



Shire of Northam  
*Heritage, Commerce and Lifestyle*

## **Shire of Northam**

### **Agenda**

### **Audit & Risk Management**

### **Committee Meeting**

**1 December 2021**

**NOTICE PAPER**

**Audit & Risk Management Committee Meeting**

**1 December 2021**

Committee Members

I inform you that an Audit & Risk Management Committee meeting will be held in the Council Chambers, located at 395 Fitzgerald Street, Northam on 1 December 2021 at 5:00pm.

Yours faithfully



**Jason Whiteaker**  
**Chief Executive Officer**

## DISCLAIMER

This agenda has yet to be dealt with by the Council. The Recommendations shown at the foot of each item have yet to be considered by the Council and are not to be interpreted as being the position of the Council. The minutes of the meeting held to discuss this agenda should be read to ascertain the decision of the Council.

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## 1. DECLARATION OF OPENING

## 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

Deputy Shire President

Councillors

Cr C R Antonio

Cr M P Ryan

Cr A J Mencshelyi

Cr H Appleton

### Staff:

Chief Executive Officer

Executive Manager Corporate Services

Executive Assistant – CEO

Coordinator Governance / Administration

J B Whiteaker

C Young

A McCall

C Greenough

### 3.1 APOLOGIES

Nil.

### 3.2 APPROVED LEAVE OF ABSENCE

Nil.

### 3.3 ABSENT

Nil.

## 4. DISCLOSURE OF INTERESTS

*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.

Item Name	Item No.	Name	Type of Interest	Nature of Interest

## 5. CONFIRMATION OF MINUTES

### 5.1 COMMITTEE MEETING HELD ON 26 AUGUST 2021

#### RECOMMENDATION

That the minutes of the Audit & Risk Management Committee meeting held on 26 August 2021 be confirmed as a true and correct record of that meeting.

## 6. COMMITTEE REPORTS

### 6.1 SHIRE OF NORTHAM ANNUAL REPORT 2020/21

<b>File Reference:</b>	8.2.7.5
<b>Reporting Officer:</b>	Chief Executive Officer, Jason Whiteaker
<b>Responsible Officer:</b>	Accountant, Zoe Macdonald
<b>Officer Declaration of Interest:</b>	N/A
<b>Voting Requirement:</b>	Absolute Majority
<b>Press release to be issued:</b>	Yes – public notice

#### BRIEF

For Council to endorse the Annual Report for 2020/21. There will also be an opportunity to provide a forum for the audit exit interview for Butler Settineri as auditors of the Office of the Auditor General (OAG), and the OAG to present their opinion and management letter points.

#### ATTACHMENTS

- Attachment 1: Audit Representation Letter and Management Letter (provided as a separate confidential attachment).
- Attachment 2: Annual Report for the year ended June 2021 (provided as a separate attachment to this agenda/minutes).

#### A. BACKGROUND / DETAILS

The Financial Statements for the year ended 30 June 2020 have been audited and will be signed by the Chief Executive Officer and the Auditor General after acceptance by the Audit and Risk 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.

- Maintain a high standard of corporate governance; and
- Undertake our regulatory roles in a safe, open, accountable and respectful manner.

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

- Open, accountable and effective decision making.

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

It is estimated that advertising costs for the availability of the Annual Report and Annual Electors General meeting will be approximately \$600 including GST which will be charged to account 040521920 (Advertising).

## **B.3 Legislative Compliance**

### Local Government (Audit) Regulations 1996 Section 9A

CEO to provide documents to Auditor General carrying out financial audit

- (1) In this regulation — audit document means — (a) the strategic community plan as defined in the Local Government (Administration) Regulations 1996 regulation 19BA; or (b) the corporate business plan as defined in the Local Government (Administration) Regulations 1996 regulation 19BA; or (c) another plan or informing strategy specified by the Auditor General; or (d) another document specified by the Auditor General.
- (2) The CEO must provide a copy of an audit document to the Auditor General within 14 days after the Auditor General requests it for the purposes of a financial audit under Part 7 Division 3A of the Act.

### Local Government Act 1995 Section 5.53 Annual Reports:

- (1) The local government is to prepare an annual report for each financial year.
- (2) The annual report is to contain -
  - (a) a report from the mayor or president; and
  - (b) a report from the CEO; and
  - [(c), (d) deleted]
  - (e) an overview of the plan for the future of the district made in accordance with section 5.56, including major initiatives that are proposed to commence or to continue in the next financial year; and
  - (f) the financial report for the financial year; and
  - (g) such information as may be prescribed in relation to the payments made to employees; and
  - (h) the auditor's report for the financial year under section 7.9(1) or 7.12AD(1) for the financial year; and
  - (ha) a matter on which a report must be made under section 29(2) of the Disability Services Act 1993; and
  - (hb) details of entries made under section 5.121 during the financial year in the register of complaints, including —
    - (i) the number of complaints recorded in the register of complaints, and
    - (ii) how the recorded complaints were dealt with; and
    - (iii) any other details that the regulations may require; and
    - (i) such other information as may be prescribed.

Local Government Act 1995 Section 5.54 Acceptance of Annual Reports;

(1) Subject to subsection (2), the annual report for a financial year is to be accepted\* by the local government no later than 31 December after that financial year.

\* Absolute majority required.

(2) If the auditor's report is not available in time for the annual report for a financial year to be accepted by 31 December after that financial year, the annual report is to be accepted by the local government no later than 2 months after the auditor's report becomes available.

