings are held with FERU.</p>	<ol style="list-style-type: none"> 1. Initiate discussion with FERU to raise concerns to reduce balance of outstanding expiations and increased transparency of waived/written-off expiations. Target date: May 2025 2. Establish ongoing regular meetings between CoA and FERU to continue increase transparency, address and resolve issues regarding expiation income. Target date: June 2025

CoA receives monthly statements from FERU that summarise expenditures lodged, payments received, expenditures waived and written off (values and numbers), and enforcement reviews.

Below is a snapshot of expiations lodged, payments received, and expiations waived/written off over a 3-year period in terms of monetary value:

	2023/24	2022/23	2021/22	2020/21	2019/20
Expiations Lodged	\$2,429,906	\$1,547,266	\$1,682,048	\$1,392,500	\$1,141,628
Payments received	\$1,223,508	\$941,471	\$1,033,238	\$914,268	\$823,572
Waived	\$153,782	\$65,087	\$83,215	\$361,582	\$289,125
Written off	\$175,616	\$310,504	\$41,144	\$146,657	\$106,481
% waived / written off compared to lodged	14%	24%	7%	36%	35%

(Note: 2022/23 – missing statement for June 2023; 2021/22 – missing statement for June 2022; 2020/21 – missing statements for February 2021 & November 2020; 2019/20 – missing statements for July – August 2019 & November – December 2019)

An expiation debt is waived when the debt is determined to be completely extinguished and is finalised. This is performed in situations when FERU does not intend to pursue any further and can include circumstances such as:

- Deceased client
- Company client that has been deregistered
- Bankrupt client
- Error with the data provided by the Issuing Authority
- Recovery actions have been exhausted, and the debt is determined to be uneconomical to pursue
- The client is confirmed to be vulnerable or cognitively impaired

An expiation debt is written off when FERU has determined that all available options to pursue the debt have been investigated and they

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will pursue no further. The difference is that FERU may decide to reinstate the debt in the future. Circumstances where a debt is written off include:

- The client is unlikely to be able to pay the outstanding debt in a reasonable timeframe and has committed to refrain from incurring further expiations
- The client has been determined to be uneconomical to pursue at this time
- The client cannot be located

FERU would provide a reason for waiving an expiation up until June 2022. From July 2022, this information was removed, and the statements only indicate a total figure that is waived or written off without any further explanation. However, there is no clarification or transparency of which debts have been paid or written off, only total figures are provided. CoA has no indication which fines/expiations have been waived, whether it is a parking or non-parking fine.

Significant numbers and values of expiations are revoked or waived each year however no detail is provided as to which ones have been revoked and why. It is noted that the fines sitting with FERU has cost CoA considerable expense, Parking Information Officer time to issue the fine, Customer Service Representative time to process the fine, Enforcement Officer to issue reminder notices and forward them to FERU. The cost to lodge a fine to FERU is \$22 each, irrespective of whether the fine is recovered or not. Therefore, the total cost of issuing and lodging a fine is estimated at \$200 per fine.

The risk of not providing further information such as the reason for waiving/writing off the debt or which debt it relates to, promotes repeat offenders to breach legislation continuously as they will know how to use the system for their benefit. Furthermore, there is no transparency as to which fines/expiations are waived or even an audit trail if it was questioned. If a reason is provided to CoA why a fine is waived/written off, then CoA can use this as an educational piece to

<p>CoA staff when issuing or reviewing a fine prior to being forwarded to FERU. This will ensure time and cost savings.</p> <p>Recommendation: Initiate discussions and establish regular meetings with relevant key stakeholders between CoA and FERU to ensure issues are addressed and resolved, such as reducing the balance of outstanding expiations and transparency of waived/written-off expiations.</p>	
Position Responsible:	Associate Director Customer & Marketing
Target Date:	As above



Ref #3 Procedures not reviewed	Rating: Low
Description of finding	Agreed Actions
<p>Identification: Parking expiations are issued through PinForce (parking enforcement software) by the Parking Information Officer and then are managed by the Customer Centre and/or Enforcement Officer via the Pathway system (Council’s enterprise resource planning system enabling local governments to manage regulatory services, land, property revenue and customer requests).</p> <p>For non-parking expiations, the relevant area identifies these expiations, but the Enforcement Officer creates and generates them via the Pathway system.</p> <p>Expiations are issued if a breach occurs against the relevant legislation. End-to-end procedures have been documented for parking and non-parking expiations, including those expiations that are transferred across to the FERU.</p> <p>In a review of the internal procedural documents, it was noted that some documents have not been reviewed in several years:</p> <ul style="list-style-type: none"> • Printing of Enforcement Validation List – reviewed 13/01/2016 • Enforcement Validation Procedure – reviewed 18/06/2019 • FERU Update Procedure – reviewed 18/06/2019 • FERU Extract Procedure – reviewed 13/03/2020 • Elect to be Prosecuted Procedure – reviewed 27/02/2017 <p>Since the last review of these documents, Pathway, the internal software for managing expiations, moved from an on-premises solution to a cloud-based solution in September 2022. Therefore, the overall Pathway experience has changed, such as the software interface, so the screenshots in the current procedures demonstrate the old Pathway system.</p>	<ol style="list-style-type: none"> 1. Review and update Standard Operating Procedures to reflect current processes, including software and review cycles. Target date: December 2025 2. Update the Creating an Expiation Procedure to include all non-parking expiations. Target date: December 2025 3. Confirm the review cycle for the On Street Parking Expiation Review & Withdrawal Guidelines and update the Guideline. Target date: June 2025 4. Consideration to creating procedures in a centralised repository such as Promapp. Target date: June 2025

