



Shire of Northam  
*Heritage, Commerce and Lifestyle*

## **Shire of Northam**

### **Minutes**

### **Audit & Risk Management**

### **Committee Meeting**

**25 August 2022**

UNCONFIRMED

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## 1. DECLARATION OF OPENING

Shire President, Cr C R Antonio declared the meeting open at 5:04pm.

## 2. ACKNOWLEDGEMENT TO COUNTRY

The Shire of Northam would like to acknowledge the Traditional Owners of the land on which we meet, the Ballardong and Whadjuk people of the Nyoongar nation and pay our respects to Elders, past, present and emerging.

## 3. ATTENDANCE

### Committee:

Shire President

Cr C R Antonio

Deputy Shire President

Cr M P Ryan

Councillors

Cr H Appleton

### Staff:

Chief Executive Officer

J B Whiteaker

Executive Manager Corporate Services

C Young

Acting Governance Coordinator

A McCall

Acting Governance Officer

T Van Beek

### 3.1 APOLOGIES

Councillor

Cr A J Mencshelyi

### 3.2 APPROVED LEAVE OF ABSENCE

Nil.

### 3.3 ABSENT

Nil.

## 4. DISCLOSURE OF INTERESTS

Nil.

*Members should fill in Disclosure of Interest forms for items in which they have a financial, proximity or impartiality interest and forward these to the Presiding Member before the meeting commences.*

*As defined in section 5.60A of the Local Government Act 1995, a **financial interest** occurs where a Councillor / Committee Member, or a person with whom the Councillor / Committee Member is closely associated, has a direct or indirect financial interest in the matter. That is, the person stands to make a financial gain or loss from the decision, either now or at some time in the future.*

As defined in section 5.61 of the Local Government Act 1995, an **indirect financial** interest includes a reference to a financial relationship between that person and another person who requires a Local Government decision in relation to the matter.

As defined in section 5.60B of the Local Government Act 1995, a person has a **proximity interest** in a matter if the matter concerns a proposed change to a planning scheme affecting land that adjoins the person's land; or a proposed change to the zoning or use of land that adjoins the person's land; or a proposed development (as defined in section 5.63(5)) of land that adjoins the person's land.

As defined in 34C of the Local Government (Administration) Regulations 1996, an **impartiality interest** means an interest that could, or could reasonably be perceived to, adversely affect the impartiality of the person having the interest and includes an interest arising from kinship, friendship or membership of an association.

## 5. CONFIRMATION OF MINUTES

### 5.1 COMMITTEE MEETING HELD ON 2 JUNE 2022

#### RECOMMENDATION/COUNCIL DECISION

Minute No: AU.223

Moved: Cr Ryan

Seconded: Cr Appleton

That the minutes of the Audit & Risk Management Committee meeting held on 2 June 2022 be confirmed as a true and correct record of that meeting.

CARRIED 3/0

## 6. COMMITTEE REPORTS

### 6.1 FINANCIAL MANAGEMENT REVIEW - 2022

<b>File Reference:</b>	
<b>Reporting Officer:</b>	Jason Whiteaker – Chief Executive Officer
<b>Responsible Officer:</b>	Jason Whiteaker – Chief Executive Officer
<b>Officer Declaration of Interest:</b>	N/a
<b>Voting Requirement:</b>	Simple Majority
<b>Press release to be issued:</b>	N/a

#### BRIEF

Regulation 5 (2)(c) of the Local Government (Financial Management) Regulations require the Chief Executive Officer to undertake a review of the Shire's financial management systems and procedures. In order to achieve this requirement, the Chief Executive Officer appointed Macri Partners Chartered Accountants. The review was conducted for the period 1 July 2021 to 30 April 2022.

#### ATTACHMENTS

Attachment 1: Report on review of appropriateness and effectiveness of the financial management systems and procedures.

#### A. BACKGROUND / DETAILS

The Chief Executive Officer is responsible for implementing policies, procedures and controls which are designed to ensure the effective and efficient management of the Council's resources. In accordance with the Local Government (Financial Management) Regulations, the Chief Executive Office it to undertake a review of the appropriateness and effectiveness of the financial management systems and procedures and report the result of the review to Council at least once every three years.

The financial management review, undertaken by Macri Partners is provided as an attachment to this officer report. The review provided outlines the scope and approach applied by Macri Partners, an overview of findings as well as detailed findings and recommendations.

#### B. CONSIDERATIONS

##### B.1 Strategic Community / Corporate Business Plan

Theme Area 6: Governance & Leadership.

- Outcome 6.3: The Shire of Northam Council is a sustainable, responsive, innovative and transparent organisation.
- Outcome 6.4: the Elected members of the Shire of Northam provide accountable, strong and effective community leadership.
- Objective: Develop clear policy settings to guide our organisation and community.

**B.2 Financial / Resource Implications**

N/A

**B.3 Legislative Compliance**

Review a requirement of Regulation 5 (2)(c) of the Local Government (Financial Management) Regulations

**B.4 Policy Implications**

N/A

**B.5 Stakeholder Engagement / Consultation**

N/A

**B.6 Risk Implications**

Risk Category	Description	Rating (likelihood x consequence)	Mitigation Action
Financial	Inadequate financial systems & processes	Possible (3) X High (4) = High (12)	Implement recommendations of financial management systems and procedures review
Health & Safety	N/A		
Reputation	Inadequate financial systems & processes result in poor negative public sentiment	Possible (3) X High (4) = High (12)	Implement recommendations of financial management systems and procedures review
Service Interruption	n/a		
Compliance	Financial systems & processes not undertaken by Chief Executive Officer in line with Local Government	Possible (3) X High (4) = High (12)	Enter requirement to undertake review on organisational risk register

	Regulation requirements		
Property	n/a		
Environment	n/a		

### B.7 Natural Environment Considerations

N/A

### C. OFFICER'S COMMENT

It is pleasing that the conclusions drawn by Macri Partners was that based on the work they had undertaken nothing had come to their attention to indicate the Shire had not established and maintained appropriate and effective financial management systems and procedures during the period 1 July 2021 to 30 April 2022 other than aspects of the Shires Financial management systems and procedures which were assessed as having opportunities for improvement.

The following areas of improvement have been identified

1. Bank Reconciliations
2. Investment Policy
3. Purchasing of goods and services
4. Rates
5. Sundry Debtors & Receipting
6. Payroll
7. General Journals
8. Fixed assets
9. Information technology

Undertaking the independent review provides an opportunity for the financial area to be improved and further strengthened. The report provides not only the recommendation for improvement, but also a comment from management, identifies the officer responsible for the improvement and a timeframe for completion. The review has been signed off by the Chief Executive Officer



## RECOMMENDATION/COMMITTEE DECISION

Minute No: AU.224

Moved: Cr Ryan  
Seconded: Cr Appleton

### That Council

1. **Receives the Financial Management review as presented by the Chief Executive Officer, undertaken by Macri Partners Chartered Accountants**
2. **Requires the Chief Executive Officer to provide an update on the progress of each of the recommended actions to every Audit & Risk committee meeting until all actions are completed.**
3. **Enters the requirement for a financial review to be undertaken every three years in the Council organisational risk register**

**CARRIED 3/0**

Clarification was sought in relation to:

- Whether more than 3 quotes should be obtained with respect to the investment guidelines. The Executive Manager Corporate Services advised that the guidelines state a minimum of 3 quotes are needed, more can be obtained if the need arises.
- How can the committee ensure that Council stays under the 50% threshold. The Executive Manager Corporate Services advised that Council must invest across 3 banks in order to remain under this threshold. It was agreed that Council could receive a schedule of investments as part of the monthly financial report.
- Which banks is the Shire of Northam are investing with and whether these must be local. The Executive Manager Corporate Services advised that Council currently invests with Bendigo, Bankwest and ANZ. Staff have reviewed the rates at the other major banks including NAB and Commonwealth however these rates are lower than ANZ. Council could consider investing in banks outside of Northam however historically local banks have been used. It was advised that the bank must be better than an A2 standard rating. A suggestion was made to consider Bank of Queensland and Macquarie Bank.
- The CEO advised the committee that it could consider removing the 50% investment threshold, noting that the threshold is in place to ensure the spread of risk between more than one bank. There is currently a government guarantee in place that reduces the risk. It was advised that the committee could remove the 50% threshold providing that the investment period does not exceed 12 months. It was recommended that staff undertake further investigations prior to removing the threshold.

- The cause of the discrepancy regarding authorising for procurement. The Executive Manager Corporate Services advised that this related to human error. The auditors advised that this should be dated when signed.
- The outstanding rates section made mention of raising provision for doubtful debts, how is this accounted for? The Executive Manager Corporate Services advised that this is included in the annual report. The sundry debtors are reviewed annually, and doubtful debts are identified. It is assumed with Rates that the debt will be recovered at some point as local government are protected under the Local Government Act 1995.

UNCONFIRMED



**Shire of Northam**

**Report on the review of the appropriateness  
and effectiveness of the financial  
management systems and procedures**

**June 2022**



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PARTNERS  
Anthony Macri CA FCPA  
Domenic Macri CA CPA  
Connie De Felice CA CPA

## 1. INDEPENDENT REVIEWER'S REPORT TO THE CHIEF EXECUTIVE OFFICER OF THE SHIRE OF NORTHAM

At the request of the CEO, Macri Partners was engaged to conduct a limited assurance review of the appropriateness and effectiveness of the Shire of Northam's ("the Shire") financial management systems and procedures. The objective of the review is to assist the CEO discharge his responsibilities in respect to Regulation 5(2)(c) of the *Local Government (Financial Management) Regulations 1996* (as amended). The review was conducted for the period 1 July 2021 to 30 April 2022.

### CEO'S RESPONSIBILITY FOR MAINTAINING AND REVIEWING FINANCIAL MANAGEMENT SYSTEMS AND PROCEDURES

The CEO is responsible for implementing policies, procedures and controls which are designed to ensure the effective and efficient management of the Council's resources. In accordance with Regulation 5(2)(c) of the *Local Government (Financial Management) Regulations 1996* (as amended), the CEO is to undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures. At least once in every three financial years, the CEO is to report the results of those reviews to Council.

### OUR RESPONSIBILITY

Our responsibility is to provide a report expressing limited assurance, designed to enhance the confidence of the CEO to assist him report on the appropriateness and effectiveness of the financial management systems as required by Regulation 5(2)(c) of the *Local Government (Financial Management) Regulations 1996* (as amended). We conducted our engagement in accordance with Australian Standard on Assurance Engagements ASAE 3500 *Performance Engagements* issued by the Australian Auditing and Assurance Standards Board, in order to state whether, based on the procedures performed, anything has come to our attention that causes us to believe that that the Shire's financial management systems have not been operating effectively. Our engagement provides limited assurance as defined in ASAE 3500.

(CONTN/-)

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## INDEPENDENT REVIEWER'S REPORT (CONTINUED)

### LIMITATIONS OF USE

This report is made solely to the CEO of the Shire for the purpose of the CEO reporting under Regulation 5(2)(c) of the *Local Government (Financial Management) Regulations 1996*. We disclaim any assumption of responsibility for any reliance on this report to any person other than the CEO of the Shire, or for any purpose other than that for which it was prepared. We disclaim all liability to any other party for all costs, loss, damages, and liability that the other party might suffer or incur arising from or relating to or in any way connected with the contents of our report, the provision of our report to the other party, or the reliance on our report by the other party.

The report is for the use of the Shire of Northam and should not be quoted in whole or in part without our prior written consent.

### INHERENT LIMITATIONS

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement conducted in accordance with ASAE 3500 and consequently does not allow us to obtain assurance that we would become aware of all significant matters that might be identified in a reasonable assurance engagement. Accordingly, we will not express an opinion providing reasonable assurance. We cannot, in practice, examine every activity and procedure, nor can we be a substitute for management's responsibility to maintain adequate controls over all levels of operations and its responsibility to prevent and detect irregularities, including fraud. Accordingly, readers of our reports should not rely on the report to identify all potential instances of non-compliance which may occur.

Any projection of the evaluation of the level of compliance to future periods is subject to the risk that the systems may become inadequate because of changes in conditions, or that the degree of compliance with management procedures may deteriorate.

### INDEPENDENCE


In conducting our engagement, we have complied with the independence requirements of the Australian professional accounting bodies.

**INDEPENDENT REVIEWER'S REPORT (CONTINUED)**

**CONCLUSION**

Based on our work described in this report, nothing has come to our attention to indicate the Shire has not established and maintained appropriate and effective financial management systems and procedures during the period 1 July 2021 to 30 April 2022 other than those aspects of the Shire's Financial Management systems and procedures which were assessed as having opportunities for improvement. Our findings and recommendations are summarised at Part 4 of this report.

  
MACRI PARTNERS  
CHARTERED ACCOUNTANTS  
SUITE 2, 137 BURSWOOD ROAD  
BURSWOOD WA 6100

  
A MACRI  
PARTNER

PERTH  
DATED THIS 29 DAY OF JUNE 2022

---

## 2. EXECUTIVE SUMMARY

### **2.1 BACKGROUND AND REVIEW OBJECTIVE**

The objective of our review is to provide a report, based on our understanding of the Shire and associated risks, to assist the CEO to report to the local government on the appropriateness and effectiveness of the Shire's financial management systems and procedures as required by local government (Financial Management) Regulation 5(2)(c).

To comply with this requirement, we were engaged to undertake a review of certain areas (refer 2.2 Scope and Approach). Our engagement was undertaken in accordance with Australian Auditing and Assurance Standards.

The review covered the period 1 July 2021 to 30 April 2022.

### **2.2 SCOPE AND APPROACH**

The financial management review coverage included the following agreed areas:

- Fees and Charges
- Sundry Debtors
- Receipting
- Purchases of Goods & Services
- Payments
- Payroll
- Goods and Services Tax (GST)
- Investment of Surplus Funds
- Petty Cash and Floats
- Tender Register
- Trust Fund
- Reserve Fund
- General Journals
- Information Technology

Three stages were involved:



(i) Drafting financial management review work programs

The following factors were considered in developing the review programs:

- setting the objectives and scope of work;
- determining what needed to be tested and how much to test;
- documenting the work;
- deciding upon exceptions and their impact; and
- drawing conclusions regarding the testing and assessment.

(ii) Performance of financial management review function

The review was performed with the involvement of Partner, Manager and senior staff at various stages/levels of the work for the drafting of the review programs, performances of work, discussions and the drafting of reports.

(iii) Draft report, discuss and provide final report

Reporting at the conclusion of our review visit involved reporting of review findings, significant control weaknesses, legislative non-compliance matters and other relevant matters together with our recommendations.

### 2.3 OVERVIEW OF FINDINGS

Our examination was mainly an overview of the areas, assessing major controls and considering whether the systems and procedures in place are appropriate and effective for the Shire's current level of operations and structure. We did not necessarily examine compliance with provisions of the Act or Regulations, which were not financial in nature.

The financial management review was undertaken by discussions with the Shire's management and staff. We reviewed and identified the controls and procedures established within each area. Wherever necessary, the information provided was verified to test its accuracy and reliability.

The report contains several recommendations which we believe would help ensure that the financial systems operate in a more efficient and effective manner.

We encourage the Shire to consider these recommendations and if appropriate, to adopt them as they will further improve systems and procedures and ensure the integrity and reliability of the financial management processes and reporting of the Shire.

### 3. RISK RANKING CRITERIA

The following rankings may be applied to each recommendation to determine the significance of the issues raised:

#### Significant

Signifies a serious breakdown in key controls, which has the potential to:

- Impact adversely on the achievement of the Council's objectives, and/or
- Expose the Council to the risk of major financial loss, and/or
- Expose the Council to a substantial risk of external criticism.

Requires immediate management actions.

#### Moderate

Signifies a breakdown in controls, which has the potential to:

- Impact adversely on the achievement of Program/Activity objectives, and/or
- Expose the Program/Activity to the risk of financial loss, and/or
- Expose the Program/Activity to a risk of external criticism.

Requires management action within a reasonable time period.

#### Minor

Signifies a minor breakdown in controls, which, when addressed, will:

- Improve performance of the Program/Activity, and/or
- Improve controls in line with good management practice, and/or
- Decrease risks inherent in the Program/Activity.

Management should consider cost benefit analysis within a reasonable time period.

*The risk ranking is indicated below each issue.*

## 4. DETAILED FINDINGS AND RECOMMENDATIONS

### 4.1 BANK RECONCILIATIONS

We carried out a review of the monthly bank reconciliations in respect of the Muni Fund, Trust Fund and Reserve bank accounts in order to ascertain if the controls around bank reconciliations were effective.

The following matter was noted during our review and is brought to your attention.

**Finding:**

The bank reconciliations for the months of July 2021 to April 2022 except November 2021 have not been dated by the reviewer.

**Rating:** Minor

**Implication:**

In the absence of a review, it is not possible to ascertain if the reconciliations have been reviewed in a timely manner and delays in the review process of the reconciliations can result in errors or omissions not being detected early.

**Recommendation:**

The date of bank reconciliation review should be documented.

**Management Comment:**

The bank reconciliation will be dated by the reviewer in the future.

**Responsible Person:** Senior Finance Officer

**Completion Date:** July 2022

#### 4.2 INVESTMENT OF SURPLUS FUNDS

We conducted a review of investment of funds by the Shire. The objective of the review was to determine if adequate control exists in the investment of funds.

An investment policy exists which provides general guidelines as to the levels of risk and exposure for the various types of investments that can be placed. Our review of the Shire's Investments policy indicates that the policy has been prepared to ensure that all investments are made in accordance with:

- *The Local Government Act 1995* - Section 6.14;
- *Local Government (Financial Management) Regulations 1996* – Regs 19, 28 & 49;
- *The Trustees Act 1962* – Part III Investments; and
- Australian Accounting Standards;

All investment, cash management and risk management activity is undertaken in accordance with approved delegations authorised by the Council. The Chief Executive Officer (CEO) has been delegated authority by Council with the power to invest the Shire's funds. This authority is also sub-delegated by the CEO to the Manager Finance.

The Shire maintains its own investments and does not utilise the services of any authorised advisors. All movements such as transfers and redemption of investments are controlled by CEO and Manager Finance.

The Shire's investments consist of term deposits (short to medium term) with two financial institutions, namely Bankwest and Bendigo. The risk profile is low as there are no structured investments which have exposure to the global financial markets.

A schedule of investments is produced and submitted to the Council on a monthly basis.

The following matters were noted during our review and are brought to your attention:

(i) **Finding:**

The Shire does not have a formally established and documented internal control procedures for:

- the placement of investments (i.e. recording of interest quotes from banks, confirmation and authorisation of deals and so on)

- the rollover of investments
- the redemption of investments
- the receipt of income

Current practice of the investment of surplus funds at the Shire appears to be at the discretion of the officers responsible for the function. Regulation 19(1) of the Local Government (Financial Management) Regulations 1996 requires a local government to establish and document internal control procedures to be followed by employees to ensure control over investments.

**Rating:** Medium

**Implication:**

In the absence of a formally established and documented internal control procedures, there is an increased risk of inefficient investment of surplus investments. Such practice is also non-compliant with Regulation 19 (1) of the Local Government (Financial Management) Regulations.

**Recommendation:**

An Investment Procedural Guideline should be drafted and adopted by the Shire that should be followed by employees to ensure control over investments and also to be compliant with S.19 of the Local Government (*Financial Management*) Regulations 1996.

**Management Comment:**

Staff will look at putting a more formal procedure in place.

**Responsible Person:** Accountant

**Completion Date:** July 2022

(ii) **Finding:**

The Shire's Investment Policy has not been reviewed by the Shire in the 2021 year as required by the policy.

---

**Rating:** Medium

**Implication:**

The Investment Policy may be outdated and the investment decisions made based on the policy may not be the most appropriate.

**Recommendation:**

The Investment Policy should be reviewed and presented to Council as required by the policy at the earliest and update the policy if required based on the investment objectives of the Shire.

**Management Comment:**

Investment Policy will be updated.

**Responsible Person:** Executive Manager Corporate Services

**Completion Date:** July/August 2022

(iii) **Finding:**

The Shires investment policy F4.3 requires that investments be spread to ensure that no single financial institute holds more than 50% of the Shire's investments. However, we noted that as at 30 April 2022, the Bendigo Bank holds 59% of the Shire's investments at that date.

**Rating:** Moderate

**Implication:**

The Shire's has not been compliant with the requirements of its investment policy. Consequently, it may be exposed to financial risks.

**Recommendation:**

The Shire should look at restructuring its investments at the earliest in order to comply with the requirements of the investment policy and minimise its exposure to financial risks.

**Management Comment:**

The 50% percentage threshold was adhered to at the time of the investment of new funds, however, as the year has progressed the balance has shifted due to the disposal of funds for cash flow purposes. Staff will either seek Council amend this policy or rectify as soon as possible.

**Responsible Person:** Executive Manager Corporate Services  
**Completion Date:** July/August 2022

**4.3 PURCHASE OF GOODS AND SERVICES**

We carried out a review of the purchases and payments system to determine the adequacy and effectiveness of the controls in place. A number of payments were selected and testing performed to determine whether purchases of goods and services were in accordance with Shire's purchasing policy, guidelines and procedures.

More specifically, this entailed examining the following desirable internal control objectives:

- Appropriateness of the Council Policy on Purchases and Payments.
- Assurance that proper procedures are in place over the purchases and payments for goods and services.
- Assurance that purchases are initiated only by authorised personnel and on the basis of competitive quotes (where applicable).
- Assurance that Purchase Orders for goods are placed as needed and for optimum quantities.
- Incoming delivery of goods are recorded.
- Quantity and quality of goods received are certified prior to payment.

Shire of Northam  
Financial Management Review  
June 2022

- Terms, prices and general accuracy of supply invoices are certified correctly before payment.
- The allocation of costs is correctly handled so as to produce reliable reports for management purposes.
- Credits are correctly processed for all purchase returns and allowances.
- The functions of requisitioning, ordering, receiving, certifying and invoice paying are segregated.

The following matters were noted during our review and are brought to your attention.

(i) **Finding:**

We noted 1 out of 24 purchase transactions we tested, the same staff issued and approved the purchase order, receipted the goods/services and also authorised the related supplier invoice. However, this transaction appeared to be for a genuine business purpose.

**Rating:** Minor

**Implication:**

Lack of segregation of duties increases the risk of unauthorised purchases occurring without detection, resulting in financial loss to the Shire.

**Recommendation:**

Management should implement appropriate segregation of duties, particularly between authorisation of purchase order and approving relevant supplier invoices.

**Management Comment:**

This will be explored with procedures altered if possible.

**Responsible Person:** Procurement Co-ordinator  
**Completion Date:** July/August 2022



**(ii) Finding:**

The Shire's procurement policy allows minor variations once a successful tenderer is chosen but before entering into a contract in accordance with section 20 of the Local Government (Functions and General) Regulations 1996 and Delegated Authority F04.

We noted that the minor variation is not specified in the policy.

**Rating:** Moderate

**Implication:**

In the absence of a definition of a minor variation, the staff responsible for procurement decisions may not be clear as to what constitutes a minor variation and thereby may not be able to make the best decisions relating to procurement of goods and services.

**Recommendation:**

The procurement policy should define a minor variation.

**Management Comment:**

All tenders are handled within the procurement department and are either signed of by an Executive Manager or the CEO. However, staff will investigate including a definition.

**Responsible Person:** Procurement Coordinator

**Completion Date:** July/August 2022

**(iii) Finding:**

We tested 13 monthly credit card statements between the period July 2021 and April 2022 and noted that 11 credit card statements had no documentary evidence of review by an officer independent of the cardholder.

**Rating:** Moderate

**Implication:**

In the absence of a review by an officer independent of the cardholder, any misappropriation of funds or non-compliance with the Shire's credit card policy G1.18 on credit card use may not be detected in a timely manner.

**Recommendation:**

The monthly credit card statements of all credit cardholders should be reviewed by a senior officer independent of the cardholder and the reviewer should initial and date the credit card statement to indicate that the review was done in a timely manner.

**Management Comment:**

The procedure recommended will be implemented.

**Responsible Person:** Senior Finance Officer  
**Completion Date:** 28/06/2022

(iv) **Finding:**

The monthly creditor reconciliations for the months of November 2021 to April 2022 were not dated by the reviewer.

**Rating:** Minor

**Implication:**

In the absence of a review date, we were unable to ascertain if the review was carried out in a timely manner to detect any errors or omissions in the reconciliation which may have an adverse impact on the monthly financial reports presented to the Council.