Local Government Act 1995 Section 5.55 Notice of Annual Reports;

The CEO is to give local public notice of the availability of the annual report as soon as practicable after the report has been accepted by the local government.

**B.4 Policy Implications**

Nil.

**B.5 Stakeholder Engagement / Consultation**

Providing the 2020/21 Annual Report is endorsed at the Ordinary Council Meeting proposed on 15 December 2021. It is intended that public notice shall be placed into the West Australian on Friday, 17 December 2021.

Notices will also be placed on our Notice Boards, Facebook and the Shire of Northam website.

**B.6 Risk Implications**

Risk Category	Description	Rating (likelihood x consequence)	Mitigation Action
Financial	N/A	N/A	N/A
Health & Safety	N/A	N/A	N/A
Reputation	N/A	N/A	N/A
Service Interruption	N/A	N/A	N/A
Compliance	The Annual Report is not endorsed prior to 31 <sup>st</sup> December annually.	Insignificant (1) x Possible (3) = Low (3)	Council has a documented process for developing the Annual Report.  In accordance with this process, the

			Annual Report is prepared and presented to the Audit and Risk Management Committee and Council for by 31 <sup>st</sup> December annually.
Property	N/A	N/A	N/A
Environment	N/A	N/A	N/A

### C. OFFICER'S COMMENT

This year was the third year the Shire of Northam was audited by the Office of Auditor General. The process was rigorous and extensive. Butler Settineri was appointed by the OAG as the Shires Auditor in April 2021, this has pushed the timeframe of the audit later in the year than desired.

Issues surrounding COVID-19 stimulus packages have caused some delays in the delivery of capital works. This has affected the Asset Sustainability Ratio which has dropped from 1.21 to .57, this is expected to bounce back next financial year as renewal projects return to normal levels.

The table below outlines the reconciliation between the budgeted surplus and the actual surplus as presented in the Financial Report. The adjustments will be carried out as part of the budget review process. The adjustment relates to timing adjustments and has a net effect on the overall budget.

<b>Surplus Reconciliation</b>		<b>2020/21</b>
<b>Budgeted Surplus</b>		<b>6,575,739</b>
Accrued Revenue		-405,763
Contract Liability		-333,242
Toilets Youth Park Expenditure		-81,000
Legal Expense (contingent liability)		-70,000
<b>Financial Report Actual Surplus</b>		<b>-5,723,223</b>
<b>Unallocated</b>		<b>-37,489</b>

**RECOMMENDATION**

**That Council, by Absolute Majority;**

- 1. In accordance with Sections 5.53 and 5.54 of the *Local Government Act 1995*, accepts the Annual Report for the 2020/21 financial year; and**
- 2. In accordance with Section 5.55 of the *Local Government Act 1995*, authorise the Chief Executive Officer to give public notice of the availability of the Annual Report from Thursday, 17 December 2021.**

**ABSOLUTE MAJORITY VOTE REQUIRED**

## 6.2 SHIRE OF NORTHAM ANNUAL ELECTORS GENERAL MEETING 2020/21

<b>File Reference:</b>	8.2.7.1
<b>Reporting Officer:</b>	Alysha McCall, Executive Assistant - CEO
<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>	Yes – public notice

### BRIEF

For Council to consider and endorse the date for the Annual Electors General Meeting.

### ATTACHMENTS

Nil.

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### A. BACKGROUND / DETAILS

The Annual Electors General Meeting is to be held within 56 days of the local government accepting the Annual Report.

A requirement of setting the date is that 14 days local public notice is required for advertising the meeting. Providing the Annual Report is endorsed at the Special Council Meeting proposed on 17 December 2021, it is recommended that this be held prior to the January Ordinary Council Meeting which is scheduled on 19 January 2022.

### B. CONSIDERATIONS

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

##### Theme Area 6: Governance & Leadership

Outcome 6.2: Residents and other stakeholders are actively listened to and their input into decision-making processes is valued.

- Decisions made by the Shire of Northam are communicated and the reasoning clearly articulated to residents and stakeholders; and
- Effective and efficient two-way communication between the Shire of Northam and stakeholders.

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

- Improve community access to information to ensure they are able to be informed of our activities;
- Encourage active community participation in our local government;
- Maintain a high standard of corporate governance; and
- Undertake our regulatory roles in a safe, open, accountable and respectful manner.

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

- Open, accountable and effective decision making.

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

It is estimated that advertising costs for the availability of the Annual Report and Annual Electors General meeting will be approximately \$600 including GST which will be charged to account 040521920 (Advertising).

## **B.3 Legislative Compliance**

Local Government Act 1995 Section 5.27 Electors' general meetings;

- (1) A general meeting of the electors of a district is to be held once every financial year.
- (2) A general meeting is to be held on a day selected by the local government but not more than 56 days after the local government accepts the annual report for the previous financial year.
- (3) The matters to be discussed at general electors' meetings are to be those prescribed.

Local Government (Administration) Regulation No 15 Matters for discussion at general electors' meetings - s. 5.27(3)

For the purposes of section 5.27(3), the matters to be discussed at a general electors' meeting are, firstly, the contents of the annual report for the previous financial year and then any other general business.