<p>In addition, one procedure, 'Creating an Expiation Procedure,' states, 'This is a process to create an expiation in Pathway when requested to by a member of the Community Safety Team.' In discussion with the Enforcement Officer, this procedure does cover the creation and generation of all non-parking expiations, including those not identified by the Community Safety Team, however, this is not clearly stipulated in the procedure.</p> <p>Furthermore, the On Street Parking Expiation Review & Withdrawal Guidelines states two different review periods in the document: annually and January 2028.</p> <p>It is imperative that procedures are reviewed regularly and in a timely manner to ensure that the information provided is up-to-date and accurate for the end user.</p> <p>Recommendation:</p> <ol style="list-style-type: none"> 1. Review all procedures and ensure that: <ul style="list-style-type: none"> • screenshots provided in the procedures reflect the current Pathway software • review cycles are documented 2. Update the Creating an Expiation Procedures to include all non-parking expiations. 3. Confirm the review cycle for the On Street Parking Expiation Review & Withdrawal Guidelines and update the Guideline. 4. Consideration to be given to create procedures in a centralised repository such as Promapp. 	
<p>Position Responsible:</p>	<p>Associate Director Customer & Marketing</p>
<p>Target Date:</p>	<p>As above</p>

Ref #4 Opportunity to utilise PinForce for non-parking expiations	Rating: Improvement Opportunity
Description of finding	Agreed Actions
<p>Identification: Parking expiations are issued through PinForce (parking enforcement software) by the Parking Information Officer and then are managed by the Customer Centre and/or Enforcement Officer via the Pathway system (Council's enterprise resource planning system enabling local governments to manage regulatory services, land, property revenue and customer requests).</p> <p>For non-parking expiations, the relevant area identifies these expiations, but the Enforcement Officer creates and generates them via the Pathway system. These types of expiations will include (but are not limited to):</p> <ul style="list-style-type: none"> • Animal infringements • Compliance infringements • Nuisance and litter infringements <p>The relevant areas will undertake the inspections, and if a member of the public or business owner has breached the relevant section of the legislation, they can potentially be expiated under the relevant legislation. This information is then forwarded to the Enforcement Officer, with the relevant details to generate an expiation in Pathway. The Enforcement Officer will raise all expiations for CoA except parking infringements which is raised directly by the Parking Information Officer from PinForce.</p> <p>In consultation with key stakeholders, it was noted that PinForce can expiate more than parking infringements. PinForce is a mobile software application that allows Parking Information Officers to enforce infringements in the public realm efficiently via a smartphone and portable wireless printer. The software is currently interfaced with Pathway and can be tailored to customer requirements. Exploring the</p>	<p>Consideration will be given to expand the use of PinForce to confirm whether the software can be used to expiate non-parking infringements and suitable to CoA requirements.</p> <p>Target Date: December 2025</p>

<p>option to raise other expiations from PinForce directly will allow the Enforcement Officer to focus on enforcing the infringement rather than raising the initial expiation notice.</p> <p>Recommendation:</p> <p>Investigate the opportunity to expand the use of PinForce with non-parking expiations to enable efficiency.</p>	
Position Responsible:	Associate Director Regulatory Services
Target Date:	As above