---

**Recommendation:**

The reviewer should indicate the date of review on the monthly creditor reconciliations.

**Management Comment:**

The procedure recommended will be implemented.

**Responsible Person:** Procurement Coordinator  
**Completion Date:** 28/06/2022

**4.4 RATES**

We carried out a review of the system pertaining to raising and collecting of rates in order to ascertain if the controls around the rating system were effective.

The following matter was noted during our review and is brought to your attention.

**Finding:**

We noted that the rate debts outstanding for more than 3 years as at 1 April 2022 was \$679,445.88 which is approximately 29% of the total rate debts outstanding as of that date.

**Rating:** Moderate

**Implication:**

The Shire's liquidity position may be adversely affected if rate debts are not recovered in a timely manner.

**Recommendation:**

The recoverability of all long outstanding rate debts should be reviewed by the management and appropriate action be taken to recover them without delay. Also the need to create a provision for doubtful debts in the annual financial report should be reviewed.

---

**Management Comment:**

The Annual Financial Report currently has a provision for doubtful debts which includes rate debt that is expected to be written off in the next 12 months, of the current outstanding debt \$331,486 is related to one subdivision that was held by a now insolvent company. Council lawyers are progressing with legal action against the outstanding debt. Legal action in various forms or payment arrangements are in place for all debts greater than 3 years.

**Responsible Person:** Executive Manager Corporate Services

**Completion Date:** On Going

**4.5 SUNDRY DEBTORS AND RECEIPTING**

We carried out a review of the system relating to sundry debtors and receipting in order to ascertain if the controls around the sundry debtors and receipting system were effective.

The following matters were noted during our review and are brought to your attention.

(i) **Finding:**

We noted that the sundry debts outstanding for more than 90 days as at 30 April 2022 was \$499,965.54 which is approximately 86% of the total sundry debts outstanding as of that date.

**Rating:** Moderate

**Implication:**

The Shire's liquidity position may be adversely affected if sundry debts are not recovered in a timely manner.

**Recommendation:**

The recoverability of all long outstanding sundry debts should be reviewed by the management and appropriate action be taken to recover them without delay. Also the need to create a provision for doubtful debts in the annual financial report should be reviewed.

**Management Comment:**

The majority of this debt is associated with a capital grant from DFES being \$437,800, this was paid on the 23 June 2022. All outstanding debtors are reviewed monthly by both the Debtors Officer and the Accountant, with action taken as deemed appropriate.

**Responsible Person:** Accountant

**Completion Date:** On going

(ii) **Finding:**

We noted that the monthly debtor reconciliations for the months of July 2021 to April 2022 have not been dated by the reviewer.

**Rating:** Minor

**Implication:**

In the absence of a review date, we were unable to ascertain if the review was carried out in a timely manner to detect any errors or omissions in the reconciliation which may have an adverse impact on the monthly financial reports presented to the Council.

**Recommendation:**

The reviewer should indicate the date of review on the monthly debtor reconciliation.

**Management Comment:**

The recommendation will be implemented.

**Responsible Person:** Accountant

**Completion Date:** 28/06/2022

**(iii) Finding:**

When reviewing the sundry debtor aged trial balance for the month of April 2022, it was noted that \$15,866.16 due from Oasis Outdoor Structures was a result of a payment of retention money by oversight to the supplier. This amount has been outstanding for more than 90 days.

**Rating:** Moderate

**Implication:**

Shire may suffer a financial loss if the supplier does not return the money in case there are defects in the goods/services provided as the retention money has already been released.

**Recommendation:**

The management should ensure there are adequate controls in place to prevent erroneous payments to suppliers.

**Management Comment:**

Procedures have been reviewed regarding retentions to be held.

**Responsible Person:** Procurement Coordinator

**Completion Date:** 28/06/2022

**(iv) Finding:**

We noted that the Shire does not use a formal credit requisition form to raise credit notes relating to sundry debtors. Instead credit notes are raised based on email requests from the staff requesting the credit note.

**Rating:** Moderate.

**Implication:**

Erroneous or fraudulent credit notes may not be detected in a timely manner.

**Recommendation:**

The Shire should develop and use a formal credit note requisition form to be authorised by the responsible officer when a credit note needs to be raised.

**Management Comment:**

The recommendation will be implemented.

**Responsible Person:** Senior Finance Officer

**Completion Date:** July 2022

(v) **Finding:**

We note that the Shire does not have a formally established and documented internal control procedure for cancellation of receipts.

**Rating:** Moderate.

**Implication:**

The staff involved in the cancellation of receipts may not be aware of the right procedures to be followed in the absence of documented internal control procedures.

**Recommendation:**

The Shire should develop and use a documented internal control procedural guideline for the benefit of the relevant staff.

---

**Management Comment:**

Currently only the Accountant, Senior Finance Officer and the rates Officer can cancel receipts, the current procedure will be documented.

**Responsible Person:** Senior Finance Officer  
**Completion Date:** July 2022

(vi) **Finding:**

We noted that there was no documentary evidence of a review of the daily receipting report.

**Rating:** Moderate.

**Implication:**

Errors, omissions or frauds in daily receipting may not be detected in a timely manner.

**Recommendation:**

The daily receipting report should be reviewed by an officer independent of the receipting function and the evidence of such review should be documented. Any discrepancies should be investigated and rectified without delay.

**Management Comment:**

Receipting batches are reviewed daily, and discrepancies are investigated at that point by either the Accountant, Senior Finance Officer or Rates Officer, Staff have been instructed to sign and date moving forward.

**Responsible Person:** Senior Finance Officer  
**Completion Date:** 28/06/2022



---

(vii) **Finding:**

We noted that all operators of the front counter cash register use the same password.

**Rating:** Moderate.

**Implication:**

Allowing all operators to use the same log in and password impacts accountability and increases the risk of unauthorised or fraudulent transactions occurring.

**Recommendation:**

The management should seek the possibility of introducing different passwords for each operator or introducing documented procedures to minimise the risk of unauthorised or fraudulent transactions occurring.

**Management Comment:**

It's a difficulty of synergy (ERP) to do this in the way suggested, each different operator would take several minutes to logout and login each time there is a change of operator. It would significantly decrease productivity. There would also be a greater setup required to add the receipting printer along with additional reconciliation complexities. This is only the case for 2 computers that are only used for a handful of transaction per day. Staff will investigate if anything can be implemented to ease the concern.

**Responsible Person:** Accountant

**Completion Date:** July/August 2022

#### **4.6 PAYROLL**

As part of our review process, we examined the policies and procedures in place over the recruitment function and the monitoring and control of payroll.

The scope of the review focussed on the payroll process including:

- Fortnightly payroll processing
- New appointments
- Termination payments
- Leave balances and payments
- Workers' Compensation
- Compliance to applicable Awards, Acts and Regulations

More specifically, this entailed examining the following desirable objectives:

- Assurance that proper procedures are in place over the recruitment of staff.
- Job descriptions properly and adequately provide the duties and responsibilities of each employee.
- Staff evaluations are carried out regularly to monitor the performance of employees.
- A proper filing system is in place to ensure that employee related correspondences are filed and preserved.
- Adequate accounting records are kept to account for staff entitlements.
- Superannuation and other deductions effected from employees' salaries are remitted to the appropriate authorities promptly.
- Proper procedures are in place over the payment of employee wages and salaries.

The following matters were noted during our review and are brought to your attention.

(i) **Finding:**

We noted that employee termination payment calculations were not evidenced as being reviewed and approved by a senior staff of the Shire.

**Rating:** Moderate

Shire of Northam  
Financial Management Review  
June 2022

**Implication:**

Termination payouts can be high value and if calculations are not reviewed, incorrect payouts could pass undetected.

**Recommendation:**

We recommend that calculations of all termination payments are independently reviewed and the review be evidenced on the calculation sheet and it be retained.

**Management Comment:**

These are currently being reviewed, however, not signed. They will be signed and dated moving forward.

**Responsible Person:** Accountant

**Completion Date:** 28/06/2022

(ii) **Finding:**

We noted that employee pay slips show penalty payments as normal hours.

**Rating:** Minor

**Implication:**

Inaccuracy in the information provided in the pay slip.

**Recommendation:**

We recommend that management looks into this matter and take appropriate measures to rectify the issue.

---

**Management Comment:**

This has been raised in the past with Itvision our ERP provider with little success of getting it fixed, will be raised again however last time it was raised Itvision said nothing could be done about it.

**Responsible Person:** Accountant  
**Completion Date:** July/August 2022

**4.7 GENERAL JOURNALS**

We conducted a review of the internal controls around general journals.

The following matters were noted during our review and are brought to your attention:

(i) **Finding:**

We noted that 3 out of 10 general journals we tested, the same officer has prepared and posted the journal entry without an independent review by a second officer.

**Rating:** Significant

**Implication:**

If journals are not independently reviewed and approved, there is a risk that erroneous or fraudulent transactions may pass undetected. Accounting journals can represent significant adjustments to previously approved accounting transactions.

**Recommendation:**

We recommend that a senior person independent of the preparer reviews and authorises all journal entries before they are processed and evidence of authorisation retained.

---

**Management Comment:**

Journals are generally signed of by a second person being either the Accountant, Senior Finance Officer or the Executive Manager of Corporate Services, however, in this instance this did not occur.

**Responsible Person:** Accountant

**Completion Date:** N/A

(ii) **Finding:**

We noted that the Shire does not have a procedural guideline for general journals.

**Rating:** Moderate

**Implication:**

Without documented procedures, there is a risk that current practices followed by employees are not reflective of those desired by the Council.

**Recommendation:**

We recommend that management develops and implements documented procedures for the general journal process.

**Management Comment:**

A procedure will be developed as recommended.

**Responsible Person:** Accountant

**Completion Date:** July/August 2022

#### **4.8 FIXED ASSETS**

We conducted a review of the internal controls around fixed assets.

The following matters were noted during our review and are brought to your attention:

**(i) Finding:**

We noted that currently there is no process of formally documenting the disposal of assets i.e. *Asset Disposal Form*, and obtaining managements approval prior to disposal of individual assets. We however, acknowledge that potential disposals are included in the Shire's approved budget.

**Rating:** Moderate

**Implication:**

Although potential disposals are reflected in the Shire's approved budget, it is likely that the budgeted sales proceeds may differ from actual. Therefore, such practice could potentially result in the misappropriation of assets and result in financial losses to the Shire.

**Recommendation:**

We recommend that management introduce an Asset Disposal/Deletion form to formalise the asset disposals/deletions process, which should also be subject to appropriate authorisation.

**Management Comment:**

The recommendation will be implemented.

**Responsible Person:** Senior Finance Officer

**Completion Date:** 28/06/2022

**(ii) Finding:**

We noted that the monthly fixed asset reconciliations for the months of August 2021 to February 2022 have not been dated by the reviewer and the reconciliations for the months of March and April 2022 were not performed at the time of the review.

**Rating:** Minor

**Implication:**

In the absence of date of review on the monthly reconciliation, we were unable to ascertain if the reconciliations were reviewed in a timely manner to identify any errors or omissions in the reconciliations.

**Recommendation:**

We recommend that monthly fixed asset reconciliations are performed in a timely manner and reviewed by an officer independent of the preparer and evidence of such review be documented on the reconciliation.

**Management Comment:**

Will Implement the dating, we note disruptions due to staff shortages largely due to COVID-19 resulted in the delayed reconciliations for the months of March/April, key finance staff resources were being deployed to higher priorities, this is not expected to be an issue moving forward.

**Responsible Person:** Senior Finance Officer

**Completion Date:** 30/06/2022

#### **4.9 INFORMATION TECHNOLOGY**

We carried out a review of the Information Technology (IT) system to determine the adequacy and effectiveness of the controls in place.

The following matter was noted during our review and is brought to your attention:

**Finding:**

We noted that the Shire does not have a formal (IT) Security Policy. Furthermore there is no formal process to review user access rights and privileges in the system to ensure they are in line with the responsibilities of individual staff member's roles/positions.

**Rating:** Moderate

**Implication:**

In the absence of a formal IT Security Policy, management and users will not have guidance as to what constitutes best practice in relation to IT security. The lack of a formal process to review user access rights and privileges to the system increases the risk of unauthorised access to the system which could compromise data integrity.

**Recommendation:**

The Shire should develop a formal IT Security Policy and also ensure user access rights are periodically reviewed to ensure they are in line with individual staff roles and responsibilities.

**Management Comment:**

The recommendation will be implemented.

**Responsible Person:** Business Solutions Coordinator  
**Completion Date:** December 2022



## 6.2 REVIEW OF INVESTMENT POLICY

<b>File Reference:</b>	2.3.1.2
<b>Reporting Officer:</b>	Colin Young, Executive Manager Corporate Services
<b>Responsible Officer:</b>	Colin Young, Executive Manager Corporate Services
<b>Officer Declaration of Interest:</b>	Nil
<b>Voting Requirement:</b>	Simple Majority
<b>Press release to be issued:</b>	No

### BRIEF

For Council to review policy, F.3 Investment Policy.

### ATTACHMENTS

Attachment 1: Investment Policy (with tracked changes).

## A. BACKGROUND / DETAILS

During the recently carried out Financial Management Review it was noted that Policy, F.3 Investment Policy had not been reviewed within the timeframe stipulated for renewal. It was recommended that the Policy be reviewed at the earliest convenience. It was also noted that the policy was in breach of the investment guidelines which stipulate no more than 50% of funds can be held with one institution. The funds were distributed as follows, 59% Bendigo Bank & 41% Bankwest.

## B. CONSIDERATIONS

### B.1 Strategic Community / Corporate Business Plan

Theme Area 6: Governance & Leadership.

Outcome 6.3: The Shire of Northam Council is a sustainable, responsive, innovative and transparent organisation.

Outcome 6.4 the Elected members of the Shire of Northam provide accountable, strong and effective community leadership.

Objective: Develop clear policy settings to guide our organisation and community.

### B.2 Financial / Resource Implications

Nil.

### B.3 Legislative Compliance

Local Government Act 1995, s6.14.  
 The Trustees Act 1995, Pt III Investments; as amended Local Government.  
 (Financial Management) Regulations 1996, Regs 19, 19C, 28 & 49.  
 Australian Accounting standards.

**B.4 Policy Implications**

Shire of Northam Policy.

**B.5 Stakeholder Engagement / Consultation**

Nil.

**B.6 Risk Implications**

Risk Category	Description	Rating (consequence x likelihood)	Mitigation Action
Financial	Shire investments do not align with the needs of the Shire.	Possible (3) X Medium (3) = Moderate (9)	Review the Investment Policy Regularly.
Health Safety	N/a		
Reputation	Inadequate Investments could damage the Shires financial reputation.	Possible (3) X Medium (3) = Moderate (9)	Review the Investment Policy Regularly.
Service Interruption	N/a		
Compliance	Investment Policy Does not align with legislation	Possible (3) X Medium (3) = Moderate (9)	Review the Investment Policy Regularly.
Property	N/a		
Environment	N/a		

**C. OFFICER'S COMMENT**

Minor changes have been recommended as per Attachment 1 to ensure flexibility in achieving the best rate of return whilst maintaining the lowest risk possible to Council.

**RECOMMENDATION**

**That Council Adopts policy, F4.3 Investment Policy as presented in Attachment 1.**

**RECOMMENDATION/COUNCIL DECISION**

**Minute No: AU.225**

**Moved: Cr Appleton**

**Seconded: Cr Ryan**

**That Council adopts policy, F4.3 Investment Policy as presented in Attachment 1 subject to the following:**

- 1. The Chief Executive Officer investigating Section 9 part 2 being amended to remove the maximum percentage investment rate for each credit rating category;**
- 2. The Chief Executive Officer including an investment report in all future monthly financial reports.**

**CARRIED 3/0**

Reason for change to Officers recommendation

The committee formed the view that while the committee is mindful of risk it is looking to find a balance with potential returns. Hence it is requesting staff to review prior to final adoption by Council.

The committee feels that it is prudent to have a list of investments incorporated into the monthly financial reports moving forward.

**Attachment 1: Investment Policy (with tracked changes).**



Shire of Northam Policy Manual (Section 1)  
Policy  
F 4.3 Investment Policy

**FINANCE / ACCOUNTING**

**F 4.3 Investment Policy**

<i>Responsible Department</i>	Corporate Services
<i>Resolution Number</i>	<del>C.3638</del> <u>To be updated</u>
<i>Resolution Date</i>	<del>17/04/2019</del> <u>To be updated</u>
<i>Next Scheduled Review</i>	202 <del>4</del>
<i>Related Shire Documents</i>	
<i>Related Legislation</i>	Local Government Act 1995, s6.14; The Trustees Act 1995, Pt III Investments; as amended Local Government (Financial Management) Regulations 1996, Regs 19, 19C, 28 & 49, Australian Accounting standards

**OBJECTIVE**

The purpose of this policy is to invest the local government's surplus funds, with consideration of risk and at the most favourable rate of interest available to it at the time, for that investment type, while ensuring that its liquidity requirements are being met, whilst minimizing the possibility of incurring capital loss.

While exercising the power to invest, consideration is to be given in preservation of capital, liquidity, and the return of investment.

**SCOPE**

The policy applies to any investment of surplus funds other than bank deposits for operational purposes.

**POLICY**

**1. Policy Objectives**

To invest the local government's surplus funds, with consideration of risk and at the most favourable rate of interest available to it at the time, for that investment type, while ensuring that its liquidity requirement are being met, whilst minimizing the possibility of incurring capital loss.

While exercising the power to invest, consideration is to be given in preservation of capital, liquidity, and the return of investment.



- Preservation of capital is the principal objective of the investment portfolio. Investments are to be performed in a manner that seeks to ensure security and safeguarding the investment portfolio. This includes managing credit and interest rate risk within identified thresholds and parameters.
- The investment portfolio will ensure there is sufficient liquidity to meet all reasonably anticipated cash flow requirements, as and when they fall due, without incurring significant costs due to the unanticipated sale of an investment.
- The investment is expected to achieve a predetermined market average rate of return that takes into account the Council's risk tolerance. Any additional return target set by Council will also consider the risk limitation and prudent investment principles.

The objectives of the Policy on Investment of Surplus Funds are:

- To provide maximum capital security of funds;
- To provide the best available rate of interest from an approved source; and,
- To ensure sufficient liquidity to meet Council's cash flow requirements.

## 2. Legislative Requirements

All investments are to comply with the following:

- Local Government Act 1995 – Section 6.14;
- The Trustees Act 1962 – Part III Investments;
- Local Government (Financial Management) Regulations 1996 Regulation 19, Regulation 19C, Regulation 28 and Regulation 49

## 3. Policy Statement

Investments shall be restricted to term deposits or commercial bills offered by the following banks or government institutions:

- Commonwealth Bank of Australia
- BankWest
- Australia and New Zealand Bank
- National Australia Bank
- Westpac Banking Corporation
- WA Treasury Corporation.
- Bendigo Bank

Investments shall be spread to ensure that no single institution holds more than 50% of the Shire's invested funds.

## 4. Prohibited Investments

The investment policy prohibits any investment carried out for speculative purposes including:

- Derivative based instruments;
- Principal only investments or securities that provide potentially nil or negative



- cash flow; and
- Stand alone securities issued that have underlying futures, options, forwards contracts and swaps of any kind.

Speculative financial instruments are specifically prohibited, together with the use of the portfolio for speculation. Leveraging of the portfolio (borrowing to invest) is prohibited.

Local Government (Financial Management) Regulations 1996 – Reg 19c (2) does not allow the following;

- Deposit with an institution except an authorised institution;
- Deposit for a fixed term of more than 12 months;
- Invest in bonds that are not guaranteed by the Commonwealth Government, or a State or Territory government;
- Invest in bonds with a term to maturity of more than 3 years;
- Invest in a foreign currency.

#### 5. Term and Status Reports

The term of individual investments shall be consistent with the Shire's cash flow requirements and shall not exceed 12 months.

The status and performance of the investment portfolio is to be reported monthly to Council.

#### 6. Prudent Person Standard

The investment will be managed with the care, diligence and skill that a prudent person would exercise. Officers are to manage the investment portfolios to safeguard the portfolios in accordance with the spirit of this Investment Policy, and not for speculative purposes.

#### 7. Ethics and Conflicts of Interest

Officers shall refrain from personal activities that would conflict with the proper execution and management of Council's investment portfolio. This policy requires officer's to disclose any conflict of interest to the CEO.

#### 8. Approved Investments

Without approvals from Council, investments are limited to:

- State/Commonwealth Government Bonds;
- Interest bearing deposits;
- Bank accepted/endorsed bank bills;

#### 9. Investment Guidelines

##### (a) Quotations on Investments

Not less than three (3) quotations shall be obtained from authorised institutions when an investment is proposed.



(ii) Credit/Diversification Risk

The short term (0-365 days) credit guidelines will be based on Standard and Poors' Short Term Issue Credit Ratings which are:

- A1+ The obligor's capacity to meet its financial commitment on the obligation is extremely strong.
- A1 The obligor's capacity to meet its financial commitment on the obligation is strong.
- A2 The obligor is susceptible to adverse economic conditions however the obligor's capacity to meet its financial commitment on the obligation is satisfactory.

The amount invested with any one financial institution or product should not exceed the following percentages of average annual funds invested within each risk rating at the time of initial investment.

Credit Rating	Maximum % in credit rating category	Maximum % in one authorised institution
Short term A1+	100	50
Short term A1	50	50
<b>Bendigo Bank Short Term A2</b>	<b>50</b>	<b>50</b>
Short term A2	25	50

(i) Preference to community support

Where two or more quotes are equal in terms of risk and return then the institution that can demonstrate a greater community support will be preferred over the other.

(ii) Change in Credit Ratings

If any of Council's investments are downgraded such that they no longer fall within these investment policy guidelines, they will be divested as soon as is practicable.

### 6.3 INTERIM AUDIT REPORT

<b>File Reference:</b>	1.6.1.6
<b>Reporting Officer:</b>	Colin Young, Executive Manager Corporate Services
<b>Responsible Officer:</b>	Colin Young, Executive Manager Corporate Services
<b>Officer Declaration of Interest:</b>	Nil.
<b>Voting Requirement:</b>	Simple Majority
<b>Press release to be issued:</b>	No

#### BRIEF

For the Audit & Risk Management Committee to receive an update on the Interim Audit that was conducted for the period ending 30 June 2022.

#### ATTACHMENTS

- Attachment 1: Interim Management Letter to the CEO.  
Attachment 2: Shire of Northam Interim Management Letter.

#### A. BACKGROUND / DETAILS

The Interim Audit was carried out from the 25 April 2022 to 29 April 2022, Butler Settineri (Audit) Pty Ltd conducted the interim audit on behalf of the Office of the Auditor General. It concentrated largely on the overall control environment and to obtain an understanding of the key business processes, risks and internal controls relevant to the audit of the Annual Financial Report.

#### B. CONSIDERATIONS

##### B.1 Strategic Community / Corporate Business Plan

Theme Area 6: Governance & Leadership.

Outcome 6.3: The Shire of Northam council is a sustainable, responsive, innovative and transparent organisation.

Objective:

- Ensure robust financial management.
- Implement systems and processes which deliver outcomes for our community.
- Maintain a high standard of corporate governance.

##### B.2 Financial / Resource Implications

Nil.

##### B.3 Legislative Compliance



Local Government Act (1995) Section 7.12A.

**B.4 Policy Implications**

Nil.

**B.5 Stakeholder Engagement / Consultation**

Nil.

**B.6 Risk Implications**

Risk Category	Description	Rating (consequence x likelihood)	Mitigation Action
Financial	Possible misstatement in the Financial Statements	Medium(3) x Unlikely(2) = Moderate(6)	Ensure reporting is accurate and complete
Health Safety	N/A	N/A	N/A
Reputation	Low impact news item plus standing with the Department of Local Government.	Minor(2) x Unlikely(2) = Low(4)	Ensure reporting is accurate and complete
Service Interruption	N/A	N/A	N/A
Compliance	If report not done Council may not be aware of potential non-compliance.	Medium(3) x Unlikely(2) = Moderate(6)	Ensure the Act is adhered to
Property	N/A	N/A	N/A
Environment	N/A	N/A	N/A

**B.7 Natural Environment Considerations**

N/A

**C. OFFICER'S COMMENT**

The auditor raised one (1) issue which related to the authority for the Senior Accountant for authorising payments. This matter has since been addressed by granting the Senior Accountant delegated authority for delegation F01 – Creditors, Payment of.