Local Government Act 1995 Section 5.29 Convening Electors' Meetings;

- (1) The CEO is to convene an electors' meeting by giving –
  - (a) at least 14 days' local public notice; and
  - (b) each council member at least 14 days' notice, of the date, time, place and purpose of the meeting.
- (2) The local public notice referred to in subsection (1)(a) is to be treated as having commenced at the time of publication of the notice under section 1.7(1)(a) and is to continue by way of exhibition under section 1.7(1)(b) and (c) until the meeting has been held.

## **B.4 Policy Implications**

Nil.

### **B.5 Stakeholder Engagement / Consultation**

Providing the 2020/21 Annual Report is endorsed at the Ordinary Council Meeting on 15 December 2021. It is intended that public notice shall be placed into the West Australian on Thursday, 17 December 2021.

Notices will also be placed on our Notice Boards, Facebook and the Shire of Northam website.

### **B.6 Risk Implications**

<b>Risk Category</b>	<b>Description</b>	<b>Rating (likelihood x consequence)</b>	<b>Mitigation Action</b>
Financial	N/A	N/A	N/A
Health & Safety	N/A	N/A	N/A
Reputation	N/A	N/A	N/A
Service Interruption	N/A	N/A	N/A
Compliance	An Annual Electors Meeting is not held once each financial year and not more than 56 days after the local government accepts the annual report.  Public Notice is not given in accordance with legislative requirements.	Insignificant (1) x Possible (3) = Low (3)	Council has a documented process for developing the Annual Report. This process includes the requirements associated with the Annual Electors Meetings.
Property	N/A	N/A	N/A
Environment	N/A	N/A	N/A

### **C. OFFICER'S COMMENT**

Council is requested to endorse the date proposed, in accordance with the Local Government Act, for the Annual Electors Meeting.

**RECOMMENDATION**

**That Council holds the Annual Electors General Meeting on Wednesday, 19 January 2022 at 5.00pm at the Shire Administration Centre and authorise the Chief Executive Officer to give public notice of the meeting from Thursday, 17 December 2021.**

### 6.3 PROGRESS TOWARDS THE ICT STRATEGY PLAN

<b>File Reference:</b>	1.1.9.1
<b>Reporting Officer:</b>	David Sparrow, ICT Coordinator
<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**

**That Council receives the update as provided in Attachment 1.**

**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. November 2021 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.
Business Systems and Applications	3. Appropriately managed business systems and applications will help consolidate and streamline business processes.	2021/2026	Corporate Services / ICT	Inventory Register established. RFQ re: potential CRM/RMS upgrade/migration from Synergysoft occurring. November 2021 Update: Out for tender however tender still live at the time of writing the report, closes on the 27/12/2021.

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. November 2021 Update: No progress.
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. November 2021 Update: No progress.
Project Management	7. The effective delivery of ICT projects requires a suitable management framework to be implemented	2021/2026	Corporate Services / 2021	Project Management ICT Procedure to be developed November 2021 Update: No progress.

#### 6.4 PROGRESS TOWARDS THE PARKS AND GARDENS AUDIT

<b>File Reference:</b>	1.3.6.9
<b>Reporting Officer:</b>	Cheryl Greenough, Coordinator Governance / Administration
<b>Responsible Officer:</b>	Clinton Kleynhans, Executive Manager Engineering Services
<b>Officer Declaration of Interest:</b>	Nil
<b>Voting Requirement:</b>	Simple Majority
<b>Press release to be issued:</b>	No

#### BRIEF

This report is for Council to receive an update on the recommended actions identified in the Parks and Gardens Service Review Report since being received in October 2019 from XYST.

#### ATTACHMENTS

Attachment 1: Northam Parks and Gardens Review Table.

#### A. BACKGROUND / DETAILS

Under the direction of the CEO, staff called for quotes from suitably qualified consultants to conduct an audit of our service provision in the Parks and Gardens area.

In November 2018 the Executive Manager Engineering Services and the Governance Officer met with Mr Brian Milne from XYST Australia P/L to discuss an audit of the Shire's Parks and Gardens Service Area and current service levels. The Audit was designed to provide both Senior Staff and Council with an additional element of reassurance by means of a performance review versus the expenditure.

XYST were engaged to perform the following scope of works:

- Review existing documentation relating to parks asset management, open space planning and service delivery;
- Undertake individual office and site-based meetings with each of the Parks and Gardens management team to identify strengths and weakness and opportunities for improvement;
- Run a full day workshop with Parks and Gardens Management and team to identify a comprehensive business improvement program;

- Identify training with discussion to develop initial framework for operational levels of service in focus areas;
- Identify possible solutions, priorities and required resources;
- Document a recommended improvement program and action plan

## **B. CONSIDERATIONS**

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

Theme Area 4: Environment and Heritage.

Outcome 4.1: The Shire of Northam is visually pleasing and easy to find your way around.

Objective: Verges and Roadsides are neat, tidy and attractive.

Theme Area 5: Infrastructure and Service Delivery.

Outcome 5.2: Environmental risks are proactively managed to minimise impact on residents.

Objective: Verges and Roadsides are neat, tidy and attractive.

Theme Area 6: Governance & Leadership.

Outcome 6.1: The Shire of Northam is recognised as a desirable place to live and residents are proud to live here.

Objective: Positive internal and external perceptions about Northam.

Objective: Foster a sense of community pride.

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

Nil.

### **B.3 Legislative Compliance**

Local Government Act 1995 and relevant subsidiary legislation.

### **B.4 Policy Implications**

N/A

### **B.5 Stakeholder Engagement / Consultation**

XYST Australia who conducted the Audit.