Ref #5 Opportunity to request discounted search fees	Rating: Improvement Opportunity
Description of finding	Agreed Actions
<p>Identification:</p> <p>When a Parking Information Officer (PIO) issues the expiation, this is taped to the windscreen of the offending vehicle. If a person does not pay an expiation for an offence, they have committed under the <i>Expiation of Offences Act 1996</i> within 28 days of being issued, CoA will initiate a search request through Department of Infrastructure and Transport (DIT). Each time a search is performed, CoA is charged a fee of \$10.00 which can be on-charged to the owner of the vehicle under Section 11 (3) of the <i>Expiation of Offences Act 1996</i>:</p> <p>If a reminder notice is given to an alleged offender, the prescribed reminder notice fee will be added to the unpaid expiation fee and, for the purposes of this Act and the <i>Fines Enforcement and Debt Recovery Act 2017</i>, forms part of that fee.</p> <p>However, CoA also issues expiations via the SenSen vehicle. This vehicle is part of the CoA smart parking platform that assists PIOs by identifying vehicles that have committed an offence under the <i>Expiation of Offences Act 1996</i>. A PIO drives the vehicle through the streets of Adelaide, and the vehicle’s SenSen technology will identify and capture any vehicles that have breached the legislation. The data is then reviewed back in the office to check for accuracy. Once confirmed that an offence has been committed a search is performed via the DIT platform to identify the owner of the vehicle to issue to expiation. The search fee is charged to CoA, however as this is the initial expiation, CoA is unable to on-charge this fee to the offending vehicle. Council is only able to on-charge search fees for reminder notices, not the initial expiation that is posted out to the owner of the vehicle.</p>	<ol style="list-style-type: none"> 1. Initiate discussions with DIT for CoA to enter into an agreement for discounted search fees. <p>Target date: June 2025</p>

<p>By utilising the SenSen vehicle and smart technology, the risk exposure to aggressive behaviour by members of the public towards PIOs has been reduced, and the vehicle is covering more ground in short time periods, including protecting the well-being of PIOs on hot days and in unsafe environments.</p> <p>With the increased usage of the SenSen vehicle throughout the city and North Adelaide, search fees will increase. They currently cost \$10 per search. There is an opportunity to seek an agreement with DIT for a discounted fee for the CoA.</p> <p>Recommendation:</p> <p>Commence discussions with DIT for CoA to enter into an agreement for discounted search fees.</p>	
<p>Position Responsible:</p>	<p>Associate Director Customer & Marketing</p>
<p>Target Date:</p>	<p>As above</p>



APPENDIX 1: RISK MATRIX OF INTERNAL AUDIT FINDINGS

The following framework for the internal audit ratings is consistent with the CoA Risk Management Operating Guidelines and the Risk Management International Standard ISO31000:2018. The descriptions have been tailored to illustrate risk to the business operations.

CoA Risk Matrix

CoA Risk Matrix		CONSEQUENCE				
		Insignificant	Minor	Moderate	Major	Catastrophic
LIKELIHOOD	Almost Certain	Moderate	High	Extreme	Extreme	Extreme
	Likely	Moderate	High	High	Extreme	Extreme
	Possible	Low	Moderate	High	High	Extreme
	Unlikely	Low	Low	Moderate	Moderate	High
	Rare	Low	Low	Low	Moderate	Moderate

8.3 Risk & Finding Descriptions

Rating	Definition	Action	Indicative Timeframe (variations to be agreed by SRIA)
Extreme	<p>The finding represents a control weakness that could adversely impact the business and the ability to meet objectives.</p> <ul style="list-style-type: none"> • Extreme decline in quality and customer service leading to a decrease in the community’s confidence in the Council • Extreme breakdown in process that leads to illegal activity • Breach of legislation or contractual non-compliance that will result in litigation, prosecution, and penalty 	<p>The finding was reported to the Director immediately, and a response plan was developed with the appropriate Associate Director. Implementation updates and status reporting are managed through Promapp.</p>	<p>Actions are managed in Promapp with a timeframe of at most three months for completion.</p>
High	<p>The finding represents a control weakness that could adversely impact the business and the ability to meet objectives.</p> <ul style="list-style-type: none"> • Major decline in quality and customer services leading to a decrease in the community’s confidence in the Council • Serious breakdown in process that may lead to increased and unacceptable risk • Breach of legislation or contractual non-compliance that will result in litigation, prosecution, and penalty 	<p>The finding was reported to the appropriate Associate Director immediately, and a response plan was developed with the right Manager and managed through Promapp.</p>	<p>Actions are managed in Promapp with a timeframe of at most six months for completion.</p>
Moderate	<p>The finding represents a control weakness that could negatively impact the business and the ability to meet objectives.</p> <ul style="list-style-type: none"> • Medium decline in quality and customer services leading to a decrease in the community’s confidence in the Council • Medium operational breakdown in process that may lead to increased and unacceptable risk • Minor breach of legislation or contractual non-compliance that will unlikely result in litigation, prosecution, and penalty 	<p>Findings are reported to the appropriate Manager through the Internal Audit Report and managed through Promapp.</p>	<p>Actions are managed in Promapp with a timeframe of at most nine months for completion.</p>
Low	<p>The finding represents a minor control weakness that could have or is having a low/ minimal but reportable adverse impact on the business and the ability to meet process objectives.</p> <ul style="list-style-type: none"> • Minimal decline in quality and customer services • Minor breakdown in process that is not likely to affect risk • Minor breach of legislation or contractual non-compliance that will unlikely result in litigation, prosecution, and penalty 	<p>Findings are reported to the appropriate Manager through the Internal Audit Report and managed through Promapp.</p>	<p>Actions are managed in Promapp with a timeframe of at most 12 months for completion.</p>