**RECOMMENDATION/COUNCIL DECISION**

**Minute No: AU.226**

**Moved: Cr Appleton**

**Seconded: Cr Ryan**

**That Council receive the 2021/22 Interim Audit Findings.**

**CARRIED 3/0**

Clarification was sought in relation to:

- Authority for authorising payments, what was the reasoning. The Executive Manager Corporate Services advised that during the audit it was found that while the accountant had authority to approve transactions in the bank, they did not have delegated authority. The accountant has since been provided delegated authority.

**Attachment 1: Interim Management Letter to the CEO**



Our Ref: 8361

Mr Jason Whiteaker  
Chief Executive Officer  
Shire of Northam  
PO Box 613  
NORTHAM WA 6401

7th Floor, Albert Facey House  
469 Wellington Street, Perth

Mail to: Perth BC  
PO Box 8489  
PERTH WA 6849  
Tel: 08 6557 7500  
Email: [info@audit.wa.gov.au](mailto:info@audit.wa.gov.au)

Dear Mr Whiteaker

**ANNUAL FINANCIAL REPORT  
INTERIM AUDIT RESULTS FOR THE YEAR ENDING 30 JUNE 2022**

We have completed the interim audit for the year ending 30 June 2022. We performed this phase of the audit in accordance with our audit plan. The focus of our interim audit was to evaluate your overall control environment, but not for the purpose of expressing an opinion on the effectiveness of internal control, and to obtain an understanding of the key business processes, risks and internal controls relevant to our audit of the annual financial report.

**Management Control Issues**

I would like to draw your attention to the attached listing of deficiencies in internal control and other matters that were identified during the course of the interim audit. These matters have been discussed with management and their comments have been included on the attachment. The matters reported are limited to those deficiencies that were identified during the interim audit that we have concluded are of sufficient importance to merit being reported to management. Some of the matters may be included in our auditor's report in accordance with section 7.9(2) of the *Local Government Act 1995* or regulation 10(3)(a) and (b) of the *Local Government (Audit) Regulations 1996*. If so, we will inform you before we finalise the report.

This letter has been provided for the purposes of your local government Shire of Northam and may not be suitable for other purposes.

We have forwarded a copy of this letter to the President. A copy will also be forwarded to the Minister for Local Government when we forward our auditor's report on the annual financial report to the Minister on completion of the audit.

Feel free to contact me on 6557 7543 if you would like to discuss these matters further.

Yours faithfully



Indika Dias  
Acting Director  
Financial Audit  
1 July 2022

Attach

**Attachment 2: Shire of Northam Interim Management Letter**

**ATTACHMENT**

**SHIRE OF NORTHAM**

**PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2022**

**FINDINGS IDENTIFIED DURING THE INTERIM AUDIT**

INDEX OF FINDINGS	RATING		
	Significant	Moderate	Minor
1. Authority for authorising payments		✓	

**KEY TO RATINGS**

The Ratings in this management letter are based on the audit team's assessment of risks and concerns with respect to the probability and/or consequence of adverse outcomes if action is not taken. We give consideration to these potential adverse outcomes in the context of both quantitative impact (for example financial loss) and qualitative impact (for example inefficiency, non-compliance, poor service to the public or loss of public confidence).

- Significant** - Those findings where there is potentially a significant risk to the entity should the finding not be addressed by the entity promptly. A significant rating may be reported as a matter of non-compliance in the audit report in the current year, or in a subsequent reporting period if not addressed. However, even if the issue is not likely to impact the audit report, it should be addressed promptly.
- Moderate** - Those findings which are of sufficient concern to warrant action being taken by the entity as soon as practicable.
- Minor** - Those findings that are not of primary concern but still warrant action being taken.

ATTACHMENT

SHIRE OF NORTHAM

PERIOD OF AUDIT: YEAR ENDED 30 JUNE 2022

FINDINGS IDENTIFIED DURING THE INTERIM AUDIT

1. Authority for authorising payments

**Finding:**

We note that the Accountant has authority as an approver in the online banking system however the delegated authority only delegates Executive Managers and the CEO to authorise payments. We understand that in terms of the Shire's policy and payment practices two signatories are required to authorise payments in the online banking system and one must be an Executive Manager, however the Accountant does have authority as an approver, therefore the delegated authority should include this role as a payment authoriser.

**Rating: Moderate**

**Implication:**

Authorities given is inconsistent with Councils approved delegation of authority.

**Recommendation:**

We recommend that the Delegation Register is updated to include the Accountant Role as a delegated authority to authorise payments in the inline banking system.

**Management Comments:**

*Delegation Register updated as of the 01/07/2022 to include the Senior Accountant*

**Responsible person:**

Executive Manager Corporate Services

**Completion date:**

01/07/2022

## 6.4 MONTHLY COMPLIANCE REPORT

<b>File Reference:</b>	1.6.1.6
<b>Reporting Officer:</b>	Alysha McCall, Acting Governance Coordinator
<b>Responsible Officer:</b>	Jason Whiteaker, Chief Executive Officer
<b>Officer Declaration of Interest:</b>	Nil
<b>Voting Requirement:</b>	Simple Majority
<b>Press release to be issued:</b>	No

### BRIEF

This report provides Council with an overview of the Shire's monthly compliance activities.

### ATTACHMENTS

Attachment 1: Compliance Calendar and Creditors Checklist

### A. BACKGROUND / DETAILS

Under the Local Government (Audit) Regulations 1996, a Local Government is required to carry out a Compliance Audit for the period 1 January to 31 December of each year. To ensure compliance and to strengthen the auditing in key areas on a more regular basis, the Shire has implemented a monthly Compliance Calendar where specific activities and statutory requirements are audited internally.

### B. CONSIDERATIONS

#### B.1 Strategic Community / Corporate Business Plan

Theme Area 6: Governance & Leadership.

Outcome 6.3: The Shire of Northam council is a sustainable, responsive, innovative and transparent organisation.

Objective: Provide outstanding customer service.  
Maintain a high standard of corporate governance.

#### B.2 Financial / Resource Implications

N/A.

#### B.3 Legislative Compliance

There is no legislative requirement to maintain a Compliance Calendar, however it is considered best practice and covers the following Regulations:

- *Local Government (Functions and General) Regulations 1996;*
- *Local Government (Administration) Regulations 1996;*
- *Local Government (Elections) Regulations 1997;*
- *Local Government (Audit) Regulations 1996;*
- *Local Government (Rules of Conduct) Regulations 2007.*

**B.4 Policy Implications**

Nil.

**B.5 Stakeholder Engagement / Consultation**

Nil.

**B.6 Risk Implications**

<b>Risk Category</b>	<b>Description</b>	<b>Rating (consequence x likelihood)</b>	<b>Mitigation Action</b>
Financial	Ability to misuse funds.	Rare (2)x Medium (3) = Low (3)	Compliance calendar assists to ensure compliance
Health Safety	N/A		
Reputation	N/A		
Service Interruption	N/A		
Compliance	Staff not following legislative requirements	Rare (2)x Medium (3) = Low (3)	Compliance calendar assists to ensure compliance
Property	N/A		
Environment	N/A		

**C. OFFICER'S COMMENT**

The monthly Compliance Calendar is an effective tool to assist in populating the Annual Compliance Audit Return (CAR) and enhances the Shire's ability to identify and manage issues which may arise during the year, in a timely manner.

Included in the Compliance Calendar is a random audit of Creditors to ensure compliance with the Shire's purchasing policy and the requirements of the *Local Government Act 1995*

### 2022 Compliance Calendar

Month	Item	% Compliance	Non-Compliance
May	Internal Compliance Audit	100%	Compliant.
	Random Creditor check	90%	Of the 10 payments reviewed, one purchase order was raised after the invoice date.
June	Internal Compliance Audit	100%	Compliant.  There is a councillor impartiality interest highlighted as potentially being required to be declared as a proximity interest. This however is not required as the works were not adjoining the Councillors land.
	Random Creditor Check	100%	Compliant.
July	Internal Compliance Audit		91% compliant.  Disposal process not followed for the lease of the Pop Up Shop for the current tenant. Recommend this premise be disposed of via a licence which does not allow for exclusive use. This would make the disposal exempt from the requirements under the Local Government Act 1995.  DA register not updated for 2 delegations (crossovers and disposal of property for a lease to the swimming club)  Financial Statements not presented to Council in July however this is due to the budget not being adopted.
	Random Creditor Check	80%	Of the 10 payments reviewed, two purchase orders were raised after the date of the invoice.



**RECOMMENDATION/COUNCIL DECISION**

**Minute No: AU.227**

**Moved: Cr Ryan**  
**Seconded: Cr Appleton**

**That Council receive the update as provided in the monthly Compliance Calendar Report.**

**CARRIED 3/0**

Clarification was sought in relation to:

- Why purchase orders are being raised after invoice dates and how can the process be fixed to ensure this stops happening. The Executive Manager Corporate Services advised that some of these instances occur due to it being a trade service being provided and an invoice being issued on the spot. However, the general majority occur due to human error. It should be noted that a degree of accountability is still being taken by the staff in that the purchase orders are being entered into the system, but after the fact. It was suggested that staff provide a requisition after the fact where a purchase order was not provided in advance. The Executive Manager Corporate Services also noted the need to continue prompting and reminding staff of the need for purchase orders prior to invoices.

**May 2022 Creditor Check**

CREDITOR CHECK MAY 2022									
EFT #	Creditor	Order #	Order Amount	Order date	Invoice Date	Invoice Amount	Signing Officer Name	Purchasing Procedure Checklist attached and completed correctly	Date of order prior to date of invoice
43545	Fire and Safety WA	65512	2,400	17/02/2022	17/02/2022	2,300	CESM	Yes	Yes
43558	Vincelec	66205	323.78	13/04/2022	14/04/2022	324	Building Super	Yes	Yes
43580	Frontline Fire & Rescue	65729	2,718.66	08/03/2022	30/04/2022	2,719	CESM	Yes	Yes
43592	Northam Tyrepower & Suspension Centre	66110	2,540	06/04/2022	14/04/2022	2,540	CESM	Yes	Yes
43611	Vernice P/L	65596	23,760.00	23/02/2022	30/03/2022	14,424	Manager Planning	Yes	yes
43629	Draco Air P/L	66299	2,913	27/04/2022	11/11/2021	2,913	Rec Services Co-ord	Yes	No
43654	Alchemy Technology	64243	3,000.00	05/11/2021	4/05/2022	2,334	Purchasing Officer	Yes	Yes
43668	Charles Service Company	62742	104580.22	20/07/2021		8,704.11	EMES		
		65998	2,600	29/03/2022	20/04/2022	843.45	Building Super	Yes	Yes
43782	DCM Carpentry & Maintenance	65383	13,695	07/02/2022	16/05/2022	13,695	EMES	Yes	Yes
43719	Beazley Fencing	66113	4,400	06/04/2022	3/05/2022	4,400	Building Super	Yes	yes

**June 2022 Creditors Check**

**CREDITOR CHECKS JUNE 2022**










EFT #	Creditor	Invoice Date	Invoice Amount	Order #	Purchase Order Written	Order Amount	Signing Officer Name	Purchasing Procedure Checklist attached and completed correctly	Date of order prior to date of invoice
43827	Blackwells plumbing	24/05/2022	453	66474	12/05/2022	453.2	Building Super	N/A	Yes
43841	DCM Carpentry & Maintenance	4/05/2022	17,039	65780	14/03/2022	17,039	EMES	Yes	Yes
43895	Abel Concepts	20/05/2022	5,658	66300	27/04/2022	5,658	EMCORPS	Yes	Yes
43911	Eureka 4WD Training	11/05/2022	1,150	66070	4/04/2022	1,150	Works Manager	N/A	Yes
43944	Bow Steel P/L	7/06/2022	715	66585	25/05/2022	715	Building Super	N/A	Yes
43954	DMC Cleaning Kalamunda	31/05/2022	8,694	62820	26/07/2021	108,333	EMES	Ongoing	Yes
44015	Booth Print	22/04/2022	358	66197	13/04/2022	357.5	Senior Ranger	N/A	Yes
44036	Host Auto Repairs	15/06/2022	412	66749	8/06/2022	411.64	Procurement	N/A	yes
44074	Abbotts Forge	16/06/2022	500	66529	19/05/2022	500	Engineering Admin	N/A	Yes
44084	Charles Service Company	20/06/2022	8,625	62742	20/07/2021	104,580.22	EMES	Ongoing	Yes

**July 2022 Creditor Check**

Purchasing Review of 10 randomly selected payments each month:	EFT #	Creditor	Order #	Order Amount	Purchase Order Date	Signing Officer Name	Invoice Amount	Invoice Date	Purchasing Procedure Checklist attached and completed correctly	Date of order prior to date of invoice
Purchase of various irrigation supplies	EFT44143	B101 - Bunnings	66942	80.00	23/06/2022	H Singh	48.50	23/06/2022	N/A	Yes
Purchase of animal cages	EFT44243	N214 - Northam Feed & Hire	66767	1,380.00	9/06/2022	K Walters	1,380.00	23/05/2022	N/A	No
Supply of tip signs	EFT44261	W52 - Way Signs	65553	1,188.00	21/02/2022	J Jurmann	1,188.00	24/04/2022	N/A	Yes
Remove and replace ponds perimeter fence	EFT44233	B112 - Glen Berveridge	66503	3,850.00	17/05/2022	J Jurmann	3,850.00	9/06/2022	N/A	Yes
Design fees for civil & dump point design	EFT44161	M37 - McDowall Affleck	64117	10,450.00	28/10/2021	J Whiteaker	7,315.00	22/06/2022	N/A	Yes
Footpath program - Bernard Park, East St, Gordon St, Mudalla Rd, Perina Way	EFT44170	O65 - Oasis Outdoor Structures	65861 & 66488	239,547.00	17/03/2022	J Whiteaker	239,547.00	20/06/2022	Yes	Yes
Bookmarks for Visitor Centre	EFT44181	C264 - Thea Commins	66859	100.10	16/06/2022	V Williams	100.10	15/02/2022	N/A	No
Beavis Place mural	EFT44234	Jackson Harvey	64752	12,490.00	9/12/2021	J Metcalf	10,990.00	17/06/2022	Yes	Yes
Catering for staff training	EFT44294	L53 - Lucy's Tearooms	66550	425.00	20/05/2022	B Jones	425.00	8/06/2022	N/A	Yes
Dozer hire	EFT44296	M22 - Mayday Earthmoving	66919	11,946.00	22/06/2022	S Patterson	9,548.00	30/06/2022	Yes	Yes


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**MAY 2022 COMPLIANCE CALENDAR**

SOURCE	Section	PROCESS OWNER	ACTIVITY DESCRIPTION	COMPLIANCE ACCOUNTABILITY	SCHEDULE	COMMENTS	Sign
LG Act 1995	S3.59 - Commercial Enterprises	CEO	Have SoN entered into any major trading undertakings, if so has section 3.59 been complied with		Monthly	No	
LG Act 1995	S5.16	CEO	Is the delegations register current (ie not more than 12 months old)		Annually - June	It is not more than 12 months old.	
LG Act 1995	S5.67	CEO	Where an elected member disclosed a financial interest, did they leave the meeting and not participate in discussion or decision making on the item		Monthly	One financial interest was disclosed in item 13.3.2 and the member left the room.	
LG Act 1995	S5.65 & s5.73	CEO	Were all known elected member and staff disclosures of impartiality made at the Council meeting		Monthly	Yes all fifteen (15) known disclosures were made.	
LG Act 1995	S5.73 & S103	CEO	Were ALL disclosures recorded in the minutes		Monthly	Yes	
LG Act 1995	S5.76	CEO	Have all new 'designated' employees completed their primary returns within 3 months of commencement		Monthly	N/A	
LG Act 1995	S5.88	CEO	Is the register of financial interests up to date		Monthly	Yes	
LG Act 1995	S5.89	CEO	Have all resigned members and staff returns been removed from the financial interest register		Monthly	No members or staff resigned in May	
LG Act 1995	S103	CEO	Is the gift register up to date and on the Council website		Monthly	No gifts have been registered for May	

LG Act 1995	S3.58 - Disposal of Property	CEO	Did Council vote at the Ordinary Council meeting to sell property	Monthly	Not at the May meeting	<i>gp.</i>
LG Act 1995	S3.58 - Disposal of Property	CEO	Did the Council dispose of any property in the month, and if so was s3.58 complied with	Monthly	Two properties were sold	<i>gp.</i>
LG Act 1995	S5.121	EMCS	Has the complaints officer maintained the complaints register and is the online register up to date	Monthly	No reportable complaints have been made	<i>gp.</i>
LG Act 1995	S3.57 & F/G Reg 11	EMCS	Have tenders been called for all goods or services in excess of \$150k	Monthly	Yes	<i>gp.</i>
LG Act 1995	F/G Reg 16	EMCS	Receiving and opening Tenders completed by two persons, details of tenders to be immediately recorded	Monthly	No, RFQ 03 was opened by one person	<i>gp.</i>
LG Act 1995	F/G Reg 18	EMCS	Rejecting and accepting Tenders	Monthly	RFQ 03 was awarded 4/5/22 to WA Stabilising	<i>gp.</i>
LG Act 1995	F/G Reg 18 (1)	EMCS	Tender to be submitted before close of Tender and submitted to the Shire office	Monthly	Yes	<i>gp.</i>
LG Act 1995	F/G Reg 18 (4)	EMCS	Written evaluation of each Tenderer's criteria	Monthly	Yes	<i>gp.</i>
LG Act 1995		EMCS	Were Tenders presented to Council for approval	Monthly	No, done under delegated authority on E-Quotes	<i>gp.</i>
LG Act 1995	F/G Reg 17	EMCS	Tender Register to be maintained and available for inspection	Monthly	RFT 01 was registered and available for viewing	<i>gp.</i>
LG Act 1995	F/G Reg 19	EMCS	Tenderers to be notified of outcome	Monthly	All three were notified	<i>gp.</i>
LG Act 1995	F/G Reg 24AD (2)	EMCS	Statewide Public Notice of the invitation to apply to join a pre-qualified panel	Monthly	N/A	<i>gp.</i>

LG Act 1995	F/G Reg 24AD (4)	EMCS	Notice to include brief description of goods and services to be supplied by pre-qualified panel	Monthly	N/A	<i>gp.</i>
	Delegation - B02	EMDS	Buildings - Grant or Refuse Demolition Permit - register compelled?	Monthly	None registered for May	<i>gp.</i>
	Delegation - E01	EMES	Temporary Closure of Thoroughfares to vehicles	Monthly	None registered for May	<i>gp.</i>
	Delegation - E04	EMES	Crossover Approvals	Monthly	One registered for Burnside Place	<i>gp.</i>
	Delegation - F02	EMCS	Disposal of Council property	Monthly	Yes, the inkpen loader and old fuso. Two properties were sold, 1 lease	<i>gp.</i>
	Delegation - F04	EMCS	Inviting Tenders/Quotes	Monthly	RFQ 06, RFQ 08, RFT 01	<i>gp.</i>
		EMCS	Accounts presented to Council	Monthly	Yes Item 13.4.1	<i>gp.</i>
LG Act 1995	F / Reg 33A	EMCS	Budget Review to be completed and submitted to DLGC	Annually		<i>gp.</i>
		EMCS	Financial Report to Council	Monthly	Yes Item 13.4.2	<i>gp.</i>
Reporting	Building Services (Complaint Resolution and Administration) Regulations 2011	Building	Building Services Levy - Payment due by 14th day after the end of the month	Monthly	Yes	<i>gp.</i>














Reporting	Building and Construction Industry Training Fund and Levy Collection Regulations 1991	Building	Building Construction Training Fund Levy - Payment due by 10th day after the end of the month	Monthly	There was no BCITF payable for May	
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**JUNE 2022 COMPLIANCE CALENDAR**

SOURCE	Section	PROCESS OWNER	ACTIVITY DESCRIPTION & COMPLIANCE ACCOUNTABILITY	SCHEDULE	COMMENTS	Sign
L G Act 1995	S3.59 - Commercial Enterprises	CEO	Have SoN entered into any major trading undertakings, if so has section 3.59 been complied with	Monthly	No	
L G Act 1995	S5.16	CEO	Is the delegations register current (ie not more than 12 months old)	Monthly	It is not more than 12 months old	
L G Act 1995	s5.46	CEO	Review Delegations Register	Annually - June	Adopted 15/6/22 by Absolute majority	
L G Act 1995	S5.67	CEO	Where an elected member disclosed a financial interest, did they leave the meeting and not participate in discussion or decision making on the item	Monthly	There were no financial declarations	
L G Act 1995	S5.65 & s5.73	CEO	Were all known elected member and staff disclosures of impartiality made at the Council meeting	Monthly	Yes, the Councillor declared impartiality, however this may be a proximity	
L G Act 1995	S5.73 & S103	CEO	Were ALL disclosures recorded in the minutes	Monthly	yes	
L G Act 1995	S5.75	CEO	Have primary returns been lodged within 3 months of elected member 'start dates'	Annually - January	N/A	
L G Act 1995	S5.76	CEO	Have all new 'designated' employees completed their primary returns within 3 months of commencement	Monthly	N/A	
L G Act 1995	S5.76 & S5.77	CEO	Have all Elected Member Annual Returns been lodged and acknowledged in writing	Annually - August	Due in two months	
L G Act 1995	S5.76 & S5.77	CEO	Have all Designated Staff Annual Returns been lodged and acknowledged in writing	Annually - August	Due in two months	
L G Act 1995	S5.88	CEO	Is the register of financial interests up to date	Monthly	Yes	
L G Act 1995	S5.89	CEO	Have all resigned members and staff returns been removed from the financial interest register	Monthly	N/A	
L G Act 1995	S103	CEO	Is the gift register up to date and on the Council website	Monthly	No Gifts have been registered this month	

L G Act 1995	S3.58 - Disposal of Property	CEO	Did the Council dispose of any property in the month, and if so was s3.58 complied with	Monthly	Yes three properties were offered by private treaty after being passed in at Auction	JP
L G Act 1995	s6.16	EMCS	Has a report to Council been done for a review of fees and charges	Annually	Yes adopted 15/6/22	JP
L G Act 1995	S5.121	EMCS	Has the complaints officer maintained the complaints of a minor breach register and is the online register up to date	Monthly	No breaches have been reported	JP
L G Act 1995	S3.57 & F/G Reg 11	EMCS	Have tenders been called for all good or services in excess of \$150k	Monthly	All done through E-Quotes	JP
L G Act 1995	S3.57 & F/G Reg 14	EMCS	Was state wide public notice given for all tenders	Monthly	N/A	JP
L G Act 1995	F/G Reg 16	EMCS	Receiving and opening Tenders completed by two persons, details of tenders to be immediately recorded	Monthly	N/A	JP
L G Act 1995	F/G Reg 18	EMCS	Rejecting and accepting Tenders	Monthly	N/A	JP
L G Act 1995	F/G Reg 18 (1)	EMCS	Tender to be submitted before close of Tender and submitted to the Shire office	Monthly	N/A	JP
L G Act 1995	F/G Reg 18 (4)	EMCS	Written evaluation of each Tenderer's criteria	Monthly	N/A	JP
L G Act 1995	F/G Reg 17	EMCS	Tender Register to be maintained and available for inspection	Monthly	Yes	JP
L G Act 1995	F/G Reg 19	EMCS	Tenderers to be notified of outcome	Monthly	N/A	JP
L G Act 1995	F/G Reg 24AD (2)	EMCS	Statewide Public Notice of the invitation to apply to join a pre-qualified panel	Monthly	N/A	JP
L G Act 1995	F/G Reg 24AD (4)	EMCS	Notice to include brief description of goods and services to be supplied by pre-qualified panel	Monthly	N/A	JP
	Delegation - B02	EMDS	Buildings - Grant or Refuse Demolition Permit - register completed?	Monthly	None listed	JP
	Delegation - E01	EMES	Temporary Closure of Thoroughfares to vehicles	Monthly	None listed	JP
	Delegation - E04	EMES	Crossover Approvals	Monthly	None listed	JP

	Delegation - F02	EMCS	Disposal of Council property	Monthly	None under Delegated authority	
	Delegation - F04	EMCS	Inviting Tenders	Monthly	RFT 01 extension of 1 week	
	Delegation - F05	EMCS	Write Off/Waive Small Fees or Debts	Monthly	2x debts were waived	
		EMCS	Fees and Charges approved by Absolute Majority	Annually	15/6/22 Carried by Absolute Majority	
		EMCS	Interim Audit	Annually	9/-	
		EMCS	Accounts presented to Council	Monthly	July going to Council	
LG Act 1995	F / Reg 33A	EMCS	Budget Review to be completed and submitted to DLGSC	Monthly	15/6/22 adopted	
		EMCS	Financial Report to Council	June - August	July going to Council	
		EMCS	Financial Report to Council	Monthly	15/6/22 adopted	
Reporting	Building Services (Complaint Resolution and Administration) Regulations 2011	Building	Building Services Levy - Payment due by 14th day after the end of the month	Monthly	Done	