### **B.6 Risk Implications**

<b>Risk Category</b>	<b>Description</b>	<b>Rating (consequence x likelihood)</b>	<b>Mitigation Action</b>
Financial	N/A	N/A	N/A
Health & Safety	N/A	N/A	N/A

Reputation	Shire facilities are not maintained to acceptable standards	Rare(1) Minor(2) = Low(2)	x	Ensure fit for purpose programs are in place with ongoing monitoring
Service Interruption	Ineffective programs causing lost time	Rare(1) Minor(2) = Low(2)	x	Ensure programs are being monitored with improvements made where identified
Compliance	N/A	N/A		N/A
Property	N/A	N/A		N/A
Environment	N/A	N/A		N/A

### C. OFFICER'S COMMENT

A performance quality assessment was undertaken of operations and maintenance standards across 15 parks. A typical performance target is 85% and Northam is performing above this level at 90%.

There are some areas of improvement required such as garden maintenance and some general maintenance. At 70% we provide a higher number of playgrounds but less youth facilities than some other councils who would be considered our peers.

However, we have a higher ratio of grass sports fields being 1.42 per thousand residents compared to the average of 0.98 per thousand residents.

The Shire's total expenditure budget of \$132.90 per capita is consistent with our peer groups.

The Best Practice scores indicate room for improvement in some areas whilst other areas are equal to or better than average.

The audit findings will be used to further develop the pending Parks and Gardens Asset Management Plan and the associated service levels. This will be presented to Council for adoption prior to the end of this financial year.

#### Table Legend

**Completed**

**No Action**

**Underway**

**RECOMMENDATION**

**That Council:**

- 1. Receives the update as provided in Attachment 1 in relation to the progress made towards the Parks and Gardens Service Review Recommended Actions.**

**Attachment 1 – Shire of Northam Parks and Gardens Review Table**

No.	Finding	Finding Rating	Implication	Recommendation	Management Comment	Responsible Officer	Progress to Date
1	Provision of actively maintained open spaces is relatively low compared to average industry provision.	Low (4)	Low number of maintained natural open spaces	Identify areas of natural open space land to achieve a more accurate account of provision	The Shire has a number of natural (bushland) Public Open Spaces which were not included in the audit review.  These need to be investigated and considered for inclusion of maintenance	EMES	February 2021 Update: – Identified with maintenance requirements being assessed.
2	The provision of playgrounds per 1000 children under 15 is 70% higher than both the peer group and total sample.	Mod (9)	Playground can potentially be underutilised	Review level of playground provision to assess whether rationalisation is desirable (Consider preparation of playground strategy)	The review of this provision will be included as part of the Parks and gardens Asset Management Plan/ Strategy development.	EMES	February 2021 Update: The Plan has been completed and was adopted by Council on 21/10/20.

No.	Finding	Finding Rating	Implication	Recommendation	Management Comment	Responsible Officer	Progress to Date
3	Difficulty in recruiting and retaining staff with suitable skills and aptitude.	High (12)	Unskilled workforce placing greater load on those more qualified	Implement traineeship development program	Appointment of Trainees has already commenced, formalisation of the program is in development	HR	<p>A formal traineeship structure is currently being developed within the Promapp system.</p> <p>February 2021 Update: 2 x horticultural trainees currently assigned to Parks &amp; Gardens team.</p> <p>Current vacancy for Development Services trainee through successful grant application for \$30,000.00.</p> <p>Current vacancy for Environmental Health Trainee.</p>
4	There is opportunity for improvement for communication, organisation and staff development skills.	High (12)	Potential for improvement of programmed activities	Engage support to assist with implementing staff development programs and provide management mentoring	Middle Management training and professional development opportunities are being investigated	HR	<p>Training Register completed.</p> <p>Skills Register currently being created to identify skills gaps within the department.</p> <p>Currently developing a professional development framework for middle management throughout the organisation</p>

No.	Finding	Finding Rating	Implication	Recommendation	Management Comment	Responsible Officer	Progress to Date
5	There are opportunities to improve the methodology of programming works in terms of combining crews on locations.	Low (4)	Loss of productivity	Reorganise some aspects of the service delivery approach to move from a focus on cyclic park maintenance to a more prioritised approach with completion of key tasks and targeted combined staff resources	Opportunities will be investigated and where practicable crews will jointly address works	EMES	<p>Programming of works is being reviewed and will be assessed for any change in productivity or service standard.</p> <p>To date where opportunities have been presented this has occurred.</p> <p>February 2021 Update: No further progress.</p> <p>Crews have been combined for some activities, ongoing monitoring will take place to determine if any efficiencies.</p> <p>November 2021 Update: At the previous Audit and Risk Management Committee Meeting, the Committee requested a report be prepared in relation to this action. There has been no progress to date in relation to this matter.</p>

## 6.5 PROGRESS TOWARDS THE REGULATION 17 REVIEW ACTION PLAN

<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 an update of the progress made towards the Regulation 17 Review Action Plan that was presented to Council at the December 2019 OCM for adoption.

This report aims to establish a level of accountability in respect to completing the actions identified through the Regulation 17 Review to ensure that Council's risk management, internal controls and legislative compliance is appropriate and effective.

### ATTACHMENTS

Attachment 1: Regulation 17 Review Action Plan. Appendix B

### A. BACKGROUND / DETAILS

Section 17 of the Local Government (Audit) Regulations requires the Chief Executive Officer to review the appropriateness and effectiveness of the Council's systems and procedures as they relate to the following areas:

- Risk management
- Internal controls, and
- Legislative compliance

The Chief Executive Officer carried out the review internally. The attached report is supplied to Council with the findings and recommendations.

A report was then prepared identifying the findings from the review along with recommendations (if applicable). These findings and recommendations were developed into an action plan and are provided in Attachment 1.

### B. CONSIDERATIONS

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

Theme 6: Governance and Leadership.  
 Outcome 6.3 The Shire of Northam council is a sustainable, responsive, innovative and transparent organisation.  
 Objective: Ensure robust financial management;  
 Maintain a high standard of corporate governance;

**B.2 Financial / Resource Implications**

Staffing resources are required in order to action the recommendations detailed within the BPR Action Plan.

**B.3 Legislative Compliance**

Local Government Act 1995 and relevant subsidiary legislation.

**B.4 Policy Implications**

Nil.

**B.5 Stakeholder Engagement / Consultation**

**B.6 Risk Implications**

Risk Category	Description	Rating (consequence x likelihood)	Mitigation Action
Financial	Revenue loss to the Shire.	Unlikely(2) x Insignificant(1) = Low(2)	Managed by ensuring good practices
Health & Safety	N/A	N/A	N/A
Reputation	Disruption to current service.	Unlikely(2) x Insignificant(1) = Low(2)	Ensure IT and other services are managed professionally.
Service Interruption	Potential for IT and Administrational disruption	Rare(1) x Insignificant(1) = Low(1)	Ensure changes are managed professionally.
Compliance	Not compliant with legislation	Unlikely(2) x Insignificant(1) = Low(2)	Review legislation regularly
Property	N/A	N/A	N/A
Environment	N/A	N/A	N/A

**C. OFFICER'S COMMENT**

This review indicated that the Shire of Northam is proactive in managing risk, internal controls and legislative compliance as well as taking the necessary steps to ensure appropriate risk management, internal controls and legislative compliance policies and practices are in place. Areas for improvement and

recommendations have been detailed in Attachment 1 with comments in respect to the progress made towards each of these.

Officers are working towards addressing the recommendations from the review whilst continuing the improvements already underway in order to achieve optimum levels of risk management, internal controls and legislative compliance into the future. The Action Plan for Review has been provided in Attachment 1 with an update of the progress made towards the recommendations.

The previous Regulation 17 Report Action Plan 2016 has been superseded with the current Regulation 17 Report Action Plan 2019. As such any outstanding recommendations have been carried forward. Only two items remain outstanding.

Appendix A Risk Management and Appendix C Legislative Compliance have now been completed as such these two items should be closed.

### Table Legend

**Completed**

**No Action**

**Underway**

At the previous Audit & Risk Management Committee meeting, the committee requested the Chief Executive Officer to report that a contract is in place by this meeting with respect to item 1 in Appendix B. This action is in the final stage with the RFQ currently being assessed by Officers. It is anticipated that a contract will be entered into by the end of 2021.

#### RECOMMENDATION

**That Council:**

- 1. Receives the update as provided in Attachment 1 in relation to the progress made towards the Regulation 17 Action Plan.**

**Attachment 1 – Regulation 17 Review Action Plan. Appendix B**

**APPENDIX B  
 SHIRE OF NORTHAM  
 INTERNAL CONTROLS**

No.	Finding	Implication	Recommendation	Management Comment	Responsible Officer	Progress to Date
1	Our inquiries of Council's Building Supervisor indicated the Shire of Northam does not currently have a signed contract in place with the external security companies used for monitoring and call-outs. <b>Finding Regulation 17 2016 Audit</b>	Risk of the Shire of Northam locations not being protected from break-ins, vandalism etc.	We recommend that contracts are in place with all third parties engaged to provide said security services.	Staff will develop an agreement.	EMES	As at 24/2/20 an overarching contract has been developed to monitor all buildings but does not include remote access for callouts as yet.  February 2021 Update: No further progress.  June 2021 Update: No further progress.  August 2021 Update: Still progressing the remote call out service.  November 2021 Update: RFQ has been advertised with two quotes being received. RFQ is currently being assessed by Officers and it is anticipated this will be awarded in December 2021.

No.	Finding	Implication	Recommendation	Management Comment	Responsible Officer	Progress to Date
2	An audit of several registered documents found that some documents which were considered to be sensitive, were not appropriately registered, with limited viewing.	All staff would have access to sensitive documents which would be a breach of privacy.	Process suggestion has been made to make provision for registering sensitive documents. Staff to be provided with training/reminder of the need to register certain documents whilst limiting access.	Staff to investigate	EMCS	<p>February 2021 Update: Complete</p> <p>Staff have reviewed the access process and posted a reminder by email for staff to forward any sensitive documents to Records for the appropriate registration.</p>
3	Some processes being used by external offices do not comply with correct accounting procedures	Cash may be incorrectly recorded, there is also the potential for money to go missing	Develop a process for receipt of all 'offsite' money, inclusive of a mechanism to ensure accuracy of takings to banking and develop a process for offsite stock management.	<p>1. Staff to develop a process to receipt all off site money</p> <p>2. Develop a process and procedure for offsite stock management.</p>	Accountant	<p>1. Process developed and implemented across all departments.</p> <p>2. Point of sale software has been installed.</p> <p>February 2021 Update: Stocktake processes to be further developed before 30/06/2021.</p> <p>Counts are being undertaken and point of sale is to be checked to ensure reporting is accurate for 30 June stocktake for each site.</p> <p>May 2021 Update: Complete.</p>