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JULY COMPLIANCE CALENDAR

SOURCE	Section	S OWNER	ACTIVITY DESCRIPTION	COMPLIANCE ACCOUNTABILITY	SCHEDULE	COMMENTS	Sign
LG Act 1995	S3.59 - Commercial Enterprises	CEO	Have SoN entered into any major trading undertakings, if so has section 3.59 been complied with		Monthly	Not applicable.	<i>Atsall</i>
LG Act 1995	S5.16	CEO	Is the delegations register current (ie not more than 12 months old)		Annually - June	Yes.	<i>Atsall</i>
LG Act 1995	S5.67	CEO	Where an elected member disclosed a financial interest, did they leave the meeting and not participate in discussion or decision making on the item		Monthly	Yes.	<i>Atsall</i>
LG Act 1995	S5.65 & s5.73	CEO	Were all known elected member and staff disclosures of impartiality made at the Council meeting		Monthly	Yes.	<i>Atsall</i>
LG Act 1995	S5.73 & S103	CEO	Were ALL disclosures recorded in the minutes		Monthly	Yes.	<i>Atsall</i>
LG Act 1995	S5.75	CEO	Have primary returns been lodged within 3 months of elected member 'start dates'		Annually - January	Not applicable.	<i>Atsall</i>
LG Act 1995	S5.76	CEO	Have all new 'designated' employees completed their primary returns within 3 months of commencement		Monthly	Yes. One new employee, Kudzai Matanga.	<i>Atsall</i>
LG Act 1995	S5.76 & S5.77	CEO	Have all Elected Member Annual Returns been lodged and acknowledged in writing		Annually - August	Yes for those submitted. Annual returns not due until 31 August 2022.	<i>Atsall</i>
LG Act 1995	S5.76 & S5.77	CEO	Have all Designated Staff Annual Returns been lodged and acknowledged in writing		Annually - August	Yes for those submitted. Annual returns not due until 31 August 2022.	<i>Atsall</i>
LG Act 1995	S5.88	CEO	Is the register of financial interests up to date		Monthly	Yes.	<i>Atsall</i>
LG Act 1995	S5.89	CEO	Have all resigned members and staff returns been removed from the financial interest register		Monthly	Yes.	<i>Atsall</i>
LG Act 1995	S103	CEO	Is the gift register up to date and on the Council website		Monthly	Yes.	<i>Atsall</i>
LG Act 1995	S3.58 - Disposal of Property	CEO	Did the Council dispose of any property in the month, and if so was s3.58 complied with		Monthly	No. Pop Up Shop was disposed of on 14/07/2022 and did not follow disposal process.	<i>Atsall</i>
LG Act 1995	s6.16	EMCS	Has a report to Council been done for a review of fees and charges		Annually	Yes, adopted on 15/06/2022.	<i>Atsall</i>
LG Act 1995	S5.121	EMCS	Has the complaints officer maintained the complaints register and is the online register		Monthly	Yes. Nil complaints received.	<i>Atsall</i>
LG Act 1995	S3.57 & F/G Reg 11	EMCS	Have tenders been called for all good or services in excess of \$250k		Monthly	One purchase in excess of \$250,000 however is from the WALGA Preferred Supplier Program and exempt in accordance with regulation 11(2)(b) of the Local Government (Functions and General) Regulations 1996	<i>Atsall</i>
LG Act 1995	S3.57 & F/G Reg 14	EMCS	Was state wide public notice given for all tenders		Monthly	No tenders advertised in July.	<i>Atsall</i>
LG Act 1995	F/G Reg 16	EMCS	Receiving and opening Tenders completed by two persons, details of tenders to be immediately recorded		Monthly	Nil tenders opened in July.	<i>Atsall</i>
LG Act 1995	F/G Reg 18	EMCS	Rejecting and accepting Tenders		Monthly	Acceptance and rejection letters for RFT 01 of 2022 sent on 26 July 2022.	<i>Atsall</i>
LG Act 1995	F/G Reg 18 (1)	EMCS	Tender to be submitted before close of Tender and submitted to the Shire office		Monthly	Yes.	<i>Atsall</i>
LG Act 1995	F/G Reg 18 (4)	EMCS	Written evaluation of each Tenderer's criteria		Monthly	Yes. Refer to evaluation report & matrix.	<i>Atsall</i>
LG Act 1995	F/G Reg 17	EMCS	Tender Register to be maintained and available for inspection		Monthly	Yes. Available on Shire website.	<i>Atsall</i>

LG Act 1995	F/G Reg 19	EMCS	Tenderers to be notified of outcome	Monthly	Acceptance and rejection letters for RFT 01 of 2022 sent on 26 July 2022.	Attail
LG Act 1995	F/G Reg 24AD (2)	EMCS	Statewide Public Notice of the invitation to apply to join a pre-qualified panel	Monthly	Not applicable.	Attail
LG Act 1995	F/G Reg 24AD (4)	EMCS	Notice to include brief description of goods and services to be supplied by pre-qualified panel	Monthly	Not applicable.	Attail
LG Act 1995		EMCS	Solicitor Representation letters	Annually	Request sent on 8 August 2022.	Attail
Finance	Department of Finance	Gov	Annual Land Tax Revenue	31/07/2022	completed 28/7/22	Attail
FOI Act	Office of the Information Commissioner	Gov	FOI Statistical Data (information Statement) to the Commissioner	22/07/2022	Completed 13/7/22	Attail
LG Act 1995		Gov	Send out adverts for Webinar for potential election candidates	Bi-annually	Not applicable.	Attail
LG Act 1995		Gov	By 26/7/19 have the owners & occupiers roll format sent to WAEC to be checked	Bi-annually	Not applicable.	Attail
LG Act 1995		Gov	31 July Last day to declare Commissioner to conduct a postal election	Bi-annually	Not applicable.	Attail
PSM Act 1994 PID Act 2003		Gov	Public Sector Commission Integrity and Conduct annual collection	31/07/2022	Completed 13/7/22	Attail
	Delegation - B02	EMDS	Buildings - Grant or Refuse Demolition Permit - register completed?	Monthly	Yes.	Attail
	Delegation - E01	EMES	Temporary Closure of Thoroughfares to vehicles	Monthly	Yes.	Attail
	Delegation - E04	EMES	Crossover Approvals	Monthly	Several determinations not reported on the Delegated Authority Register.	Attail
	Delegation - F02	EMCS	Disposal of Council property	Monthly	Lease agreement for a portion of 55 Mitchell Avenue which was executed on 11 July 2022 was not added to the register.	Attail
	Delegation - F04	EMCS	Inviting Tenders	Monthly	Yes.	Attail
	Delegation - F05	EMCS	Write Off/Waive Small Fees or Debts	Monthly	Nil approved in July.	Attail
		EMCS	Interim Audit	Annually	Yes.	Attail
		EMCS	Accounts presented to Council	Monthly	Yes.	Attail
LG Act 1995	F / Reg 33A	EMCS	Budget Review to be completed and submitted to DLGC	Annually	Adopted by Council 16 March 2022.	Attail
		EMCS	Financial Report to Council	Monthly	No due to budget not being adopted.	Attail
	LGIS		Insurance renewals	Annual July	Yes.	Attail
Reporting	Building Services (Complaint Resolution and Administration) Regulations 2011	Building	Building Services Levy - Payment due by 14th day after the end of the month	Monthly	Yes. Completed 04/08/2022.	Attail
Reporting	Building and Construction Industry Training Fund and Levy Collection Regulations 1991	Building	Building Construction Training Fund Levy - Payment due by 10th day after the end of the month	Monthly	Yes. Completed 04/08/2022.	Attail

## 6.5 RISK REGISTER

<b>File Reference:</b>	8.2.7.1
<b>Reporting Officer:</b>	Jason Whiteaker, Chief Executive Officer
<b>Responsible Officer:</b>	Jason Whiteaker, Chief Executive Officer
<b>Officer Declaration of Interest:</b>	Nil.
<b>Voting Requirement:</b>	Simple majority
<b>Press release to be issued:</b>	No

### BRIEF

To provide Council with information pertaining to the organisational risk register.

### ATTACHMENTS

Attachment 1: Overdue/Non-compliant Risks.  
Attachment 2: Complete Risk Register.

### A. BACKGROUND / DETAILS

The Shire of Northam have an organisational wide risk register which has been developed over a period of time. Council has been advised previously that the management of risk is an area which has been under developed within the Shire of Northam and an area which was receiving a focus to ensure the Elected Council was aware of the identified risks and treatments strategies in place.

To assist in the effective management of risk the Shire of Northam are using the Promapp system, which allows for recording of organisational risks and the tracking of the associated treatment actions.

### B. CONSIDERATIONS

#### B.1 Strategic Community / Corporate Business Plan

Theme Area 6: Governance & Leadership.

Outcome 6.4: The Elected Members of the Shire of Northam provide accountable, strong and effective community leadership.

Objective: Develop clear policy settings to guide our organisation and community.

#### B.2 Financial / Resource Implications

Council allocates \$27,000 per annum for the Promapp system. Promapp is used for process mapping, risk management and OHS management.

**B.3 Legislative Compliance**

AS/NZS ISO 31000:2009

**B.4 Policy Implications**

Council has recently endorsed policy G1.11 – Risk Management.

**B.5 Stakeholder Engagement / Consultation**

Council was involved in the development of the risk management policy and the past endorsement of the risk management plan.

**B.6 Risk Implications**

Risk Category	Description	Rating (consequence x likelihood)	Mitigation Action
Financial	Nil.	N/A	N/A
Health & Safety	Nil.	N/A	N/A
Reputation	Negative community perception due to lack of adequate risk management practices within the Shire of Northam	Minor(2) x Possible(3) = Moderate(6)	Per recommendation within this report
Service Interruption	Nil.	N/A	N/A
Compliance	Non-compliance of Australian Standards and legislation due to lack of risk management practices.	Minor(2) x Possible(3) = Moderate(6)	Per recommendation within this report
Property	Nil.	N/A	N/A
Environment	Nil.	N/A	N/A

**C. OFFICER'S COMMENT**

As part of the risk management policy Council has established two main performance indicators being;

1. % of high or extreme risks without mitigation / treatment strategies in place.

Currently all high or extreme risks have mitigation/treatment strategies.

2. % of risk mitigation / treatment strategies over due

Currently have 129 risk mitigation/treatment strategies, of which **2 are overdue (which equates to 0.77%).**

- MC00035 - Annual Budget adopted and aligned with long term financial plan.

Comment – At the time of writing this report, the budget is proposed to be adopted on 24 August 2022.

At the Audit & Risk Management Committee Meeting held on 2 June 2022, the Chief Executive Officer advised that the entire register would also be provided to give the Council some context on the entire register, so any perceived gaps in the register could be identified. The committee also indicated that it would like to review the entire risk register, breaking it down in small sections at future Audit & Risk Committee meetings. This review will commence at the next meeting of the Committee. The complete risk register has been provided to the committee as Attachment 2.

**RECOMMENDATION/COUNCIL DECISION**

**Minute No: AU.228**

**Moved: Cr Ryan**

**Seconded: Cr Appleton**

**That Council receives the July 2022 Shire of Northam Risk Register update.**

**CARRIED 3/0**

Clarification was sought in relation to:

- The break down of the risk register to be reviewed at each future committee meeting. The CEO confirmed that the committee will review approx. 10 risks per meeting.



## Overdue / Non-Compliant Risks

Filter: Overdue / Non-compliant

RESIDUAL  
**6.0**  
 MODERATE

INHERENT  
**20.0**

R00021

CORPORATE SERVICES, FINANCIAL - OPERATIONAL, FINANCIAL - STRATEGIC

### Inadequate Financial, Accounting or Business Acumen

Inadequate identification or quantification of financial exposure or risk associated with decisions to invest in land transactions, financial derivatives or investments or poor long term forecasting / assumptions. Examples include;

- Poor credit management (short or long term borrowing restricting capacity or flexibility).
- Ineffective market analysis (over or under estimating).
- Ineffective Business Planning (poor scope / competition analysis).
- Ineffective financial modelling, forecasting and projection techniques / processes.

OWNER Colin Young  
 CREATED 01/07/2019 06:34:50

LIKELIHOOD Likely  
 SEVERITY Extreme  
 CONTROL EFFECTIVENESS Strong

TREATMENT MC00034  
 Long Term Financial Plan in Place

SIGNOFF(S): Colin Young  
 DUE DATE: 01 Jul 2023  
 FREQUENCY: The first Day of every 12 months

TREATMENT MC00035  
 Annual Budget adopted and aligned with long term financial plan

**OVERDUE**  
 SIGNOFF(S): Colin Young  
 DUE DATE: 31 Jul 2022  
 FREQUENCY: The last Day of every 12 months

TREATMENT MC00036  
 Investment strategy / policy in place

SIGNOFF(S): Colin Young  
 DUE DATE: 01 Jul 2023  
 FREQUENCY: The first Day of every 12 months

TREATMENT MC00037  
 Manage Debtors - Identify Debtor Process to manage general debtors

**CHANGE(S) PENDING**  
 SIGNOFF(S): Colin Young  
 Kristy Hopkins  
 DUE DATE: 01 Jul 2023  
 FREQUENCY: The first Day of every 12 months

TREATMENT MC00038  
 Arrange payment plans for Rates - Setup payment arrangement with Rate payer Process which ensures rate debts are collected / managed effectively

SIGNOFF(S): Colin Young  
 Anastasia Williams  
 DUE DATE:  
 FREQUENCY: Once

TREATMENT MC00039  
 Develop Annual Budgets - Send Email Ensure budget process is managed effectively

**CHANGE(S) PENDING**  
 SIGNOFF(S): Colin Young  
 Kristy Hopkins  
 DUE DATE: 28 Feb 2023  
 FREQUENCY: The last Day of every 12 months

TREATMENT MC00040  
 Manage Rate Recovery - Confirm rates outstanding Manage recovery of rated

SIGNOFF(S): Anastasia Williams  
 DUE DATE: 01 Jul 2023  
 FREQUENCY: The first Day of every 12 months

UNCOMPLETED

RESIDUAL <b>3.6</b> LOW	AMP - BUILDINGS, FINANCIAL - OPERATIONAL <b>Future financial requirements for buildings unknown</b> Council fails to understand and plan for future building maintenance / expansion requirements	TREATMENT MC00019 Up to date and accurate building asset management plan in place	SIGNOFF(S): Scott Patterson Colin Young
	OWNER Jason Whiteaker CREATED 16/07/2019 03:28:36 LIKELIHOOD Possible SEVERITY Major CONTROL EFFECTIVENESS Strong	DUE DATE: 01 Jun 2023 FREQUENCY: The first Day of every 24 months	TREATMENT MC00021 Long Term Financial Plan aligned to asset management plans
INHERENT <b>12.0</b>		TREATMENT MC00034 Long Term Financial Plan in Place	SIGNOFF(S): Colin Young DUE DATE: 01 Jul 2023 FREQUENCY: The first Day of every 12 months
R00042		TREATMENT MC00035 Annual Budget adopted and aligned with long term financial plan	<b>OVERDUE</b> SIGNOFF(S): Colin Young DUE DATE: 31 Jul 2022 FREQUENCY: The last Day of every 12 months

RESIDUAL <b>3.6</b> LOW	AMP - BUILDINGS, FINANCIAL - OPERATIONAL <b>Maintenance not planned</b> Planned Maintenance & operation schedules, with budgets, do not exist, resulting in long term financial costs and asset deterioration	TREATMENT MC00019 Up to date and accurate building asset management plan in place	SIGNOFF(S): Scott Patterson Colin Young
	OWNER Shane Moorhead CREATED 16/07/2019 03:36:36 LIKELIHOOD Possible SEVERITY Major CONTROL EFFECTIVENESS Strong	DUE DATE: 01 Jun 2023 FREQUENCY: The first Day of every 24 months	TREATMENT MC00035 Annual Budget adopted and aligned with long term financial plan
INHERENT <b>12.0</b>			
R00044			

UNCONFIRMED

### Attachment 2 - Complete Risk Register

#### Risk Register



<b>RESIDUAL</b> <b>9.6</b> HIGH <hr/> <b>INHERENT</b> <b>12.0</b> R00023	CORPORATE SERVICES, SERVICE INTERRUPTION <b>Failure of IT &amp;/or Communications Systems and Infrastructure</b> Instability, degradation of performance, or other failure of IT Systems, Infrastructure, Communication or Utility causing the inability to continue business activities and provide services to the community. This may or may not result in IT Disaster Recovery Plans being invoked. Examples include failures or disruptions caused by: <ul style="list-style-type: none"> <li>• Hardware &amp;/or Software</li> <li>• IT Network</li> <li>• Failures of IT Vendors</li> </ul> This also includes where poor governance results in the breakdown of IT maintenance such as; <ul style="list-style-type: none"> <li>• Configuration management</li> <li>• Performance Monitoring</li> <li>• IT Incident, Problem Management &amp; Disaster Recovery Processes</li> </ul> This does not include new system implementations - refer "Inadequate Project / Change Management". OWNER: Colin Young CREATED: 01/07/2019 14:58:09 LIKELIHOOD: Possible SEVERITY: Major CONTROL EFFECTIVENESS: Adequate	TREATMENT MC00047 Data Back-up Systems in place and documented SIGNOFF(S): Colin Young DUE DATE: 30 Sep 2022 FREQUENCY: The last Day of every 12 months
	TREATMENT MC00048 Disaster Recovery Plan in place SIGNOFF(S): Colin Young DUE DATE: 01 Sep 2022 FREQUENCY: The first Day of every 12 months	

UNCONFIRMED



<p>RESIDUAL  <b>9.6</b>                  HIGH</p> <p>INHERENT  <b>12.0</b></p>	<p>AMP - BUILDINGS, SERVICE INTERRUPTION</p> <p><b>AM Service Levels not met</b>                  Asset Management Plan identifies need to establish and monitor a range of service levels to ensure Council and community expectations are met</p> <p>OWNER: Shana Moorhead                  CREATED: 18/07/2019 11:24:02</p> <p>LIKELIHOOD: Likely                  SEVERITY: Medium                  CONTROL EFFECTIVENESS: Adequate</p>	<p>TREATMENT MC00019</p> <p>Up to date and accurate building asset management plan in place</p>	<p>SIGNOFF(S): Scott Patterson                  Colin Young</p> <p>DUE DATE: 01 Jun 2023</p> <p>FREQUENCY: The first Day of every 24 months</p>
<p>RESIDUAL  <b>9.6</b>                  HIGH</p> <p>INHERENT  <b>12.0</b></p>	<p>ENGINEERING SERVICES, FINANCIAL - OPERATIONAL, HEALTH &amp; SAFETY - PUBLIC, REPUTATION - COMMUNITY</p> <p><b>Inadequate Cleaning of Shire Facilities</b>                  Shire buildings and public amenities not regularly cleaned to and acceptable standard causing the following issues:                  - not regularly cleaned/sanitised, there is a chance of making people sick                  - not cleaned, community and visitors not satisfied                  Shire buildings and amenities may not be able to open to public or operate if not cleaned appropriately                  Paying too much for cleaning services is also a financial risk.</p> <p>OWNER: Shana Moorhead                  CREATED: 02/12/2020 11:11:13</p> <p>LIKELIHOOD: Likely                  SEVERITY: Medium                  CONTROL EFFECTIVENESS: Adequate</p>	<p>TREATMENT MC00109</p> <p>Manage public tenders (RFT) for purchases over \$250,000 Excl. GST - Prepare Tender                  Conduct a public tender as per the Manage Tenders Process and in line with the Shire's Procurement Policy F4.2</p> <p>TREATMENT MC00110</p> <p>Have a contract in place for regular cleaning schedule in place in accordance with best cleaning practices                  Monthly inspection of toilets to be undertaken by Council staff</p>	<p>CHANGE(S) PENDING</p> <p>SIGNOFF(S): Colin Young                  Kristy Hopkins</p> <p>DUE DATE:</p> <p>FREQUENCY: Once</p> <p>SIGNOFF(S): Shana Moorhead</p> <p>DUE DATE: 01 Jul 2023</p> <p>FREQUENCY: The first Day of every 12 months</p>

UNCONFIRMED

RESIDUAL <b>7.5</b> MODERATE  INHERENT <b>25.0</b> RD0047	GENERAL, COMPLIANCE - LEGISLATIVE, COMPLIANCE - POLICY, FINANCIAL - OPERATIONAL, FINANCIAL - STRATEGIC, HEALTH & SAFETY, HEALTH & SAFETY - OCCUPATIONAL, HEALTH & SAFETY - PUBLIC, REPUTATION - COMMUNITY, REPUTATION - INDUSTRY, SERVICE INTERRUPTION, STRATEGIC - COMMUNITY, STRATEGIC - ORGANISATIONAL	TREATMENT MC00098 Implementation of the Shire of Northam Business Continuity Plan	SIGNOFF(S): Jason Whiteaker DUE DATE: FREQUENCY: Once
	<b>Covid-19 Pandemic</b> Australia & Western Australia are in a declared state of emergency as a result of the Covid-19 pandemic.	TREATMENT MC00099 Council to issue press release to community outlining initial response to Covid-19 pandemic	SIGNOFF(S): Jason Whiteaker DUE DATE: FREQUENCY: Once
	OWNER Jason Whiteaker CREATED 22/04/2020 16:28:59 LIKELIHOOD Almost Certain SEVERITY Extrema CONTROL EFFECTIVENESS Strong	TREATMENT MC00100 Council to monitor cashflow - monthly	SIGNOFF(S): Colin Young Jason Whiteaker DUE DATE: 01 Sep 2022 FREQUENCY: The first Day of every month
		TREATMENT MC00101 Council to establish and review quarterly a Covid-19 Strategic Response	SIGNOFF(S): Jason Whiteaker DUE DATE: FREQUENCY: Once

UNCONFIRMED

RESIDUAL  
**7.5**  
 MODERATE

INHERENT  
**25.0**

R00004

CORPORATE SERVICES, STRATEGIC - ORGANISATIONAL

**Inadequate Insurance**

Organisation is exposed to financial loss due to failure to renew public indemnity insurance or renew it with adequate cover

OWNER: Colin Young

CREATED: 08/05/2019 13:42:09

LIKELIHOOD: Almost Certain

SEVERITY: Extreme

CONTROL EFFECTIVENESS: Strong

TREATMENT MC00061

Insurance coverage reviewed internally prior to presenting to Chief Executive Officer for sign off

SIGNOFF(S):

Colin Young

DUE DATE:

01 Jul 2023

FREQUENCY:

The first Day of every 12 months

TREATMENT MC00062

Insurance coverage assessed independently for adequacy

SIGNOFF(S):

Colin Young

DUE DATE:

01 May 2024

FREQUENCY:

The first Day of every 48 months

TREATMENT MC00097

Review of past 5 year Insurance performance (comparing premium contributions against claims). May result in assessing a range of factors including current level of cover, excesses and structure of workers compensation premium for example:

SIGNOFF(S):

Colin Young  
 Jason Whiteaker

DUE DATE:

31 May 2024

FREQUENCY:

The last Day of every 36 months

-Retention (deductible and excess) Review – assess what amount the Shire is able to retain for each applicable policy (please note LGIS Workers Compensation and Public Liability policies have Nil excess)

-Explore the options of moving from a fixed based Workers Compensation policy to Performance based policy. Whilst this could reduce up-front costs, poor performance does impact overall costs, due to a higher maximum rate.

-Overall Property Asset review – item by item, identify what the Shire would replace and what would not be replaced and amend sums insured accordingly. For example no intention of replacing an asset in the event of a total loss, you can choose to reduce the sum insured to an indemnity basis rather than re-in statement. Partial losses will need to be a consideration in this exercise.

-Policy Limits review against maximum foreseeable losses. (this can be undertaken on the Brokered policies outside of the mutual policies).

UNCOMPLETED

RESIDUAL  
**7.5**  
 MODERATE

INHERENT  
**25.0**

RD0011

CORPORATE SERVICES, COMPLIANCE - LEGISLATIVE, FINANCIAL - OPERATIONAL

**Inadequate procurement / tender process**  
 Council fails to meet legislative obligations, Council policy and Council delegations relating to procurement resulting in departmental investigation, potential disciplinary action, poor financial outcomes and reputation damage.