## 6.6 MONTHLY COMPLIANCE REPORT

<b>File Reference:</b>	1.6.1.6
<b>Reporting Officer:</b>	Cheryl Greenough, Governance/Administration 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: August 2021 Compliance Calendar and Creditors Checklist  
Attachment 2: September 2021 Compliance Calendar and Creditors Checklist  
Attachment 3: October 2021 Compliance Calendar and Creditors Checklist

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### 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 is met on a monthly 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*

**2021 Compliance Calendar**

<b>Month</b>	<b>Item</b>	<b>% Compliance</b>	<b>Non-Compliance</b>
August	Monthly Check	82%	Due to staffing shortages, 5 items were not updated on the website
	Random Creditor check	100%	Compliant.
September	Monthly Check	100%	Compliant.
	Random Creditor Check	80%	One PO was written after the invoice and one did not have the purchasing checklist
October	Monthly Check	100%	The delegated authority register is yet to be updated on the Shire website.
	Random Creditor Check	70%	Two PO's were not written before invoice. One did not have a copy of PO attached.

**RECOMMENDATION**

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

**Attachment 1 - August 2021 Compliance Calendar and Creditors Checklist**

AUGUST COMPLIANCE CALENDAR							
SOURCE	Section	PROCESS OWNER	ACTIVITY DESCRIPTION	COMPLIANCE ACCOUNTABILITY	SCHEDULE	COMMENTS	Sign
Local Government 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 in August	
Local Government 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	
Local Government 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	At the Special Council Meeting 3 Cr's declared proximity. All left the room when their item was discussed.	
Local Government Act 1995	S5.65 & s5.73	CEO	Were all known elected member and staff disclosures of impartiality made at the Council meeting		Monthly	Yes at both the special and the ordinary meetings	
Local Government Act 1995	S5.73 & S103	CEO	Were ALL disclosures recorded in the minutes		Monthly	Yes, all known disclosures were recorded	
Local Government Act 1995	S5.76	CEO	Have all new 'designated' employees completed their primary returns within 3 months of commencement		Monthly	one new officer has completed his return	
Local Government Act 1995	S5.76 & S5.77	CEO	Have all Elected Member Annual Returns been lodged and acknowledged in writing		Annually - August	Yes all 10	
Local Government Act 1995	S5.76 & S5.77	CEO	Have all Designated Staff Annual Returns been lodged and acknowledged in writing		Annually - August	Yes all have been received	

					and acknowledged	
Local Government Act 1995	S5.88	CEO	Is the register of financial interests up to date	Monthly	Has not yet been updated on the website	<i>[Signature]</i>
Local Government Act 1995	S5.89	CEO	Have all resigned members and staff returns been removed from the financial interest register	Monthly	Yes	<i>[Signature]</i>
Local Government Act 1995	S103	CEO	Is the gift register up to date an on the Council website	Monthly	There have not been any other known gifts received	<i>[Signature]</i>
Local Government 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	None	<i>[Signature]</i>
Local Government Act 1995	S5.121 - Minor Breach	EMCS	Has the complaints officer maintained the complaints of a minor breach register and is the online register up to date	Monthly	No complaints of a minor breach have been made	<i>[Signature]</i>
Local Government Act 1995	S3.57 & F/G Reg 11	EMCS	Have tenders been called for all goods or services in excess of \$250k	Monthly	No	<i>[Signature]</i>
Local Government Act 1995	S3.57 & F/G Reg 14	EMCS	Was state wide public notice given for all tenders	Monthly	N/A	<i>[Signature]</i>
Local Government 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	<i>[Signature]</i>
Local Government Act 1995	F/G Reg 18	EMCS	Rejecting and accepting Tenders	Monthly	N/A	<i>[Signature]</i>
Local Government 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	<i>[Signature]</i>
Local Government Act 1995	F/G Reg 18 (4)	EMCS	Written evaluation of each Tenderer's criteria	Monthly	N/A	<i>[Signature]</i>
Local Government Act 1995	F/G Reg 17	EMCS	Tender Register to be maintained and available for inspection	Monthly	N/A	<i>[Signature]</i>
Local Government Act 1995	F/G Reg 19	EMCS	Tenderers to be notified of outcome	Monthly	N/A	<i>[Signature]</i>
Local Government Act 1995	F/G Reg 24AD (2)	EMCS	Statewide Public Notice of the invitation to apply to join a pre-qualified panel	Monthly	None for August	<i>[Signature]</i>
Local Government 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>[Signature]</i>

Local Government Act 1995	LG (Elections) Regulations 1997	Governance	Declare if the election is to be postal	Bi-annually	Completed	
Local Government Act 1995	LG (Elections) Regulations 1997	Governance	Give Local Public notice of close of enrolments	Bi-annually	Completed	
Local Government Act 1995	LG (Elections) Regulations 1997	Governance	Prepare Owner Occupier Roll	Bi-annually	Completed	
Local Government Act 1995	LG (Elections) Regulations 1997	Governance	Roll closes	Bi-annually	Completed	
LG Act 1995		EMCS	Solicitor Representation letters	Annually	Completed August	
	Delegation - B02	EMDS	Buildings - Grant or Refuse Demolition Permit - register completed?	Monthly	None listed on website	
	Delegation - E01	EMES	Temporary Closure of Thoroughfares to vehicles	Monthly	None listed on website	
	Delegation - E04	EMES	Crossover Approvals	Monthly	None listed on website	
	Delegation - F02	EMCS	Disposal of Council property	Monthly	None listed on website	
	Delegation - F04	EMCS	Inviting Tenders	Monthly	None listed on website	
		EMCS	Auditor Visit	Annually	Coming in September	
		EMCS	Accounts presented to Council	Monthly	Yes	
		EMCS	Financial Report to Council	Monthly	Yes	
		EMCS	Apply for extension for Budget?	By 31 August		
Reporting	Building Services (Complaint Resolution and Administration)	Building	Building Services Levy - Payment due by 14th day after the end of the month	Monthly	Completed	