OWNER Executive Manager Corporate Services (Portfolio Manager)  
 CREATED 07/05/2019 10:29:20

LIKELIHOOD Almost Certain  
 SEVERITY Extreme  
 CONTROL EFFECTIVENESS Strong

TREATMENT MC00008

Manage Procurement - Identify need for procurement  
 Establish and comply with a purchasing policy.

CHANGE(S) PENDING

SIGNOFF(S): Colin Young  
 Kristy Hopkins  
 DUE DATE: 01 May 2023  
 FREQUENCY: The first Day of every 24 months

TREATMENT MC00009

Monthly random internal audit of five (5) purchases to be performed to ensure compliance with purchasing requirements.

SIGNOFF(S): Alysha McCall  
 DUE DATE: 14 Sep 2022  
 FREQUENCY: 14th day of every month

TREATMENT MC00010

Ensure the delegated authority register is up to date for tenders and purchases through E-Quotes.

SIGNOFF(S): Alysha McCall  
 DUE DATE: 14 Sep 2022  
 FREQUENCY: 14th day of every month

TREATMENT MC00112

Review Procurement Policy.

SIGNOFF(S): Kristy Hopkins  
 Colin Young  
 DUE DATE: 01 Oct 2022  
 FREQUENCY: 1st day of every 12 months

RESIDUAL  
**7.2**  
 MODERATE

INHERENT  
**9.0**

RD0015

CORPORATE SERVICES, COMPLIANCE - LEGISLATIVE, SERVICE INTERRUPTION

**Records Management**  
 Important information unable to be found and legislative requirements not met as a result of inadequate records management plans and practices.

OWNER Colin Young  
 CREATED 24/05/2019 14:58:42

LIKELIHOOD Possible  
 SEVERITY Medium  
 CONTROL EFFECTIVENESS Adequate

TREATMENT MC00023

Manage Records - File record Process which explains how to register all records incoming and outgoing

SIGNOFF(S): Colin Young  
 Kristy Hopkins  
 DUE DATE:  
 FREQUENCY: Once

TREATMENT MC00024

Current Records Management Plan in place

SIGNOFF(S): Alysha McCall  
 Colin Young  
 DUE DATE: 01 May 2024  
 FREQUENCY: The first Day of every 48 months

TREATMENT MC00025

Manage Document Control - Identify Document Need  
 Have an effective document control system in place

SIGNOFF(S): Colin Young  
 Kristy Hopkins  
 DUE DATE: 01 May 2023  
 FREQUENCY: The first Day of every 12 months

RESIDUAL <b>7.2</b> MODERATE	CHIEF EXECUTIVES OFFICE, REPUTATION - COMMUNITY	TREATMENT MC00032 Current Community Engagement Plan in Place	SIGNOFF(S): Jason Whiteaker DUE DATE: 01 Jan 2029 FREQUENCY: The first Day of every 112 months
	INHERENT <b>9.0</b>	<b>Inadequate engagement with Community / Stakeholders / Elected Members</b> Failure to maintain effective working relationships with the Community (including Local Media), Stakeholders, Key Private Sector Companies, Government Agencies and / or Elected Members. This invariably includes activities where communication, feedback and / or consultation is required and where it is in the best interests to do so.	TREATMENT MC00033 Biennial Customer Satisfaction & Community Needs Survey
R00018	OWNER Jason Whiteaker CREATED 19/08/2019 09:07:22 LIKELIHOOD Possible SEVERITY Medium CONTROL EFFECTIVENESS Adequate		
RESIDUAL <b>7.2</b> MODERATE	DEVELOPMENT SERVICES, ENVIRONMENTAL - NATURAL	TREATMENT MC00081 Up to Date and endorsed Strategic Waste Management Plan	SIGNOFF(S): Chadd Hunt DUE DATE: 31 Aug 2022 FREQUENCY: The last Day of every 12 months
	INHERENT <b>9.0</b>	<b>Inadequate environmental management</b> inadequate prevention, identification, enforcement and management of environmental issues. The scope includes; <ul style="list-style-type: none"> <li>Contaminated sites. / Coastal issues</li> <li>Waste facilities (landfill / transfer stations). / Groundwater</li> <li>Weed control. / Water Quality</li> <li>Illegal dumping.</li> <li>Illegal clearing / land use.</li> </ul>	TREATMENT MC00082 Have climate change policy in place
R00019	OWNER Carmen Sadleir CREATED 01/07/2019 14:28:54 LIKELIHOOD Possible SEVERITY Medium CONTROL EFFECTIVENESS Adequate		

UNCONFIRMED





RESIDUAL  
**6.0**  
 MODERATE

INHERENT  
**20.0**

RD0021

CORPORATE SERVICES, FINANCIAL - OPERATIONAL, FINANCIAL - STRATEGIC

**Inadequate Financial, Accounting or Business Acumen**

Inadequate identification or quantification of financial exposure or risk associated with decisions to invest in land transactions, financial derivatives or investments or poor long term forecasting / assumptions. Examples include;

- Poor credit management (short or long term borrowing restricting capacity or flexibility);
- Ineffective market analysis (over or under estimating);
- Ineffective Business Planning (poor scope / competition analysis);
- Ineffective financial modelling, forecasting and projection techniques / processes.

OWNER Colin Young  
 CREATED 01/07/2019 14:34:50

LIKELIHOOD Likely  
 SEVERITY Extreme  
 CONTROL EFFECTIVENESS Strong

TREATMENT MC00034  
 Long Term Financial Plan in Place

SIGNOFF(S): Colin Young  
 DUE DATE: 01 Jul 2023  
 FREQUENCY: The first Day of every 12 months

TREATMENT MC00035  
 Annual Budget adopted and aligned with long term financial plan

**OVERDUE**  
 SIGNOFF(S): Colin Young  
 DUE DATE: 31 Jul 2022  
 FREQUENCY: The last Day of every 12 months

TREATMENT MC00036  
 Investment strategy / policy in place

SIGNOFF(S): Colin Young  
 DUE DATE: 01 Jul 2023  
 FREQUENCY: The first Day of every 12 months

TREATMENT MC00037  
 Manage Debtors - Identify Debtor Process to manage general debtors

**CHANGE(S) PENDING**  
 SIGNOFF(S): Colin Young  
 Kristy Hopkins  
 DUE DATE: 01 Jul 2023  
 FREQUENCY: The first Day of every 12 months

TREATMENT MC00038  
 Arrange payment plans for Rates - Setup payment arrangement with Rate payer Process which ensures rate debts are collected / managed effectively

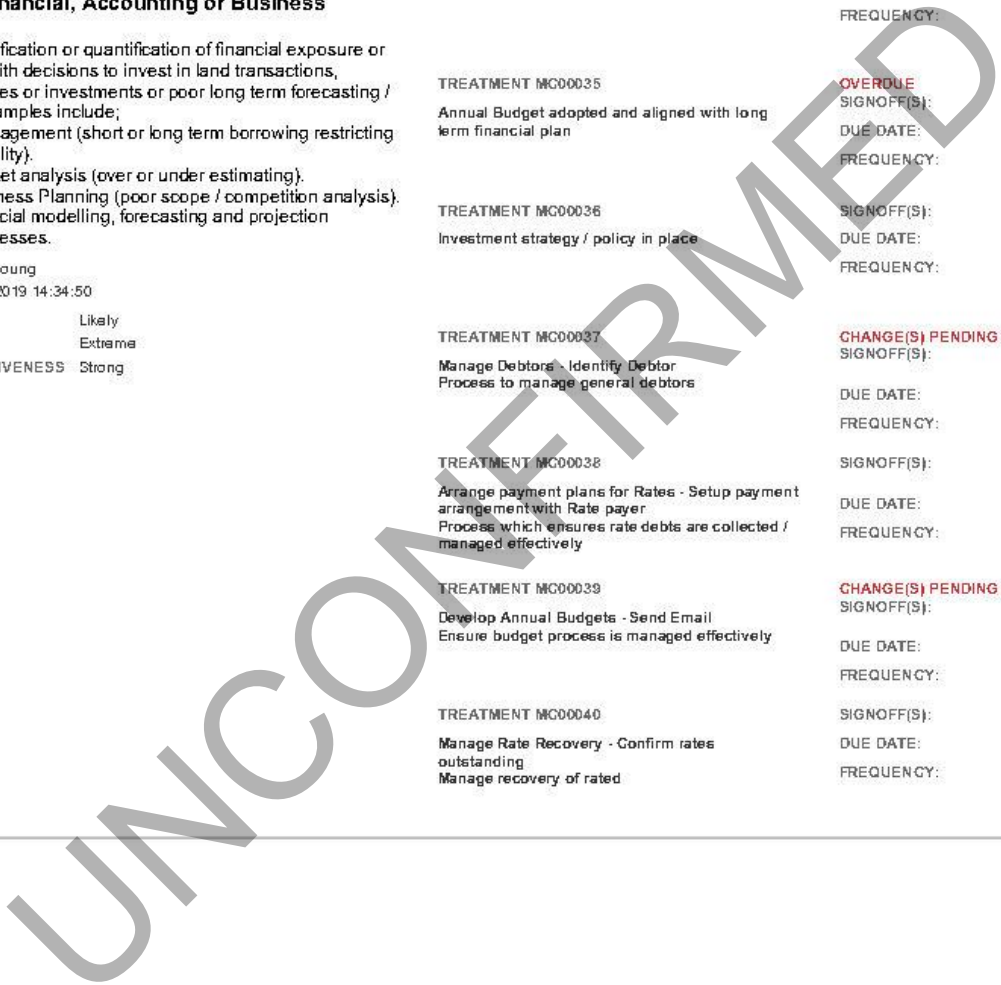
SIGNOFF(S): Colin Young  
 Anastasia Williams  
 DUE DATE:  
 FREQUENCY: Once

TREATMENT MC00039  
 Develop Annual Budgets - Send Email Ensure budget process is managed effectively

**CHANGE(S) PENDING**  
 SIGNOFF(S): Colin Young  
 Kristy Hopkins  
 DUE DATE: 28 Feb 2023  
 FREQUENCY: The last Day of every 12 months

TREATMENT MC00040  
 Manage Rate Recovery - Confirm rates outstanding Manage recovery of rated

SIGNOFF(S): Anastasia Williams  
 DUE DATE: 01 Jul 2023  
 FREQUENCY: The first Day of every 12 months



RESIDUAL  
**6.0**  
 MODERATE

INHERENT  
**20.0**

R00032

DEVELOPMENT SERVICES, HEALTH & SAFETY

**Inadequate Organisation and Community Emergency Management**

Failure to adequately conduct Prevention, Preparation, Response and Recovery (PPRR) in the organisation structure and community elements, inclusive of the management of all emergencies. This includes;

- Lack of (or inadequate) emergency response plans.
- Lack of training to specific individuals or availability of appropriate emergency response.
- Failure in command and control functions as a result of incorrect initial assessment or untimely awareness of incident.
- Inadequacies in environmental awareness and monitoring of fuel loads, curing rates etc

(References: AS 3745; AS 1851; AIMS 4 Management Principles)

OWNER Chadd Hunt

CREATED C2/07/2019 13:42:30

LIKELIHOOD Likely  
 SEVERITY Extrema  
 CONTROL EFFECTIVENESS Strong

TREATMENT MC00077

Functioning Local Emergency Management Committee, which meets quarterly

SIGNOFF(S): Brendon Rutter  
 Chadd Hunt

DUE DATE: 31 Oct 2022

FREQUENCY: The last Day of every 3 months

TREATMENT MC00078

Conduct at least 1 Emergency Management training exercise per year

SIGNOFF(S): Brendon Rutter  
 Chadd Hunt

DUE DATE: 30 Sep 2022

FREQUENCY: The last Day of every 12 months

TREATMENT MC00079

Conduct Inductions for Bush Fire Brigade Volunteer Members Annually

SIGNOFF(S): Brendon Rutter  
 Chadd Hunt

DUE DATE: 31 Oct 2022

FREQUENCY: The first Day of every 12 months

TREATMENT MC00080

Review Risk to Resources Document

SIGNOFF(S): Brendon Rutter  
 Chadd Hunt

DUE DATE: 30 Sep 2023

FREQUENCY: The last Day of every 24 months

UNCONFIRMED

RESIDUAL  
**6.0**  
 MODERATE

INHERENT  
**20.0**

RD0001

CORPORATE SERVICES, COMPLIANCE - LEGISLATIVE

**Failure to fulfil statutory, regulatory or compliance requirements**

Council is exposed to reputation damage and serious breaches due to a failure to comply with legislative and compliance requirements

OWNER: Colin Young  
 CREATED: 08/04/2019 14:46:49  
 LIKELIHOOD: Almost Certain  
 SEVERITY: Major  
 CONTROL EFFECTIVENESS: Strong

TREATMENT MC00002

Audit of monthly compliance calendar

SIGNOFF(S): Alysha McCall  
 DUE DATE: 14 Sep 2022  
 FREQUENCY: 14th day of every month

TREATMENT MC00007

Manage Inductions - Conduct New Employee Induction  
 All new employees are provided with adequate inductions

CHANGE(S) PENDING  
 SIGNOFF(S): Beverley Jones  
 DUE DATE: 26 Aug 2022  
 FREQUENCY: Fri every week

TREATMENT MC00009

Monthly random internal audit of five (5) purchases to be performed to ensure compliance with purchasing requirements.

SIGNOFF(S): Alysha McCall  
 DUE DATE: 14 Sep 2022  
 FREQUENCY: 14th day of every month

TREATMENT MC00058

Organisational Compliance Calendar in place and reviewed by Executive Management Group

SIGNOFF(S): Alysha McCall  
 DUE DATE: 01 Mar 2023  
 FREQUENCY: The first Day of every 12 months

TREATMENT MC00059

Induction & Training provided to elected members

SIGNOFF(S): Alysha McCall  
 DUE DATE: 30 Nov 2023  
 FREQUENCY: The last Day of every 24 months

TREATMENT MC00060

Complete Annual Compliance Return (Dept Local Government)

SIGNOFF(S): Alysha McCall  
 DUE DATE: 28 Feb 2023  
 FREQUENCY: The last Day of every 12 months

UNCONFIRMED

<p>RESIDUAL  <b>4.8</b>                  MODERATE</p> <p>INHERENT  <b>16.0</b></p> <p>R00008</p>	CHIEF EXECUTIVES OFFICE, REPUTATION - COMMUNITY <b>Not meeting community expectations</b> Community service expectations are not as a result of a failure to provide expected levels of service, events and benefit to the community. This includes where precedents have set Community perceptions or where services are generally expected.	TREATMENT MC00004 Review Corporate Business Plan annually to ensure reflects strategic community plan	SIGNOFF(S): Jason Whiteaker DUE DATE: 30 Jun 2023 FREQUENCY: The last Day of every 12 months
	OWNER Jason Whiteaker CREATED 08/05/2019 13:58:25 LIKELIHOOD Likely SEVERITY Major CONTROL EFFECTIVENESS Strong	TREATMENT MC00012 Undertake community surveying every two years focusing on community perception of service delivery	SIGNOFF(S): Jason Whiteaker DUE DATE: 31 Aug 2023 FREQUENCY: The last Day of every 24 months
		TREATMENT MC00013 Manage Customer Requests - Receive Request Ensuring that the organisation captures and responds appropriately to community and internal requests for works or services	CHANGE(S) PENDING SIGNOFF(S): Jason Whiteaker Alysha McCall DUE DATE: FREQUENCY: Once
<p>RESIDUAL  <b>4.8</b>                  MODERATE</p> <p>INHERENT  <b>16.0</b></p> <p>R00013</p>	CORPORATE SERVICES, ENGINEERING SERVICES, ENVIRONMENTAL - BUILT, FINANCIAL - STRATEGIC, SERVICE INTERRUPTION <b>Inadequate Asset Management Practices</b> Failure or reduction in service of infrastructure assets, plant, equipment or machinery. These include fleet assets in addition to community use based assets including playgrounds, boat ramps and other maintenance based assets. Areas included in the scope are; <ul style="list-style-type: none"> <li>• Inadequate design (not fit for purpose).</li> <li>• Ineffective usage (down time)</li> <li>• Outputs not meeting expectations</li> <li>• Inadequate maintenance activities.</li> <li>• Inadequate or unsafe modifications.</li> </ul> It does not include issues with the inappropriate use of the Plant, Equipment or Machinery. Refer Misconduct.	TREATMENT MC00018 Up to date and accurate transport management plan in place	SIGNOFF(S): Scott Patterson Colin Young DUE DATE: 01 Feb 2023 FREQUENCY: The first Day of every 24 months
	OWNER Jason Whiteaker CREATED 24/05/2019 14:29:02 LIKELIHOOD Likely SEVERITY Major CONTROL EFFECTIVENESS Strong	TREATMENT MC00019 Up to date and accurate building asset management plan in place	SIGNOFF(S): Scott Patterson Colin Young DUE DATE: 01 Jun 2023 FREQUENCY: The first Day of every 24 months
		TREATMENT MC00020 Up to date and accurate parks & reserves asset management plan in place	SIGNOFF(S): Scott Patterson Colin Young DUE DATE: 01 Sep 2023 FREQUENCY: The first Day of every 24 months
		TREATMENT MC00021 Long Term Financial Plan aligned to asset management plans	SIGNOFF(S): Colin Young DUE DATE: 01 Dec 2022 FREQUENCY: The first Day of every 12 months

RESIDUAL  
**4.8**  
 MODERATE

INHERENT  
**16.0**

R00022

CHIEF EXECUTIVES OFFICE, HEALTH & SAFETY - OCCUPATIONAL

**Inadequate safety and security practices**

Non-compliance with the Occupation Safety & Health Act, associated regulations and standards. It is also the inability to ensure the physical security requirements of staff, contractors and visitors. Other considerations are:

- Inadequate Policy, Frameworks, Systems and Structure to prevent the injury of visitors, staff, contractors and/or tenants.
- Inadequate Organisational Emergency Management requirements (evacuation diagrams, drills, wardens etc).
- Inadequate security protection measures in place for buildings, depots and other places of work (vehicle, community etc).
- Public Liability Claims, due to negligence or personal injury.
- Employee Liability Claims due to negligence or personal injury.
- Inadequate or unsafe modifications to plant & equipment

OWNER Jason Whiteaker  
 CREATED 01/07/2019 14:48:30

LIKELIHOOD Likely  
 SEVERITY Major  
 CONTROL EFFECTIVENESS Strong

TREATMENT MC00041

Undertake OHS Audit

SIGNOFF(S): Beverley Jones  
 DUE DATE: 01 Sep 2023  
 FREQUENCY: The first Day of every 24 months

TREATMENT MC00042

Implement recommendations from OHS Audit & Report to Audit & Risk Committee

SIGNOFF(S): Beverley Jones  
 DUE DATE: 30 Sep 2022  
 FREQUENCY: The last Day of every 4 months

TREATMENT MC00043

OHS Committee Meeting Regularly

SIGNOFF(S): Beverley Jones  
 DUE DATE: 30 Sep 2022  
 FREQUENCY: The last Day of every 3 months

TREATMENT MC00044

Toolbox meetings occurring and discussing safety (attach minutes/notes to sign off)

SIGNOFF(S): Scott Patterson  
 DUE DATE: 30 Sep 2022  
 FREQUENCY: The last Day of every month

TREATMENT MC00045

Senior Management Meeting (where the OSH system is reviewed and KPI's are measured as an agenda item)

SIGNOFF(S): Jason Whiteaker  
 DUE DATE: 30 Sep 2022  
 FREQUENCY: The last Day of every 6 months

TREATMENT MC00046

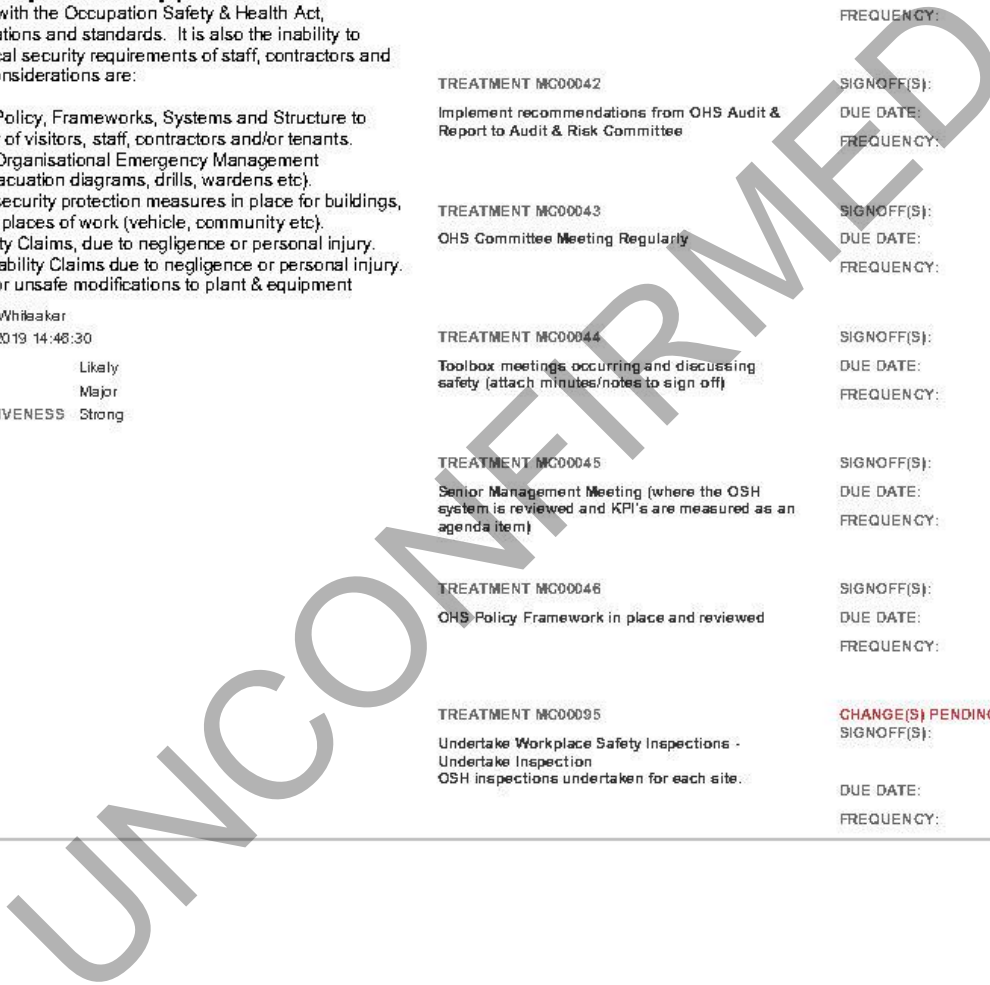
OHS Policy Framework in place and reviewed

SIGNOFF(S): Beverley Jones  
 DUE DATE: 31 Aug 2022  
 FREQUENCY: The last Day of every 12 months

TREATMENT MC00095

Undertake Workplace Safety Inspections - Undertake Inspection OSH inspections undertaken for each site.