	Regulations 2011					
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	Completed	



**AUGUST CREDITOR CHECK**

EFT #	Creditor	Invoice Amount	Invoice Date	Order #	Order Amount	Purchase Order Date	Signing Officer Name	Purchasing Procedure Checklist attached and completed correctly	Date of order prior to date of invoice
40780	Charles Service Company	6,961.94 682	20/7/2021 25/7/2021	#62742	\$104,580.22	20/07/2021	EMES	Yes	Same
40799	Nintex P/L	29,865	27/05/2021	#61968	\$29,865	25/05/2021	CEO	Ongoing	Yes
40818	Verlindens Electrical	274.89	29/07/2021	#62799	\$300	22/07/2021	Building Super	N/A	Yes
40877	Abbotts Forge	495	9/08/2021	#63051	\$495	9/08/2021	Engineering Admin	N/A	Same
40886	Combined Tyres P/L	2,459.60	2/08/2021	#62716	\$2,420	19/07/2021	Works Manager	N/A	Yes
40938	Country Copiers	3,415.50	11/08/2021	#62629	\$3,415.50	14/07/2021	EMCS	N/A	yes
40986	Astro Synthetic Turf	12,760	2/08/2021	#62127	\$12,760	9/06/2021	EMES	Yes	Yes
40998	Cutting Edges Equipment	2,822.16	6/08/2021	#63019	\$2,822.16	5/08/2021	Works Manager	N/A	Yes
41064	J & A Building P/L	13,500	20/07/2021	#62204	\$104,500	15/06/2021	EMDS	Yes	Yes
40874	Specialised Tree Service	15,152.50	29/07/2021	#62812	\$102,300	26/07/2021	CEO	Yes	yes

**Attachment 2 - September 2021 Compliance Calendar and Creditors Checklist**

SEPTEMBER COMPLIANCE CALENDAR							
SOURCE	Section	PROCESS OWNER	ACTIVITY DESCRIPTION	COMPLIANCE ACCOUNTABILITY	SCHEDULE	COMMENTS	Sign
Local Government 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 major undertakings	<i>gp</i>
Local Government Act 1995	S5.16	CEO	Is the delegations register current (ie not more than 12 months old		Annually - June	It is current	<i>gp</i>
Local Government 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 declared by an elected member and they left the room	<i>gp</i>
Local Government Act 1995	S5.65 & s5.73	CEO	Were all known elected member and staff disclosures of impartiality made at the Council meeting		Monthly	11 declarations of impartiality were made	<i>gp</i>
Local Government Act 1995	S5.73 & S103	CEO	Were ALL disclosures recorded in the minutes		Monthly	Yes	<i>gp</i>
Local Government Act 1995	S5.75	CEO	Have primary returns been lodged within 3 months of elected member 'start dates'		Annually - January	N/A	<i>gp</i>
Local Government Act 1995	S5.76	CEO	Have all new 'designated' employees completed their primary returns within 3 months of commencement		Monthly	Yes, all three new staff	<i>gp</i>
Local Government Act 1995	S5.88	CEO	Is the register of financial interests up to date		Monthly	Yes	<i>gp</i>

Local Government Act 1995	S5.89	CEO	Have all resigned members and staff returns been removed from the financial interest register	Monthly	Yes	<i>JP</i>
Local Government Act 1995	S103	CEO	Is the gift register up to date and on the Council website	Monthly	No gifts were registered for September	<i>JP</i>
Local Government 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 two properties sold by public auction and two community leases were executed	<i>JP</i>
Local Government Act 1995	S5.121 - Minor Breach	EMCS	Has the complaints officer maintained the complaints of a minor breach register and is the online register up to date	Monthly	No complaints of a minor breach in September	<i>JP</i>
Local Government Act 1995	S3.57 & F/G Reg 11	EMCS	Have tenders been called for all good or services in excess of \$250k	Monthly	yes 06 of 2021 Inkpen Landfill Facility Management	<i>JP</i>
Local Government Act 1995	S3.57 & F/G Reg 14	EMCS	Was state wide public notice given for all tenders	Monthly	All done through WALGA	<i>JP</i>
Local Government 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	<i>JP</i>
Local Government Act 1995	F/G Reg 18	EMCS	Rejecting and accepting Tenders	Monthly	N/A	<i>JP</i>
Local Government 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	<i>JP</i>
Local Government Act 1995	F/G Reg 18 (4)	EMCS	Written evaluation of each Tenderer's criteria	Monthly	N/A	<i>JP</i>