**CHANGE(S) PENDING**  
 SIGNOFF(S): Colin Young  
 Scott Patterson  
 Jo Metcalf  
 DUE DATE: 31 Aug 2022  
 FREQUENCY: The last Day of every month



RESIDUAL <b>4.8</b> MODERATE	INHERENT <b>16.0</b>	R00020	CORPORATE SERVICES, FINANCIAL - OPERATIONAL, FINANCIAL - STRATEGIC <b>External Theft &amp; Fraud (inc. Cyber Crime)</b> Loss of funds, assets, data or unauthorised access, (whether attempts or successful) by external parties, through any means (including electronic), for the purposes of; • Fraud – benefit or gain by deceit • Malicious Damage – hacking, deleting, breaking or reducing the integrity or performance of systems • Theft – stealing of data, assets or information (no deceit) OWNER Colin Young CREATED 01/07/2019 14:32:52 LIKELIHOOD Likely SEVERITY Major CONTROL EFFECTIVENESS Strong	TREATMENT MC00111 Fraud and Corruption Control Plan in place	SIGNOFF(S): Colin Young DUE DATE: FREQUENCY: Once
RESIDUAL <b>4.8</b> MODERATE	INHERENT <b>16.0</b>	R00056	ENGINEERING SERVICES, HEALTH & SAFETY - PUBLIC <b>Unsafe Playground equipment</b> Shire playgrounds are not to a an acceptable standard causing the following issues: - Play Equipment is unsafe, there is a chance of injuring users - Play Equipment may not be open to public if it is unsafe and require repairs - Community and visitors unsatisfied OWNER Scott Patterson CREATED 05/07/2022 16:11:10 LIKELIHOOD Likely SEVERITY Major CONTROL EFFECTIVENESS Strong	TREATMENT MC00113 Regular playground inspections to be completed on a monthly basis.	SIGNOFF(S): Keith Boase Neville Binning Scott Patterson Scott Patterson Keith Boase DUE DATE: 31 Aug 2022 FREQUENCY: The last Day of every month

UNCONFIRMED

RESIDUAL <b>4.8</b> MODERATE	AMP - BUILDINGS, FINANCIAL - STRATEGIC	TREATMENT MC00089 Project evaluation procedure in place and utilised	SIGNOFF(S): DUE DATE: FREQUENCY:	Scott Patterson 01 Apr 2024 The first Day of every 24 months
	INHERENT <b>16.0</b>	<b>Capital projects can not be prioritised against the strategic community plan</b> Council is unable to assess projects and make determinations around priorities, based on any framework or decision criteria.		
RD0043	OWNER: Jason Whiteaker CREATED: 18/07/2019 11:33:15 LIKELIHOOD: Likely SEVERITY: Major CONTROL EFFECTIVENESS: Strong			

RESIDUAL <b>4.8</b> MODERATE	AMP - TRANSPORT, ENVIRONMENTAL - BUILT	TREATMENT MC00089 Project evaluation procedure in place and utilised	SIGNOFF(S): DUE DATE: FREQUENCY:	Scott Patterson 01 Apr 2024 The first Day of every 24 months
	INHERENT <b>16.0</b>	<b>Lack of capital project evaluation procedure</b> Shire does not have a capital project evaluation procedure aligned to the Community Strategic Plan		
RD0039	OWNER: Jason Whiteaker CREATED: 15/07/2019 16:54:13 LIKELIHOOD: Likely SEVERITY: Major CONTROL EFFECTIVENESS: Strong			

UNCONFIRMED

RESIDUAL <b>4.8</b> MODERATE	AMP - TRANSPORT, HEALTH & SAFETY	TREATMENT MC00088 Transport Assets to be routinely inspected every 3 years (includes sealed and unsealed roads, kerbs and table drains. Excludes footpaths and piped drainage network)	SIGNOFF(S): Michael Newton Scott Patterson
	<b>Transport Assets not routinely inspected</b> No formal safety & maintenance inspection procedures exist	DUE DATE: 31 Jan 2024 FREQUENCY: The last Day of every 36 months	
INHERENT <b>16.0</b>	OWNER Michael Newton CREATED 15/07/2019 16:35:25 LIKELIHOOD Likely SEVERITY Major CONTROL EFFECTIVENESS Strong	TREATMENT MC00096 Safety inspections carried out in response to Customer Service Requests by members of the public and Shire staff.	SIGNOFF(S): Michael Newton Scott Patterson DUE DATE: 31 Aug 2022 FREQUENCY: The last Day of every 3 months
R00036			
RESIDUAL <b>4.5</b> MODERATE	DEVELOPMENT SERVICES, HEALTH & SAFETY - PUBLIC	TREATMENT MC00027 Establishment of a 'functional' Local Emergency Management Committee, which meets six monthly	SIGNOFF(S): Brendon Rutter
	<b>Inadequate Organisation and Community Emergency Management</b> Failure to adequately conduct Prevention, Preparation, Response and Recovery (PPRR) in the organisation structure and community elements, inclusive of the management of all emergencies. This includes: - Lack of (or inadequate) emergency response plans. - Lack of training to specific individuals or availability of appropriate emergency response. - Failure in command and control functions as a result of incorrect initial assessment or untimely awareness of incident. - Inadequacies in environmental awareness and monitoring of fuel loads, curing rates etc  (References: AS 3745; AS 1851; AIMS 4 Management Principles)	DUE DATE: 30 Sep 2022 FREQUENCY: The last Day of every 6 months	
INHERENT <b>15.0</b>	OWNER Chadd Hunt CREATED 19/08/2019 08:51:12 LIKELIHOOD Possible SEVERITY Extreme CONTROL EFFECTIVENESS Strong	TREATMENT MC00028 Current Local Emergency Management Arrangements & Recovery Plan	SIGNOFF(S): Brendon Rutter Chadd Hunt DUE DATE: 01 Nov 2022 FREQUENCY: The first Day of every 24 months
R00017		TREATMENT MC00029 Run annual emergency management exercise	SIGNOFF(S): Brendon Rutter Chadd Hunt DUE DATE: 01 Nov 2022 FREQUENCY: The first Day of every 12 months
		TREATMENT MC00030 Bush fire Risk Management Plan in Place	SIGNOFF(S): Brendon Rutter Chadd Hunt DUE DATE: 01 Sep 2022 FREQUENCY: The first Day of every 12 months
		TREATMENT MC00031 Fuel Loads risk register in place	SIGNOFF(S): Brendon Rutter Chadd Hunt DUE DATE: 30 Sep 2022 FREQUENCY: The last Day of every 12 months



<p><b>RESIDUAL</b>  <b>3.6</b>                  LOW</p> <p><b>INHERENT</b>  <b>12.0</b></p> <p>R00002</p>	CHIEF EXECUTIVES OFFICE, STRATEGIC - ORGANISATIONAL <b>Inappropriate Organisational Structure</b> Unable to achieve organisational objectives as the Organisation is not structured appropriately	<b>TREATMENT MC00003</b> Review Strategic Community Plan every two years (desktop) and four years (major). Reviews to coincide with new Council being elected	SIGNOFF(S): Jason Whiteaker DUE DATE: 31 Dec 2023 FREQUENCY: The last Day of every 24 months
	OWNER: Jason Whiteaker CREATED: 09/04/2019 11:32:51 LIKELIHOOD: Likely SEVERITY: Medium CONTROL EFFECTIVENESS: Strong	<b>TREATMENT MC00004</b> Review Corporate Business Plan annually to ensure reflects strategic community plan	SIGNOFF(S): Jason Whiteaker DUE DATE: 30 Jun 2023 FREQUENCY: The last Day of every 12 months
		<b>TREATMENT MC00005</b> Review Human Resource Plan to ensure it is reflective of strategic community plan	SIGNOFF(S): Beverley Jones DUE DATE: 31 May 2023 FREQUENCY: The last Day of every 12 months
		<b>TREATMENT MC00006</b> Corporate Business Plan clearly articulates how organisational objectives will be achieved	SIGNOFF(S): Jason Whiteaker DUE DATE: 30 Jun 2023 FREQUENCY: The last Day of every 12 months

UNCONFIRMED



RESIDUAL  
**3.6**  
 LOW

INHERENT  
**12.0**

R00033

GENERAL, REPUTATION - COMMUNITY

**Errors, Omissions & Delays**

Errors, omissions or delays in operational activities as a result of unintentional errors or failure to follow due process or potentially inadequate resources. This includes instances of;

- Human errors, incorrect or incomplete processing
- Inaccurate recording, maintenance, testing and / or reconciliation of data.
- Errors or inadequacies in model methodology, design, calculation or implementation of models.

This may result in incomplete or inaccurate information.

Consequences include;

- Inaccurate data being used for management decision making and reporting.
- Delays in service to customers
- Inaccurate data provided to customers

This excludes process failures caused by inadequate / incomplete procedural documentation - refer "Inadequate Document Management Processes".

OWNER Jason Whiteaker  
 CREATED 02/07/2019 13:58:01

LIKELIHOOD Likely  
 SEVERITY Medium  
 CONTROL EFFECTIVENESS Strong

TREATMENT MC00002

Audit of monthly compliance calendar

SIGNOFF(S): Alysha McCall  
 DUE DATE: 14 Sep 2022  
 FREQUENCY: 14th day of every month

TREATMENT MC00007

Manage Inductions - Conduct New Employee Induction  
 All new employees are provided with adequate inductions

CHANGE(S) PENDING  
 SIGNOFF(S): Beverley Jones  
 DUE DATE: 26 Aug 2022  
 FREQUENCY: Fri every week

TREATMENT MC00009

Monthly random internal audit of five (5) purchases to be performed to ensure compliance with purchasing requirements.

SIGNOFF(S): Alysha McCall  
 DUE DATE: 14 Sep 2022  
 FREQUENCY: 14th day of every month

TREATMENT MC00083

Manage Inductions - Conduct New Employee Induction  
 Ensure staff are inducted into the organisation

CHANGE(S) PENDING  
 SIGNOFF(S): Beverley Jones  
 DUE DATE: 01 Oct 2022  
 FREQUENCY: The first Day of every 12 months

TREATMENT MC00084

Have critical processes mapped to assist staff eliminate errors, omissions and delays (wastage)

SIGNOFF(S): Alysha McCall  
 DUE DATE: 01 Dec 2022  
 FREQUENCY: The first Day of every 12 months

UNCONFIRMED

<p>RESIDUAL  <b>3.6</b>                  LOW</p>	<p>INHERENT  <b>12.0</b></p>	<p>RD0034</p>	<p>COMMUNITY SERVICES, COMPLIANCE - POLICY, REPUTATION - COMMUNITY</p> <p><b>Ineffective Management of Facilities / Venues / Events</b>                  Failure to effectively manage the day to day operations of facilities, venues and / or events. This includes;</p> <ul style="list-style-type: none"> <li>• Inadequate procedures in place to manage the quality or availability.</li> <li>• Ineffective signage</li> <li>• Booking issues</li> <li>• Financial interactions with hirers / users</li> <li>• Oversight / provision of peripheral services (eg. cleaning / maintenance)</li> </ul> <p>OWNER Jason Whiteaker                  CREATED C2/07/2019 14:05:05</p> <p>LIKELIHOOD Likely                  SEVERITY Medium                  CONTROL EFFECTIVENESS Strong</p>	<p>TREATMENT MC00085</p> <p>Manage Facilities &amp; Bookings - Receive enquiry and determine which Department is responsible for administering the booking.                  Process for managing bookings to ensure no duplication</p>	<p><b>CHANGE(S) PENDING</b>                  SIGNOFF(S): David Emery                  DUE DATE: 01 Sep 2022                  FREQUENCY: The first Day of every 12 months</p>
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UNCONFIRMED



RESIDUAL  
**3.6**  
 LOW

INHERENT  
**12.0**

R00035

CHIEF EXECUTIVES OFFICE, COMPLIANCE - LEGISLATIVE, REPUTATION - COMMUNITY, REPUTATION - INDUSTRY

**Misconduct/Fraud**

Intentional activities (including fraud) in excess of authority granted to an employee, which circumvent endorsed policies, procedures or delegated authority. This would include instances of:

- Relevant authorisations not obtained.
  - Distributing confidential information.
  - Accessing systems and / or applications without correct authority to do so.
  - Misrepresenting data in reports.
  - Theft by an employee
  - Collusion between Internal & External parties
- This does not include instances where it was not an intentional breach - refer Errors, Omissions or delays in transaction processing, or Inaccurate Advice.

OWNER Jason Whiteaker  
 CREATED 02/07/2019 14:09:25

LIKELIHOOD Possible  
 SEVERITY Major  
 CONTROL EFFECTIVENESS Strong

TREATMENT MC00007

Manage Inductions - Conduct New Employee Induction  
 All new employees are provided with adequate inductions

**CHANGE(S) PENDING**  
 SIGNOFF(S): Beverley Jones  
 DUE DATE: 26 Aug 2022  
 FREQUENCY: Fri every week

TREATMENT MC00059

Induction & Training provided to elected members

SIGNOFF(S): Alysha McCall  
 DUE DATE: 30 Nov 2023  
 FREQUENCY: The last Day of every 24 months

TREATMENT MC00086

Manage Inductions - Conduct New Employee Induction  
 Induction of new employees into the organisation assists in creating an expectation in terms of what is required

**CHANGE(S) PENDING**  
 SIGNOFF(S): Beverley Jones  
 DUE DATE: 01 Sep 2022  
 FREQUENCY: The first Day of every 12 months

TREATMENT MC00087

Manage Procurement - Identify need for procurement  
 Process minimises opportunity for misconduct

SIGNOFF(S): Colin Young  
 Kristy Hopkins  
 DUE DATE: 01 Oct 2022  
 FREQUENCY: The first Day of every 12 months

TREATMENT MC00102

Fraud Control Plan in place (refer OAG 2019/20 Report 5 - Fraud Prevention)

SIGNOFF(S): Tamika Van Beek  
 Colin Young  
 DUE DATE: 28 Feb 2023  
 FREQUENCY: The last Day of every 24 months

UNCOMPLETED

<p>RESIDUAL  <b>3.6</b>                      LOW</p> <p>INHERENT  <b>12.0</b></p> <p>R00037</p>	<p>AMP - TRANSPORT, ENVIRONMENTAL - BUILT</p> <p><b>Asset Inventories inaccurate</b>                      Asset inventories are not up to date and therefore inaccurate resulting in poor decision making</p> <p>OWNER: Michael Newton                      CREATED: 15/07/2019 18:40:29</p> <p>LIKELIHOOD: Likely                      SEVERITY: Medium                      CONTROL EFFECTIVENESS: Strong</p>	<p>TREATMENT MC00018</p> <p>Up to date and accurate transport management plan in place</p>	<p>SIGNOFF(S): Scott Patterson                      Colin Young                      DUE DATE: 01 Feb 2023                      FREQUENCY: The first Day of every 24 months</p>
	<p>TREATMENT MC00019</p> <p>Up to date and accurate building asset management plan in place</p>	<p>SIGNOFF(S): Scott Patterson                      Colin Young                      DUE DATE: 01 Jun 2023                      FREQUENCY: The first Day of every 24 months</p>	
	<p>TREATMENT MC00020</p> <p>Up to date and accurate parks &amp; reserves asset management plan in place</p>	<p>SIGNOFF(S): Scott Patterson                      Colin Young                      DUE DATE: 01 Sep 2023                      FREQUENCY: The first Day of every 24 months</p>	
<p>RESIDUAL  <b>3.6</b>                      LOW</p> <p>INHERENT  <b>12.0</b></p> <p>R00038</p>	<p>AMP - TRANSPORT, ENVIRONMENTAL - BUILT</p> <p><b>Inaccurate Asset Valuations</b>                      Valuations are carried out, however inaccurate resulting in impact on Council decision making and financial ratios</p> <p>OWNER: Colin Young                      CREATED: 15/07/2019 18:47:14</p> <p>LIKELIHOOD: Possible                      SEVERITY: Major                      CONTROL EFFECTIVENESS: Strong</p>	<p>TREATMENT MC00090</p> <p>Revaluations of Council Building Assets (Fair Value)</p>	<p>SIGNOFF(S): Colin Young                      DUE DATE: 01 Feb 2027                      FREQUENCY: The first Day of every 60 months</p>
	<p>TREATMENT MC00091</p> <p>Revaluations of Council Transport Infrastructure Assets (Fair Value)</p>	<p>SIGNOFF(S): Colin Young                      DUE DATE: 03 Oct 2022                      FREQUENCY: The first Day of every 60 months</p>	
	<p>TREATMENT MC00092</p> <p>Revaluation of Council Plant &amp; Equipment</p>	<p>SIGNOFF(S): Colin Young                      DUE DATE: 01 Oct 2025                      FREQUENCY: The first Day of every 60 months</p>	

<p>RESIDUAL  <b>3.6</b>                  LOW</p> <p>INHERENT  <b>12.0</b></p>	<p>R00031</p>	<p>GENERAL, REPUTATION - COMMUNITY</p> <p><b>Providing inaccurate advice / information to stakeholders</b>                  Incomplete, inadequate or inaccuracies in advisory activities to customers or internal staff. This could be caused by using unqualified, or inexperienced staff, however it does not include instances relating to Misconduct.</p> <p>Examples include;</p> <ul style="list-style-type: none"> <li>• incorrect planning, development or building advice,</li> <li>• incorrect health or environmental advice</li> <li>• inconsistent messages or responses from Customer Service Staff</li> <li>• any advice that is not consistent with legislative requirements, local laws or policies.</li> </ul> <p>OWNER Jason Whiteaker                  CREATED 02/07/2019 13:27:54</p> <p>LIKELIHOOD Likely                  SEVERITY Medium                  CONTROL EFFECTIVENESS Strong</p>	<p>TREATMENT MC00007                  Manage Inductions - Conduct New Employee Induction                  All new employees are provided with adequate inductions</p> <p>TREATMENT MC00013                  Manage Customer Requests - Receive Request                  Ensuring that the organisation captures and responds appropriately to community and internal requests for works or services</p> <p>TREATMENT MC00051                  Manage Staff Training - Identify Training Needs                  Ensure staff training needs are identified and met</p>	<p>CHANGE(S) PENDING                  SIGNOFF(S): Beverley Jones                  DUE DATE: 26 Aug 2022                  FREQUENCY: Fri every week</p> <p>CHANGE(S) PENDING                  SIGNOFF(S): Jason Whiteaker                  Alysha McCall                  DUE DATE:                  FREQUENCY: Once</p> <p>CHANGE(S) PENDING                  SIGNOFF(S): Beverley Jones                  DUE DATE: 31 Oct 2022                  FREQUENCY: The last Day of every 12 months</p>
<p>RESIDUAL  <b>3.6</b>                  LOW</p> <p>INHERENT  <b>12.0</b></p>	<p>R00041</p>	<p>AMP - BUILDINGS, ENVIRONMENTAL - BUILT, HEALTH &amp; SAFETY</p> <p><b>Condition of buildings is unknown</b>                  Council is unclear as to the condition of its building assets and therefore unable to make informed decisions, resulting in poor building condition and building safety concerns</p> <p>OWNER Shane Moorhead                  CREATED 18/07/2019 11:28:43</p> <p>LIKELIHOOD Possible                  SEVERITY Major                  CONTROL EFFECTIVENESS Strong</p>	<p>TREATMENT MC00019                  Up to date and accurate building asset management plan in place</p> <p>TREATMENT MC00090                  Revaluations of Council Building Assets (Fair Value)</p> <p>TREATMENT MC00093                  Develop and maintain medium term building maintenance program to ensure future costs are understood</p>	<p>SIGNOFF(S): Scott Patterson                  Colin Young                  DUE DATE: 01 Jun 2023                  FREQUENCY: The first Day of every 24 months</p> <p>SIGNOFF(S): Colin Young                  DUE DATE: 01 Feb 2027                  FREQUENCY: The first Day of every 60 months</p> <p>SIGNOFF(S): Shane Moorhead                  DUE DATE: 01 Nov 2022                  FREQUENCY: The first Day of every 12 months</p>

RESIDUAL <b>3.6</b> LOW	AMP - BUILDINGS, FINANCIAL - OPERATIONAL <b>Future financial requirements for buildings unknown</b> Council fails to understand and plan for future building maintenance / expansion requirements	TREATMENT MC00019 Up to date and accurate building asset management plan in place	SIGNOFF(S): Scott Patterson Colin Young DUE DATE: 01 Jun 2023 FREQUENCY: The first Day of every 24 months
	INHERENT <b>12.0</b> R00042	OWNER: Jason Whiteaker CREATED: 18/07/2019 11:28:38 LIKELIHOOD: Possible SEVERITY: Major CONTROL EFFECTIVENESS: Strong	TREATMENT MC00021 Long Term Financial Plan aligned to asset management plans
		TREATMENT MC00034 Long Term Financial Plan in Place	SIGNOFF(S): Colin Young DUE DATE: 01 Jul 2023 FREQUENCY: The first Day of every 12 months
		TREATMENT MC00035 Annual Budget adopted and aligned with long term financial plan	OVERDUE SIGNOFF(S): Colin Young DUE DATE: 31 Jul 2022 FREQUENCY: The last Day of every 12 months
RESIDUAL <b>3.6</b> LOW	AMP - BUILDINGS, FINANCIAL - OPERATIONAL <b>Maintenance not planned</b> Planned Maintenance & operation schedules, with budgets, do not exist, resulting in long term financial costs and asset deterioration	TREATMENT MC00019 Up to date and accurate building asset management plan in place	SIGNOFF(S): Scott Patterson Colin Young DUE DATE: 01 Jun 2023 FREQUENCY: The first Day of every 24 months
	INHERENT <b>12.0</b> R00044	OWNER: Shana Moorhead CREATED: 18/07/2019 11:38:38 LIKELIHOOD: Possible SEVERITY: Major CONTROL EFFECTIVENESS: Strong	TREATMENT MC00035 Annual Budget adopted and aligned with long term financial plan

<p>RESIDUAL  <b>3.6</b>                      LOW</p> <p>INHERENT  <b>12.0</b></p> <p>R00045</p>	AMP - BUILDINGS, FINANCIAL - STRATEGIC	TREATMENT MC00019	SIGNOFF(S):	Scott Patterson Colin Young
	<b>Financial performance indicators not met</b> The asset class does not meet the established financial performance parameters, resulting in an indication of asset sustainability	Up to date and accurate building asset management plan in place	DUE DATE:	01 Jun 2023
	OWNER Jason Whiteaker CREATED 18/07/2019 11:38:59	TREATMENT MC00021	FREQUENCY:	The first Day of every 24 months
	LIKELIHOOD Likely SEVERITY Medium CONTROL EFFECTIVENESS Strong	Long Term Financial Plan aligned to asset management plans	SIGNOFF(S):	Colin Young
			DUE DATE:	01 Dec 2022
		FREQUENCY:	The first Day of every 12 months	
		TREATMENT MC00090	SIGNOFF(S):	Colin Young
		Revaluations of Council Building Assets (Fair Value)	DUE DATE:	01 Feb 2027
			FREQUENCY:	The first Day of every 60 months
		TREATMENT MC00091	SIGNOFF(S):	Colin Young
		Revaluations of Council Transport Infrastructure Assets (Fair Value)	DUE DATE:	03 Oct 2022
			FREQUENCY:	The first Day of every 60 months
<p>RESIDUAL  <b>3.6</b>                      LOW</p> <p>INHERENT  <b>12.0</b></p> <p>R00048</p>	MAJOR PROJECTS, FINANCIAL - OPERATIONAL, HEALTH & SAFETY, PROPERTY - LIABILITY, REPUTATION - COMMUNITY, STRATEGIC - COMMUNITY	TREATMENT MC00053	SIGNOFF(S):	Jason Whiteaker
	<b>Aquatic Facility - Ineffective Project Management</b> Aquatic Facility Project not managed effectively	Project management framework in place, providing parameters for staff to operate within	DUE DATE:	31 Jul 2023
	OWNER Jason Whiteaker CREATED 14/09/2020 14:23:28	TREATMENT MC00054	CHANGE(S) PENDING	Tamika Van Beek
	LIKELIHOOD Possible SEVERITY Major CONTROL EFFECTIVENESS Strong	Prepare Elected Members Monthly Report - Publish Monthly Report	SIGNOFF(S):	15 Sep 2022
		Major Project status reporting to Council (through monthly elected member report)	DUE DATE:	15th day of every month
		TREATMENT MC00064	FREQUENCY:	15th day of every month
		Independent Project Superintendent appointed with requisite skills to acknowledge scale and complexity of this project	SIGNOFF(S):	Jason Whiteaker
	TREATMENT MC00067	DUE DATE:	Once	
	Construction project progress reports to be provided	FREQUENCY:	Once	



TREATMENT MC00068  
 Project Superintendent (Donovan Payne) reports to be provided monthly  
 SIGNOFF(S): Jason Whiteaker  
 DUE DATE:  
 FREQUENCY: Once

TREATMENT MC00069  
 Financial variations to be signed off by Project Manager  
 SIGNOFF(S): Jason Whiteaker  
 DUE DATE:  
 FREQUENCY: Once

TREATMENT MC00070  
 All request for information and clarification to be signed off / cited by Council Project Manager  
 SIGNOFF(S): Jason Whiteaker  
 DUE DATE:  
 FREQUENCY: Once

TREATMENT MC00071  
 Project assessment / evaluation to be undertaken at completion and reported to audit committee  
 SIGNOFF(S): Jason Whiteaker  
 DUE DATE:  
 FREQUENCY: Once

TREATMENT MC00074  
 Project time delays to be signed off in accordance with contract  
 SIGNOFF(S): Jason Whiteaker  
 DUE DATE:  
 FREQUENCY: Once

RESIDUAL  
**3.6**  
 LOW

INHERENT  
**12.0**

R00043

MAJOR PROJECTS, HEALTH & SAFETY - OCCUPATIONAL

**Aquatic Facility - Insufficient OHS in place for project**  
 Contractor has insufficient systems, processes and practices in place to manage site OHS effectively for the Aquatic Facility Project

OWNER: Jason Whiteaker  
 CREATED: 14/09/2020 14:28:32

LIKELIHOOD: Possible  
 SEVERITY: Major  
 CONTROL EFFECTIVENESS: Strong

TREATMENT MC00065  
 OHS report required from contractor, including details of site their own OHS site inspections  
 SIGNOFF(S): Jason Whiteaker  
 DUE DATE:  
 FREQUENCY: Once

RESIDUAL  
**3.6**  
 LOW

INHERENT  
**12.0**

R00050

MAJOR PROJECTS, COMPLIANCE - LEGISLATIVE

**Aquatic Facility - Inadequate Construction Contract**

Aquatic Facility Project construction contract not adequate which exposes Council to contract risk through the construction phase

OWNER Jason Whiteaker  
 CREATED 14/09/2020 14:27:38

LIKELIHOOD Possible  
 SEVERITY Major  
 CONTROL EFFECTIVENESS Strong

RESIDUAL  
**3.6**  
 LOW

INHERENT  
**12.0**

R00051

MAJOR PROJECTS, FINANCIAL - OPERATIONAL

**Aquatic Facility - Grant partners milestones not met**

Aquatic Facility Project funding organisations require regular reporting, failure to do so may result in withdrawal of funds

OWNER Jason Whiteaker  
 CREATED 14/09/2020 14:30:08

LIKELIHOOD Possible  
 SEVERITY Major  
 CONTROL EFFECTIVENESS Strong

TREATMENT MC00072

Department of Sport & Recreation milestone reports provided

SIGNOFF(S): Jason Whiteaker

DUE DATE:

FREQUENCY: Once

TREATMENT MC00073

Federal Building Better Regions Fund milestone reporting

SIGNOFF(S): Jason Whiteaker

DUE DATE:

FREQUENCY: Once

UNCONFIRMED

RESIDUAL <b>3.6</b> LOW	INHERENT <b>12.0</b>	RD0052	MAJOR PROJECTS, COMPLIANCE - LEGISLATIVE, FINANCIAL - STRATEGIC <b>Sale of 239 Yilgarn Avenue - Contract Requirements not satisfied</b> 239 Yilgarn Avenue sale of land does not proceed as a result of non compliance with contract requirements OWNER Jason Whiteaker CREATED 14/09/2020 14:31:42 LIKELIHOOD Possible SEVERITY Major CONTROL EFFECTIVENESS Strong	TREATMENT MC00094 The Buyer shall submit a Development Application within six calendar months of the contract date	SIGNOFF(S): Jason Whiteaker DUE DATE: FREQUENCY: Once
RESIDUAL <b>3.0</b> LOW	INHERENT <b>10.0</b>	RD0054	ENGINEERING SERVICES, SERVICE INTERRUPTION <b>PPOSAMP Service Levels Interruption</b> Identify and budget for assets reaching end of life there will likely be service interruptions with delayed replacement timeframes. OWNER Keith Boase CREATED 02/12/2020 09:37:11 LIKELIHOOD Almost Certain SEVERITY Minor CONTROL EFFECTIVENESS Strong	TREATMENT MC00106 Review Asset Management plan every two years.	SIGNOFF(S): Keith Boase DUE DATE: 01 Oct 2022 FREQUENCY: The first Day of every 24 months
			TREATMENT MC00107 Ensure asset management plan financial requirements are included in long term financial plan	SIGNOFF(S): Keith Boase DUE DATE: 31 Jan 2023 FREQUENCY: The last Day of every 12 months	
			TREATMENT MC00108 Ensure asset management plan financial requirements are included in annual budget	SIGNOFF(S): Keith Boase DUE DATE: 01 Jun 2023 FREQUENCY: The first Day of every 12 months	

UNCOMPLETED

RESIDUAL  
**2.7**  
 LOW

INHERENT  
**9.0**

RD0024

CHIEF EXECUTIVES OFFICE - COMPLIANCE - POLICY, FINANCIAL - OPERATIONAL, HEALTH & SAFETY - OCCUPATIONAL

**Inadequate Project Management**

Inadequate analysis, design, delivery and / or status reporting of change initiatives, resulting in additional expenses, time requirements or scope changes. This includes:

- Inadequate Change Management Framework to manage and monitor change activities.
- Inadequate understanding of the impact of project change on the business.
- Failures in the transition of projects into standard operations.

OWNER Jason Whiteaker  
 CREATED 01/07/2019 15:20:45

LIKELIHOOD Possible  
 SEVERITY Medium  
 CONTROL EFFECTIVENESS Strong

TREATMENT MC00053

Project management framework in place, providing parameters for staff to operate within

SIGNOFF(S): Jason Whiteaker  
 DUE DATE: 31 Jul 2023  
 FREQUENCY: The last Day of every 12 months

TREATMENT MC00054

Prepare Elected Members Monthly Report - Publish Monthly Report  
 Major Project status reporting to Council (through monthly elected member report)

CHANGE(S) PENDING  
 SIGNOFF(S): Tamika Van Beek  
 DUE DATE: 15 Sep 2022  
 FREQUENCY: 15th day of every month

TREATMENT MC00055

Internal audit of project and major project (as defined by corporate business plan) management framework compliance.

SIGNOFF(S): Jason Whiteaker  
 DUE DATE: 31 May 2023  
 FREQUENCY: The last Day of every 12 months

TREATMENT MC00056

identification of project classification in accordance with corporate business plan. Each Executive Manager to review their budget and identify which submit list of projects and their classification (not required for anything identified as works in accordance with corporate business plan

SIGNOFF(S): Jason Whiteaker  
 Chadd Hunt  
 Colin Young  
 DUE DATE: 31 Aug 2022  
 FREQUENCY: The last Day of every 12 months

TREATMENT MC00057

Manage Major Projects - Project Performance and Control  
 Provides process for managing projects

CHANGE(S) PENDING  
 SIGNOFF(S): Neville Binning  
 Scott Patterson  
 Jason Whiteaker  
 DUE DATE: 30 Sep 2022  
 FREQUENCY: The last Day of every 12 months

UNCONFIRMED

RESIDUAL  
2.7  
LOW

INHERENT  
9.0

R00025

CHIEF EXECUTIVES OFFICE, COMMUNITY SERVICES, CORPORATE SERVICES, DEVELOPMENT SERVICES, ENGINEERING SERVICES, FINANCIAL - OPERATIONAL, HEALTH & SAFETY - OCCUPATIONAL, SERVICE INTERRUPTION

**Inadequate Supplier / Contract Management**

Inadequate management of External Suppliers, Contractors, IT Vendors or Consultants engaged for core operations. This includes issues that arise from the ongoing supply of services or failures in contract management & monitoring processes. This also includes:

- Concentration issues
- Vendor sustainability

It does not include failures in the tender process; refer 'Inadequate Procurement, Disposal or Tender Practices'.

OWNER Kristy Hopkins

CREATED 01/07/2019 15:54:58

LIKELIHOOD Possible

SEVERITY Medium

CONTROL EFFECTIVENESS Strong

UNCONFIRMED

RESIDUAL  
**2.7**  
 LOW

INHERENT  
**9.0**

R00003

CHIEF EXECUTIVES OFFICE, STRATEGIC - ORGANISATIONAL

**Ineffective People Management / Employment Practices**

Failure to effectively manage and lead human resources (full/part time, casuals, temporary and volunteers). This includes not having an effective Human Resources Framework in addition to not having appropriately qualified or experienced people in the right roles or not having sufficient staff numbers to achieve objectives. Other areas in this risk theme to consider are;

- Breaching employee regulations (excluding OH&S).
- Discrimination, Harassment & Bullying in the workplace.
- Poor employee wellbeing (causing stress)
- Key person dependencies without effective succession planning in place.
- Induction issues.
- Terminations (including any tribunal issues).
- Industrial activity.

Care should be taken when considering insufficient staff numbers as the underlying issue could be a process inefficiency.

OWNER Jason Whiteaker  
 CREATED 08/05/2019 13:23:01

LIKELIHOOD Possible  
 SEVERITY Medium  
 CONTROL EFFECTIVENESS Strong

TREATMENT MC00007

Manage Inductions - Conduct New Employee Induction  
 All new employees are provided with adequate inductions

**CHANGE(S) PENDING**  
 SIGNOFF(S): Beverley Jones  
 DUE DATE: 26 Aug 2022  
 FREQUENCY: Fri every week

TREATMENT MC00049

100% of annual performance reviews undertaken

SIGNOFF(S): Beverley Jones  
 DUE DATE: 31 Dec 2022  
 FREQUENCY: The last Day of every 12 months

TREATMENT MC00050

Manage Employee Termination - Receive notification  
 Ensuring that employee terminations are managed appropriately and equitably to minimise risk of further action

SIGNOFF(S): Beverley Jones  
 DUE DATE: 01 Oct 2022  
 FREQUENCY: The first Day of every 3 months

TREATMENT MC00051

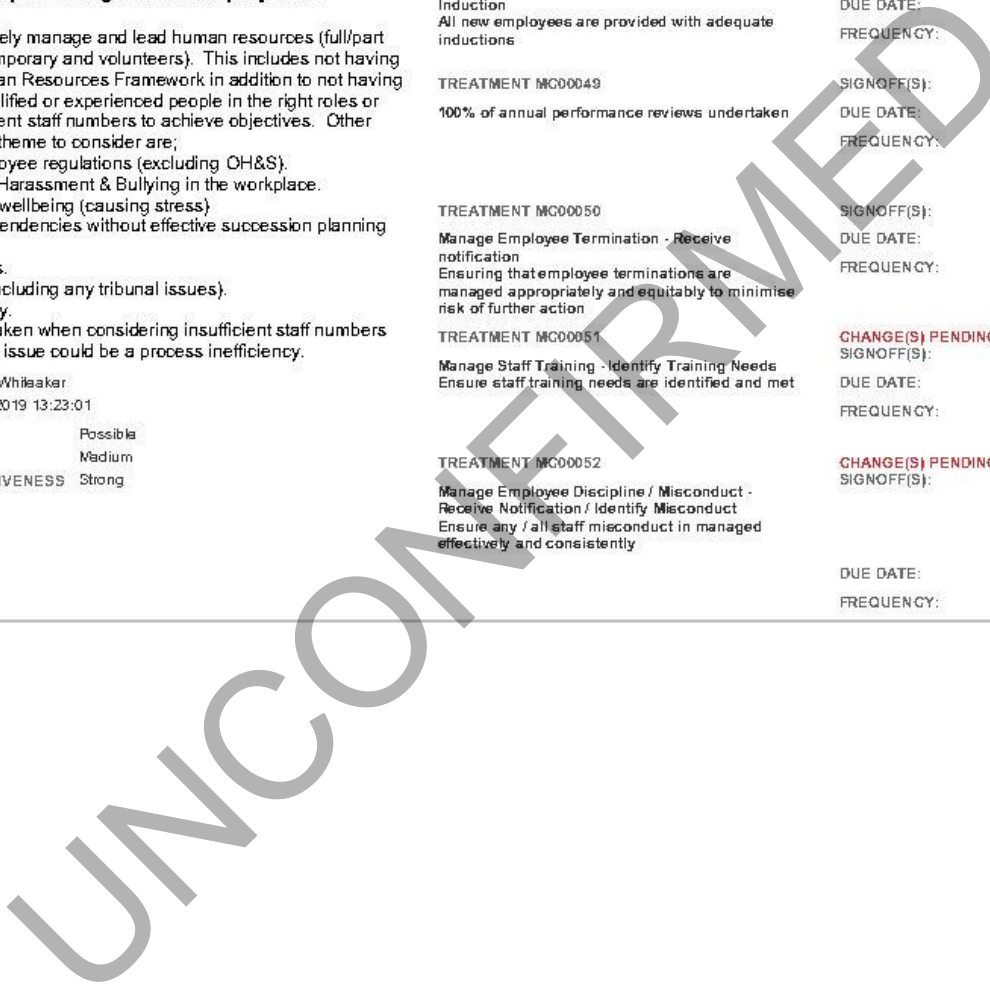
Manage Staff Training - Identify Training Needs  
 Ensure staff training needs are identified and met

**CHANGE(S) PENDING**  
 SIGNOFF(S): Beverley Jones  
 DUE DATE: 31 Oct 2022  
 FREQUENCY: The last Day of every 12 months

TREATMENT MC00052

Manage Employee Discipline / Misconduct - Receive Notification / Identify Misconduct  
 Ensure any / all staff misconduct in managed effectively and consistently

**CHANGE(S) PENDING**  
 SIGNOFF(S): Jason Whiteaker  
 Chadd Hunt  
 Jo Metcalf  
 Colin Young  
 Scott Patterson  
 DUE DATE: 01 Oct 2022  
 FREQUENCY: The first Day of every 3 months



RESIDUAL <b>2.4</b> LOW	GENERAL, SERVICE INTERRUPTION	TREATMENT MC00022 Business Continuity Plan in place and up to date	SIGNOFF(S): Alysha McCall Jason Whiteaker
	INHERENT <b>8.0</b>	<b>Business Interruption</b> A local physical event causing the inability to continue business activities and provide services to the community. This may or may not result in Business Continuity Plans to be invoked. This does not include disruptions due to: • IT Systems or infrastructure related failures should be captured under "Failure of IT Systems and Infrastructure". • Contractor / Supplier issues should be captured under "Inadequate Supplier / Contract Management". • People issues should be captured under "Inappropriate People Management".	DUE DATE: 01 Nov 2024
R00014	OWNER: Jason Whiteaker (Portfolio Manager) CREATED: 24/05/2019 14:43:56 LIKELIHOOD: Unlikely SEVERITY: Major CONTROL EFFECTIVENESS: Strong	FREQUENCY: The first Day of every 48 months	

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## 6.6 PROGRESS TOWARDS THE ICT STRATEGY PLAN

<b>File Reference:</b>	1.1.9.1
<b>Reporting Officer:</b>	Colin Young, Executive Manager Corporate Services
<b>Responsible Officer:</b>	Colin Young, Executive Manager Corporate Services
<b>Officer Declaration of Interest:</b>	Nil
<b>Voting Requirement:</b>	Simple majority
<b>Press release to be issued:</b>	No

### BRIEF

To provide Council with an update on the progress made towards the ICT Strategy Plan.

This report aims to establish a level of accountability in respect to completing the actions identified through the audit undertaken by LGIS in 2019 in order to ensure that continuous improvement occurs within the organisation.

### ATTACHMENTS

Attachment 1: ICT Strategic Plan Action Plan.

## A. BACKGROUND / DETAILS

The Shire of Northam is moving through a significant period of change and development. In recognition of this and the need to ensure that it can continue to meet the aspirations of the community, the Shire of Northam has undertaken to put in place a number of Strategic and Business Plans to deliver short, medium, and long term objectives. The Shire of Northam is providing committed strategic planning and leadership, focused on strengthening our community, providing growth, and diversifying the local economy.

## B. CONSIDERATIONS

### B.1 Strategic Community / Corporate Business Plan

#### Theme Area 6 Governance and Leadership

Outcome 1.1: The Shire of Northam is an attractive investment destination for a variety of economic sectors

Objective: Pursue a range of developments in sectors including retirement living, renewable energy, agribusiness, innovation, logistics and aviation; and  
*Embrace technology as an enabler for development, and lobby for high speed internet connectivity.*

**B.2 Financial / Resource Implications**

To be advised / determined.

**B.3 Legislative Compliance**

Local Government Act 1995 and relevant subsidiary legislation.

**B.4 Policy Implications**

N/A

**B.5 Stakeholder Engagement / Consultation**

Nil

**B.6 Risk Implications**

Risk Category	Description	Rating (likelihood x consequence)	Mitigation Action
Financial	Lack of investment into ICT	Possible (3) x Medium (3) = Moderate (9)	ICT Strategic / forward planning involving stakeholders to determine needed and desired current and future outcomes that can be budgeted for.
Health & Safety	EOL/less than OSH/WSH ideal ICT hardware, RF and prolonged machine noise exposure	Possible (3) x Medium (3) = Moderate (9)	EOL hardware replacement decisions to consider OSH/WSH requirements. Suitable placement or enclosures for noisy ICT gear such as servers and switches.
Reputation	Slow take up of new technologies	Likely (4) x Minor (2) = Moderate (8)	ICT Team continuing to engage with Shire stakeholders, 3 <sup>rd</sup> party vendors, and other councils re: current and emerging technologies and methods of delivering desired services.

### C. OFFICER'S COMMENT

ICT services are presently provided to approximately 130 full time, part time, and casual employees across the following sites, Administration, Northam depot, Wundowie Depot, Northam library, Wundowie library, Bilya Koort Boodja Cultural centre, Visitor centre, Killara adult day care, Northam aquatic facility, the Wundowie swimming pool, Bush Fire Brigade facilities, as well as to the community and stakeholders. This ICT Strategic Plan establishes a course of action to guide the future development and delivery of ICT services for the Shire of Northam.

#### Table Legend:

Completed

No Action

Underway

#### RECOMMENDATION/COUNCIL DECISION

Minute No: AU.229

Moved: Cr Ryan

Seconded: Cr Appleton

That Council receives the update as provided in Attachment 1.

CARRIED 3/0

**Attachment 1: ICT Strategic Plan Action Plan**

Area for Further Development	Recommendation / Action	Timeframe	Responsibility	Progress Report
ICT				
Governance	1. ICT decisions and operations within the Shire will be controlled and guided through a formalised ICT Governance framework. This framework will ensure the alignment of ICT activities with business priorities.	2021/2026	Corporate Services /ICT	Draft strategic and operations plans developed. SLAs to be determined. February 2022 Update: In early discussions with external provider regarding SLAs August 2022 Update: No progress.
Emerging Trends and Technologies	2. ICT policies and procedures need to be current enabling the organisation to conduct considered reviews of emerging technologies and trends, to ensure they meet current and emerging needs of the organisation.	2021/2026	Corporate Services / ICT	Acceptable Use and BYOD policies adopted.

Area for Further Development	Recommendation / Action	Timeframe	Responsibility	Progress Report
Business Systems and Applications	3. Appropriately managed business systems and applications will help consolidate and streamline business processes.	2021/2026	Corporate Services / ICT	<p>Inventory Register established. RFQ re: potential CRM/RMS upgrade/migration from Synergysoft occurring.</p> <p>February 2022 Update: Tenders have been received and staff will be evaluation and expecting to present to the next Audit Committee meeting.</p> <p>May 2022 Update: No progress.</p> <p>August: Staff are expecting to receive an overview of the Altus System within the month, this will then determine the best way forward.</p>

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Area for Further Development	Recommendation / Action	Timeframe	Responsibility	Progress Report
Infrastructure and Technology	4. ICT has extensive assets and services under management. The best value and maximum benefit from this investment can only be obtained if suitably managed.	2021/2026	Corporate Services / ICT	Systems manual to be developed. Network communications infrastructure plan to be developed. February 2022 Update: No progress. May 2022 Update: No progress. August 2022, limited progress made largely around the Shires CCTV infrastructure which is having a needs assessment carried out.
Disaster Recovery	5. ICT needs to work with the organisation to establish mission critical services and ensure that disaster recovery and business continuity plans meet current and emerging needs	2021/2026	Corporate Services / ICT	Adhoc DR / Business Continuity plan in place and partially tested. Data retention plan developed
Security	6. The threat of cyber security incidents continues to rise. The Shire needs to develop and implement security policies and procedures to meet this increasing threat.	2021/2026	Corporate Services / ICT	Ongoing development and training will always be occurring. May 2022 Update: No progress. August 2022, No progress.

Area for Further Development	Recommendation / Action	Timeframe	Responsibility	Progress Report
Project Management	7. The effective delivery of ICT projects requires a suitable management framework to be implemented	2022	Corporate Services / 2021	Project Management ICT Procedure to be developed February 2022 Update: No progress. August 2022 Update: No progress.

UNCONFIRMED



## 6.7 OCCUPATION HEALTH & SAFETY COMMITTEE MINUTES

<b>File Reference:</b>	1.1.9.17
<b>Reporting Officer:</b>	Jason Whiteaker, Chief Executive Officer
<b>Responsible Officer:</b>	Jason Whiteaker, Chief Executive Officer
<b>Officer Declaration of Interest:</b>	Nil
<b>Voting Requirement:</b>	Simple Majority
<b>Press release to be issued:</b>	No

### BRIEF

For the committee to receive the OSH Committee Minutes from the meeting held on 17 March 2022.

### ATTACHMENTS

Attachment 1: OSH Committee Minutes 17 March 2022.

### A. BACKGROUND / DETAILS

Employee safety is a significant risk / exposure to the Shire of Northam. While safety has been a significant an ongoing focus and Council have been informed around audits and progress against actions of audits, it is considered appropriate for Council to be kept up to date at more regular intervals with the presentation of the staff OSH Committee meeting minutes.

The OSH Committee currently meet each quarter and is made up of representatives from across the organisation. Given the importance of safety to the organisation, the Chief Executive Officer is the chairperson for the committee.

### B. CONSIDERATIONS

#### B.1 Strategic Community / Corporate Business Plan

Theme Area 6: Governance & Leadership.

Outcome 6.3: The Shire of Northam council is a sustainable, responsive, innovative and transparent organisation.

Objective: Undertake our regulatory roles in a safe, open, accountable and respectful manner.

#### B.2 Financial / Resource Implications

Nil.



**B.3 Legislative Compliance**

Work Health and Safety Act 2020

**B.4 Policy Implications**

Nil.

**B.5 Stakeholder Engagement / Consultation**

Nil.

**B.6 Risk Implications**

Risk Category	Description	Rating (likelihood x consequence)	Mitigation Action
Financial	Nil		
Health & Safety	Inadequate safety and security practices	Likely (4) x Major (4) = High (16)	<p>Undertake OSH Audit</p> <p>Implement recommendations from OHS Audit &amp; Report to Audit &amp; Risk Committee</p> <p>OSH Committee Meeting Regularly</p> <p>Toolbox meetings occurring and discussing safety (attach minutes/notes to sign off)</p> <p>Senior Management Meeting (where the OSH system is reviewed and KPI's are measured as an agenda item)</p> <p>OHS Policy Framework in place and reviewed</p> <p>Undertake Workplace Safety Inspections - Undertake Inspection. OSH inspections undertaken for each site.</p>

Reputation	Nil.		
Service Interruption	Nil		
Compliance	Nil.		
Property	Nil		
Environment	Nil		

**B.7 Natural Environment Considerations**

Nil.

**C. OFFICER'S COMMENT**

As OSH is one of Councils biggest risk areas, Officers believe it is prudent for Council to review and receive the minutes from the OSH Committee meetings.

**RECOMMENDATION/COUNCIL DECISION**

**Minute No: AU.230**

**Moved: Cr Appleton**

**Seconded: Cr Ryan**

**That Council receive the minutes from the Occupation Safety & Health Committee meeting held on 06 July 2022.**

**CARRIED 3/0**

Clarification was sought in relation to:

- Incidents between March and June displaying red – These incidents being a wastewater treatment plant mainline valve failure and a cut Telstra line. The CEO advised that these items were in red due to being a overdue however have since been actioned.
- What was done regarding the cut Telstra line. The CEO advised that Telstra was contacted and advised of the incident.
- No WHS Inspection had occurred for the Admin or BKB buildings. The CEO advised that a comment regarding this was provided in the minute document, reiterating that Executive Managers were responsible for ensuring that they are carried out regularly.
- Confirmation on the process regarding break ins and ensuring police attend before managers. The CEO confirmed that this requirement has now been added into the related Policy.

**Attachment 1: OSH Committee Minutes 06 July 2022.**



**Shire of Northam**

**Work Health and Safety  
Committee Minutes  
6<sup>th</sup> July 2022**

**WHS Committee Meeting Minutes**  
**6<sup>th</sup> July 2022**



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In particular and without derogating in any way from the broad disclaimer above, in any discussion regarding any planning application or application for a licence, any statement or limitation of approval made by a member or officer of the Shire of Northam during the course of any meeting is not intended to be and is not taken as notice or approval from the Shire of Northam. The Shire of Northam warns that anyone who has an application lodged with the Shire of Northam must obtain and only should rely on **WRITTEN CONFIRMATION** of the outcome of the application, and any conditions attaching to the decision made by the Shire of Northam in respect of the application.

UNCONFIRMED

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WHS Committee Meeting Minutes  
6<sup>th</sup> July 2022

## 1. DECLARATION OF OPENING

The meeting was declared open at 11.01 am.

## 2. ATTENDANCE

### Committee:

Chief Executive Office  
Executive Managers

Jason Whiteaker  
Scott Patterson  
Chadd Hunt  
Colin Young  
Bev Jones  
Anastasia Williams  
Santo Leotta  
Keith Boase  
Nicole Hampton  
Louisa Dyer  
David Emery  
Helen Singh  
Lindy Lock

### HR Manager

Safety Representatives  
Staff Representatives

LGIS Regional Risk Coordinator

### 2.1 Apologies

Executive Manager  
Safety Representative

Jo Metcalf  
Kim Murcutt  
Clare Murray  
Victoria Williams  
Brendon Rutter

Staff Representative

### 2.2 Approved Leave of Absence

Nil.

## 3. DISCLOSURES OF INTEREST

Nil.

#### **4. CONFIRMATION OF MINUTES**

##### **RECOMMENDATION**

**Minute No: WHS.110**

**Moved: Santo Leotta**

**Seconded: Nicole Hampton**

**That the minutes of the Work Health and Safety meeting held 17th March 2022 be confirmed as a true and correct record of that meeting.**

UNCONFIRMED

WHS Committee Meeting Minutes  
6<sup>th</sup> July 2022



## 5. COMMITTEE REPORTS

### 5.1 LGIS Audit - 3 Steps to Safety program

#### PURPOSE

The safety assessment was carried out from 1<sup>st</sup> to 3<sup>rd</sup> May 2019 as part of the 3 steps to safety program. Upon receipt of the final report both an OSH Management Plan and OSH Action Plan were developed to address any elements identified as insufficient, ad hoc or unsatisfactory.

Now created and published, the committee has reviewed tasks within the organisation and assigned each task to the relevant staff member/s with a suitable timeframe. The progress of these tasks will be monitored on a regular basis by the committee.

#### BACKGROUND

The Committee received the results and recommendations of the LGIS audit conducted on 1-3<sup>rd</sup> May 2019 with HR Manager Beverley Jones. The Shire of Northam scored an average of 72%. This is an indication that SON is heading in the right direction with the previous audit in August 2016 scoring an average of 67% and 28% in 2014.

#### UPDATE

The WHS Audit is scheduled to be undertaken by LGIS in October 2022. Regional Risk Coordinator Lindy Lock will be undertaking a desktop review with HR Manager Bev Jones in the coming months in preparation for the audit.

CEO Jason Whiteaker informed the Committee that the WHS Committee Minutes were included in the Agenda for the June 2022 Audit & Risk Committee and would continue to be included moving forward.

#### RECOMMENDATION

Minute No: WHS.111

That this report be provided to the WHS Committee as information only  
– no motions/actions are required.



## 5.2 Lost Time Injury Frequency Rate

### PURPOSE

For the Committee to note the lost time injury frequency rates for the current financial year to date.

### BACKGROUND

A lost-time injury is defined as an occurrence that resulted in a fatality, permanent disability or time lost from work of one day/shift or more.

Lost-time injury frequency rates are the number of lost-time injuries within a given accounting period relative to the total number of hours worked in the same accounting period. The number of lost-time injuries per hour worked is always a very small number, therefore for ease of interpretation, a multiplier of 1 million is used and LTIFRs are reported as the number of lost-time injuries per million hours worked. This is calculated as follows:

$$\frac{\text{Number of lost time injuries in accounting period (1) x 1000}{000 \text{ Total hours worked in accounting period (139500)}}$$

In the past our insurers Local Government Insurance Services provided us with monthly statistics providing us with our lost time injury rate in addition to a comparison to those of other Local Governments. However, it was noticed that the figures for this financial year were incorrect. On further investigation it was discovered that LGIS were providing us with the figures for the Shire of Northampton as opposed to Northam. This was reported to LGIS and the error was rectified. They then advised us to calculate our own TIFR which, moving forward we are doing on a monthly basis. Unfortunately we no longer have a comparison with other Local Governments of a similar size.

### UPDATE

The Committee acknowledged the increase in muscle injuries and explored the possible methods to reduce the risk of further injury to staff. Aging workforce and lack of warm up exercises before starting work were considered in addition to the proposal to roll out manual handling training on 12<sup>th</sup> July 2022. The effectiveness of Take 5's was discussed with a determination that they should continue to be used.

**RECOMMENDATION**

**Minute No: WHS.112**

**That this report be provided to the WHS Committee as information only  
- no motions/actions are required.**

UNCONFIRMED

**Attachment 1 – Northam LTI Claims and Frequency Rate**

Year	LTI Claims	Northam LTI Frequency Rate
2013/14	4	21.8
2014/15	0	0.0
2015/16	4	20.3
2016/17	6	31.0
2017/18	1	5.2
2018/19	5	25.6
2019/20	6	30.7
2020/21	6	30.7
2021/22	6	30.6

**2021/22 Lost Time Injuries**

Department	Type of Injury
Engineering Services	Muscle Injury
Community Services	Soft Tissue Injury
Office of the CEO	Stress
Engineering Services	Muscle Injury
Engineering Services	Muscle Injury
Engineering Services	Muscle Injury

WHS Committee Meeting Minutes  
6<sup>th</sup> July 2022



### 5.3 Hazard, Incident and Near Miss Reporting

#### PURPOSE

For the committee to review the nature and management of incidents, injuries, and hazards.

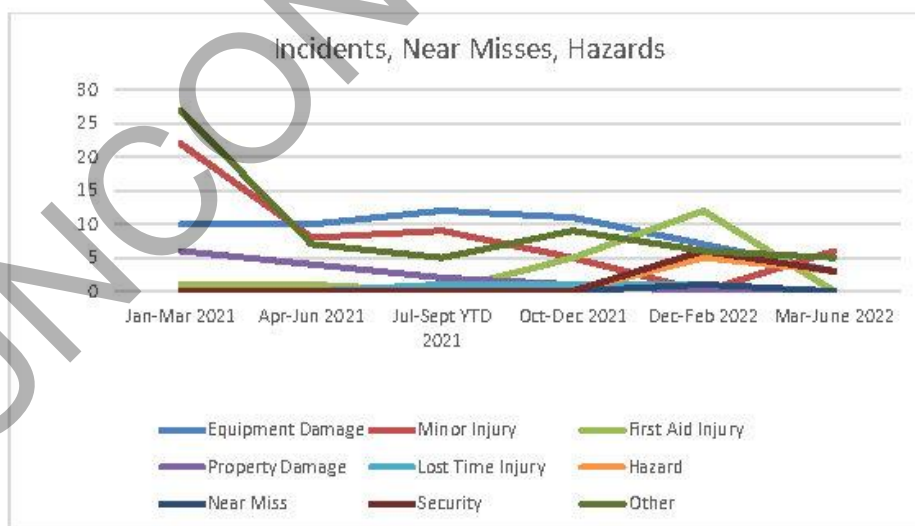
#### BACKGROUND

Since the introduction of the Promapp system Managers and Safety Representatives should be encouraging staff to utilise the system when reporting incidents, injuries, hazards and near misses. It is imperative that all instances are reported, in an effort to avoid future accidents.

Incidents reported from March 2022 to June 2022 inclusive are listed below.

#### UPDATE

HR Manager Beverley Jones asked the Committee to provide feedback in relation to what contents would be preferred in the Agenda moving forward and suggested a dashboard format in which to present the information. It was suggested that trends should be highlighted and that the number of incidents in each category per area should be provided.



**RECOMMENDATION**

**Minute No: WHS. 113**

**Moved: David Emery  
Seconded: Shane Moorhead**

**That trends should be highlighted in future Committee Agendas in the form of a dashboard.**

UNCONFIRMED

**Attachment 1 – Incident Register March 2022 to June 2022**

Filter: Priority: All; Portfolio: Incident, Hazard, Near Miss

PRIORITY	TITLE	PORTFOLIO	PORTFOLIO MANAGER	CATEGORY	LOCATION	DATE	DUPLICATE DATE	STATUS	OWNER
LOW	I01015: Jacob Hayward	Incident	Patsy Repec	Security	Northam Pool	02 Mar 2022	09 Mar 2022	Closed	David Emery
LOW	I01016: Jacob Hayward	Incident	Patsy Repec	Security	Northam Pool	02 Mar 2022	09 Mar 2022	Closed	David Emery
LOW	I01021: Theft	Incident	Patsy Repec	Other	Visitor Centre	11 Mar 2022	15 Mar 2022	Closed	Victoria Williams
LOW	I01027: Disturbance and Police Called	Incident	Patsy Repec	Security	Visitor Centre	15 Mar 2022	16 Mar 2022	Closed	Victoria Williams
LOW	I01044: Allergic reaction	Incident	Patsy Repec	Injury	Northam Pool	24 Mar 2022	29 Mar 2022	Closed	David Emery
MED	I01047: Car accident	Incident	Patsy Repec	Equipment	Administration Centre	28 Mar 2022	13 Apr 2022	Closed	Scott Patterson
LOW	I01051: Incident Report - Sore right shoulder	Incident	Patsy Repec	Injury	External (Engineering Services)	23 Mar 2022	10 May 2022	Closed	Santo Leotta
LOW	I01052: Youth Disturbance	Incident	Patsy Repec	Other	Northam Pool	29 Mar 2022	05 Apr 2022	Closed	David Emery
LOW	I01054: Breathing difficulty	Incident	Patsy Repec	Other	Recreation Centre	01 Apr 2022	14 Apr 2022	Closed	David Emery
LOW	I01106: Incident Report - Groin Injury	Incident	Patsy Repec	Injury	External (Engineering Services)	17 May 2022	23 May 2022	Closed	Santo Leotta
MED	I01107: Cut Telstra line	Incident	Patsy Repec	Other	External (Engineering Services)	11 May 2022	06 Jun 2022	Under Investigation	Santo Leotta
MED	I01115: Equipment failure - PN1802	Incident	Patsy Repec	Equipment	External (Engineering Services)	23 May 2022	08 Jun 2022	Ready to Close	Keith Boase
MED	I01116: trespassers on property	Incident	Patsy Repec	Security	Northam Depot	24 May 2022	08 Jun 2022	Ready to Close	Nicole Hampton
LOW	I01117: drug effected person wanting to enter Killara	Incident	Patsy Repec	Security	Killara	25 May 2022	27 May 2022	Closed	Nicole Hampton
MED	I01122: Laceration to RH little finger	Incident	Patsy Repec	Injury	External (Engineering Services)	03 Jun 2022	17 Jun 2022	Under Investigation	Keith Boase
HIGH	I01126: Waste Water Treatment Plant - Mainline Valve failed	Incident	Patsy Repec	Other	External (Engineering Services)	07 Jun 2022	10 Jun 2022	Under Investigation	Keith Boase
LOW	I01127: Bending of Spreader Thrower	Incident	Patsy Repec	Equipment	External (Engineering Services)	07 Jun 2022	08 Jul 2022	Under Investigation	Keith Boase
LOW	I01088: Wundowie Depot - gates/padlocks	Incident	Patsy Repec	Security	Wundowie Depot	26 Apr 2022	26 May 2022	Closed	Santo Leotta

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**Incident Register**



Filter: Priority: All; Portfolio: Incident, Hazard, Near Miss

PRIORITY	TITLE	PORTFOLIO	PORTFOLIO MANAGER	CATEGORY	LOCATION	DATE	DUE DATE	STATUS	OWNER
LOW	W1089: Staff member was bitten by a bee and suffered a mild allergic reaction	Incident	Patsy Repec	Injury	Administration Centre	28 Apr 2022	18 May 2022	Under Action	Beverley Jones
LOW	W1093: Left shoulder injury	Incident	Patsy Repec	Injury	External (Engineering Services)	04 May 2022	04 Jun 2022	Under Investigation	Sanlo Leotta
LOW	W1098: Cut Finger Right Hand	Incident	Patsy Repec	Injury	Wundowie Depot	09 May 2022	23 May 2022	Closed	Sanlo Leotta
MED	W1101: Sign leg carrier on PN1804 loose	Hazard	Patsy Repec	Equipment	External Site (Engineering Services)	10 May 2022	24 May 2022	Under Action	Sanlo Leotta
MED	W1094: Secure Skilo Fire extinguisher	Hazard	Patsy Repec	Equipment	Wundowie Depot	06 May 2022	13 May 2022	Closed	Sanlo Leotta
MED	W1064: Unstable Displays at Visitor Centre	Hazard	Patsy Repec	Other	Visitor Centre	08 Apr 2022	13 Apr 2022	Closed	Victoria Williams

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#### 5.4 Workplace WHS Inspections

##### PURPOSE

For the Committee to review recent WHS inspections and to note any subsequent high risk actions arising from the exercise.

##### BACKGROUND

The Shire of Northam has a duty to provide a safe working environment for staff, volunteers and contractors. Regular inspections, maintenance, testing and repairs of the workplace, plant and equipment are to take place, and should be documented accordingly. Once the inspections are carried out they are entered into the Promapp system together with supporting photographic and documentary evidence. Actions created as a result of the inspections are then assigned to the appropriate staff member. Safety Officer Patsy Repec will present details of any outstanding high risk actions identified during inspections to the committee.

Below is a detailed list of which safety inspections took place during the period 1<sup>st</sup> April 2022 to 30<sup>th</sup> June 2022 inclusive.

##### UPDATE

The committee acknowledged that the Water Park inspections had not been carried out as the facility had not been open. CEO Jason Whiteaker reinforced the importance of completing regular safety inspections & reiterated that the Executive Managers were responsible for ensuring that they were carried out regularly.

##### RECOMMENDATION

Minute No: WHS.114

Moved: Nicole Hampton

Seconded: Anastasia Williams

That Managers/Executive Managers should ensure that regular workplace inspections should be carried out in all areas & the findings entered into Promapp.



**Attachment 1 - WHS INSPECTIONS April 2022 to June 2022**

Work Area	April 2022	May 2022	June 2022
Administration	Y	Y	X
Killara	Y	Y	Y
Rec Centre	Y	Y	Y
Northam Pool	Y	Y	X
Wundowie Pool	Y	X	X
Northam Library	Y	Y	Y
Wundowie Library	Y	Y	Y
Northam Depot	Y	N	Y
Wundowie Depot	Y	N	Y
Visitor Centre	Y	Y	Y
Create 298	Y	Y	Y
Water Park	Y	X	X
BKB	Y	X	X

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## 5.5 WHS Representatives

### PURPOSE

To provide an update to the committee details of recent changes of Occupational Safety & Health Representatives

### BACKGROUND

WHS Representatives are appropriately trained employees who voluntarily elect to assist in promoting safe work practices and advise staff on workplace WHS issues, concerns and updates. Training for the role of Safety Representative is a legislative requirement and all Representatives should receive either the compulsory 5 day training or the 2 day refresher.

### WHS Representatives:

Killara  
Library Services  
Administration  
Northam Depot

Kim Murcutt  
Clare Murray  
Anastasia Williams  
Charles Carr

### UPDATE

Charles Carr of Engineering Services nominated himself (in line with legislative requirements) for the role of Safety Representative. Charles was welcomed to the safety team and HR Manager Beverley Jones confirmed that Charles would be registered with Worksafe and would be booked in to attend the required accredited training.

Executive Manager Scott Patterson expressed his desire to recruit an additional Safety Representative for Engineering Services .

### RECOMMENDATION

Minute No: WHS.115

Moved: Santo Leotta  
Seconded: Scott Patterson

That Engineering Services staff should be invited to self-nominate for the role of Safety Representative.

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## 5.6 Active Actions

### PURPOSE

For the committee to review the active and overdue actions.

### BACKGROUND

The purpose of this item is to provide the OSH committee with the details of all current outstanding actions to ensure that all specified deadlines have been met. The list of all outstanding actions are attached.

### Update

The list below contains both incidents Under Action and incidents Under Investigation and Under Action. This list attached shows Overdue Actions to be addressed.

It was determined by the committee that actions should not be closed off until they are fully completed.

### RECOMMENDATION

Minute No: WHS.116

Moved: Keith Boase

Seconded: Nicole Hampton

That actions within Promapp should not be closed until they are fully completed.

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**Attachment 1 – Incident Register-Outstanding Actions**

Filter: Open; Priority: All; Portfolio: Incident, Hazard, Workplace Safety Inspections, Systems Observations, Near Miss, Hazard/Incident/Near Miss (NON-SHIRE RELATED)

PRIORITY	TITLE	PORTFOLIO	PORTFOLIO MANAGER	CATEGORY	LOCATION	DATE	DUE DATE	STATUS	OWNER
MED	I00737: Dog Bite	Incident	Patsy Repec	Injury	External (Development Services)	17 Aug 2021	08 Mar 2022	Ready to Close	Kelise Walters
LOW	I00824: Damage to Z Track PN1305	Incident	Patsy Repec	Equipment	External (Engineering Services)	18 Oct 2021	02 Feb 2022	Under Action	Jason Lindner
LOW	I00881: Banned Patrons	Incident	Patsy Repec	Other	Northam Pool	30 Nov 2021	30 Feb 2022	Under Action	David Emery
LOW	I00903: Damage to long jump mat	Incident	Patsy Repec	Equipment	External (Engineering Services)	01 Dec 2021	20 Dec 2021	Under Action	Santo Leotta
LOW	I00996: Gates left open at Dam	Incident	Patsy Repec	Security	Wundowie Depot	14 Feb 2022	16 Mar 2022	Under Investigation	Jason Lindner
LOW	I01002: Hurt Shoulder	Incident	Patsy Repec	Injury	External (Engineering Services)	16 Feb 2022	19 Mar 2022	Under Investigation	Santo Leotta
LOW	I01013: Jacob ?removed from facility	Incident	Patsy Repec	Other	Northam Pool	25 Feb 2022	09 Mar 2022	Under Action	David Emery
LOW	I01014: Unacceptable behaviour	Incident	Patsy Repec	Equipment	Northam Pool	25 Feb 2022	27 Mar 2022	Under Investigation	David Emery
HIGH	I00982: Kate Burton - Faulty Power point	Hazard	Patsy Repec	Equipment	Visitor Centre	04 Feb 2022	31 Mar 2022	Under Action	Victoria Williams
LOW	I00986: Wundowie Depot Workplace Inspection February 2022	Workplace Safety Inspections	Patsy Repec		Wundowie Depot	01 Feb 2022	18 Feb 2022	Under Investigation	Santo Leotta
MED	I00987: Northam Depot Workplace Inspection - February 2022	Workplace Safety Inspections	Patsy Repec		Northam Depot	03 Feb 2022	13 Feb 2022	Under Investigation	Santo Leotta
LOW	I00947: Create 298 Workplace Safety Inspection	Workplace Safety Inspections	Patsy Repec		Create 298	21 Jan 2022	29 Jan 2022	Under Action	Jaime Hawkins
LOW	I00884: Northam Depot - Workplace Safety Inspection - November 2021	Workplace Safety Inspections	Patsy Repec		Northam Depot	30 Nov 2021	04 Jan 2022	Under Action	Santo Leotta
LOW	I00775: Killara OSH Inspection	Workplace Safety Inspections	Patsy Repec		Killara	21 Sep 2021	25 Nov 2021	Under Action	Nicole Hampton
LOW	I01005: Workplace Inspection BKB	Workplace Safety Inspections	Patsy Repec		BKB Centre	21 Feb 2022	26 Feb 2022	Under Action	Robyn Davis
HIGH	I00778: Waste Water Treatment Plant	Systems Observations	Patsy Repec		External (Engineering Services)	24 Sep 2021	21 Feb 2022	Under Action	Chadd Hunt
LOW	I00954: Grading Crew Meenar	Systems Observations	Patsy Repec		External (Engineering Services)	25 Jan 2022	08 Mar 2022	Ready to Close	Santo Leotta

## 5.7 COVID-19 Pandemic

### PURPOSE

To provide the committee with a brief update on the current strategies in place to ensure that the safety of staff during the COVID19 pandemic is maintained.

### BACKGROUND

The Shire of Northam is taking expert advice from the Western Australian and Federal Governments, which are guiding the decision making of Council.

The Shire of Northam has activated its Pandemic Response Plan 2022 (PRP), to ensure that we are able to provide the required services and facilities to our community. The coordination of the PRP is being undertaken by our Chief Executive Officer, who has established COVID-19 response team.

Executive Manager Chadd Hunt provided a brief overview of the latest State Directives. The committee were informed that the only department requiring vaccination was Killara. Committee members were reminded of the importance of social distancing, and whilst mask wearing is not mandatory, it should be encouraged particularly in vehicles and meetings.

### RECOMMENDATION

Minute No: WHS.117

Moved: Lindy Lock  
Seconded: Keith Boase

That social distancing and good hygiene should continue to be practiced and that mask wearing should be encouraged particularly in vehicles and meetings.

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## 5.8 Cultural Change Working Group

### PURPOSE

To provide the committee with a draft strategy to improve safety culture throughout the organisation.

### BACKGROUND

At the previous committee meeting a working group was created to look at improving safety culture throughout the organisation. It was determined that a holistic approach would be preferred, and a draft strategy was created for review by the committee.

The working group consists of:

- Scott Patterson
- Bev Jones
- David Emery
- Santo Leotta

Nine years ago the Shire launched the Corporate Values and were proactive in raising staff awareness about the new strategy, but as these employees have been replaced the impact of the original launch has slowly faded. The values sit within the Code of Conduct and are included in induction, however this initiative would provide an excellent opportunity to relaunch the values as they would provide a logical focus for the framework.

Below is the proposed incentive program framework:

Suggested Categories:

#### SAFE

Recognising your duty of care in relation to yourself and others with regards to physical, mental and emotional safety in the workplace

#### OPEN

Transparency creates a workplace that is a compliant, collaborative and inclusive

#### ACCOUNTABLE

Taking responsibility for your duties and actions in all aspects of your role including the maintenance of plant and equipment

#### RESPECTFUL

Consideration and appreciation of the cultural background, knowledge, experience and personal values of each other will ensure a happier workplace where staff feel appreciated and respected with a sense of belonging. Such consideration also applies to the community and the environment

Recognition for excellence/improved behaviours/effort beyond expectation could be in the form of:

- Recognition via the Intranet, staff meetings, Shire web site and Facebook

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- Certificate of recognition

Any staff member can nominate.

A committee comprising of a combination of managers and staff from all areas to consider all nominations on a quarterly basis, with a winner recommendation forwarded to the Executive team for approval.

Suggested Name for the program:

Positive Pulse (previously used for a Shire fitness program) as there is already a logo in existence:



#### UPDATE

The Committee requested that the working group continue to work on the proposed strategy and to report back to the committee at the next committee meeting with various options for the proposed incentive scheme.

#### RECOMMENDATION

Minute No: WHS.118

Moved: Shane Moorhead

Seconded: Chadd Hunt

That the working group should report back to the committee with various options for the proposed incentive scheme.

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## 5.9 Out of Hours Emergency Response for Remote Facilities

### PURPOSE

To determine the allocation of responsibility for attendance in the event of alarm activation at remote facilities out of hours.

### BACKGROUND

Recent events at Killara involving a break in highlighted the absence of an effective system whereby a respondent is nominated to attend. Under the present system nobody formally holds the responsibility for visiting and assessing the situation.

Previously local security companies were responsible for attending the scene, however they were not willing to obtain the aged care checks and were therefore not eligible to enter the building.

### UPDATE

Shane Moorhead informed the committee that there was currently no business in town who could provide the call out service. HR Manager Beverley Jones expressed concern that currently a manager attending before the police arrive is at risk of injury.

The committee determined that in the event of an alarm being raised out of hours that the Police should be called and that the Manager should only attend if required once the Police are present.

### RECOMMENDATION

Minute No: WHS.119

Moved: Nicole Hampton

Seconded: Anastasia Williams

That in the event of an alarm out of office hours managers should only attend if required once the Police are in attendance.



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**6. ANY OTHER URGENT BUSINESS**

Nil.

**7. DATE OF NEXT MEETING**

Thursday 20<sup>th</sup> October 2022

**8. DECLARATION OF CLOSURE**

The meeting was declared closed at 12.17pm.

UNCONFIRMED

## 7. URGENT BUSINESS APPROVED BY DECISION

Nil.

## 8. DATE OF NEXT MEETING

The next Audit and Risk Management Committee meeting is proposed to be held on 24 November 2022 at 5:00pm.

## 9. DECLARATION OF CLOSURE

There being no further business, the Shire president, Cr C R Antonio declared the meeting closed at 5:52pm.

"I certify that the Minutes of the Audit and Risk Management Committee held on 25 August 2022 have been confirmed as a true and correct record."

\_\_\_\_\_ President

\_\_\_\_\_ Date