Local Government Act 1995	F/G Reg 17	EMCS	Tender Register to be maintained and available for inspection	Monthly	N/A	<i>[Signature]</i>
Local Government Act 1995	F/G Reg 19	EMCS	Tenderers to be notified of outcome	Monthly	N/A	<i>[Signature]</i>
Local Government Act 1995	F/G Reg 24AD (2)	EMCS	State wide Public Notice of the invitation to apply to join a pre-qualified panel	Monthly	N/A	<i>[Signature]</i>
Local Government 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>[Signature]</i>
<b>Election LG ACT</b>		Governance	<b>Close Electoral Roll - 5pm (50th day)</b>	<b>s4.39(1)</b>	Completed	<i>[Signature]</i>
<b>Election LG ACT</b>	LG (election) Regulations	Governance	<b>Last day for advertisement to be placed</b>	<b>s4.47(1)</b>	Completed	<i>[Signature]</i>
<b>Election LG ACT</b>	LG (election) Regulations	Governance	<b>Nominations Open (for 8 days)</b>	<b>s4.49(a)</b>	6 Nominations received	<i>[Signature]</i>
<b>Election LG ACT</b>	LG (election) Regulations	Governance	Candidate can withdraw until 13/9	Reg 27(5)	None withdrew	<i>[Signature]</i>
<b>Election LG ACT</b>	LG (election) Regulations	Governance	<b>Nominations Closed 4pm</b>	<b>s4.49(a)</b>	Closed	<i>[Signature]</i>
<b>Election LG ACT</b>	LG (election) Regulations	Governance	CEO to sign owners & occupiers roll Last day WAEC prepare residents Roll	<b>s4.41(1)</b> <b>s4.40(2)</b>	Completed	<i>[Signature]</i>
<b>Election LG ACT</b>	LG (election) Regulations	<b>R/O</b>	<b>Give state wide notice of election</b>	<b>s4.64(1)</b>	Completed	<i>[Signature]</i>
<b>Election LG ACT</b>	LG (election) Regulations	Governance	<b>WAEC to post Election packages to LG</b>		Completed	<i>[Signature]</i>
<b>Election LG ACT</b>	LG (election) Regulations	Governance	<b>Consolidated roll to be complete</b>	Reg 18.2(1)	Completed	<i>[Signature]</i>
	Delegation - B02	EMDS	Buildings - Grant or Refuse Demolition Permit - register completed?	Monthly	Yes one was granted	<i>[Signature]</i>

	Delegation - E01	EMES	Temporary Closure of Thoroughfares to vehicles	Monthly	None registered	
	Delegation - E04	EMES	Crossover Approvals	Monthly	None registered	
	Delegation - F02	EMCS	Disposal of Council property	Monthly	N/A	
	Delegation - F05	EMCS	Inviting Tenders	Monthly	06 of 2021 and 20 of 21 and Road Construction	
		EMCS	Interim Audit	Annually	N/A	
		EMCS	Accounts sent to Auditors	by 30 Sept	Yes	
		EMCS	Accounts presented to Council	Monthly	Yes item 13.4.1	
		EMCS	Financial Report to Council	Monthly	Yes Item 13.4.2	
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	Completed	
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	Completed	

SEPTEMBER 2021 CREDITOR CHECKLIST

EFT #	Creditor	Order #	Invoice Amount	Invoice Date	Order Amount	Purchase Order Written	Signing Officer Name	Purchasing Procedure Checklist attached and completed correctly	Date of order prior to date of invoice
41068	Advanced Traffic Management	63125	3132.25	18/08/2021	\$ 3,132.25	12/08/2021	Works Manager	N/A	Yes
41113	Echo Newspaper	63229	495	30/07/2021	\$ 880.00	4/08/2021	EMCOMMS	N/A	No
41129	Slater Gartell Sports	62406	759	1/07/2021	\$ 759.00	29/06/2021	Engineering Admin	N/A	yes
41151	Chadson Engineering	63187	1056.7	26/08/2021	\$ 1,056.70	17/08/2021	Manager Rec Centre	N/A	Yes
41218	Bunnings Building Supplies	62886	622.59	4/08/2021	\$ 655.35	29/07/2021	Manager Tourism	N/A	Yes
41270	Exurban P/L	62983	5867.4	4/09/2021	\$ 5,867.40	4/08/2021	EMDS	N/A	yes
41614	Booktopia P/L	63436	1237.77	6/09/2021	\$ 1,135.65	3/09/2021	MIDI	N/A	Yes
41366	Benara Nurseries	62421	5129.58	5/07/2021	\$ 9,427.02	30/06/2021	Parks & Gardens	N/A	Yes
41361	Specialised Trees	62812	12038	13/09/2021	\$ 102,300.00	26/07/2021	CEO	Yes	Yes
41413	Avon Waste	62589	38607.92	10/09/2021	\$ 945,338.16	13/07/2021	CEO	No checklist	yes

### Attachment 3 - October 2021 Compliance Calendar and Creditors Checklist

OCTOBER COMPLIANCE CALENDAR							
SOURCE	Section	PROCESS OWNER	ACTIVITY DESCRIPTION	COMPLIANCE ACCOUNTABILITY	SCHEDULE	COMMENTS	Sign
Local Government 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	N/A	
Local Government Act 1995	s5.16	CEO	Is the delegations register current (ie not more than 12 months old		Annually - June	Yes	
Local Government Act 1995	s5.44(2)	CEO	Were all delegations by the CEO made in writing?		Monthly	No delegations were made in October	
Local Government Act 1995	s3.27	CEO	Authority to undertake work on land not controlled by Council			None registered in the Delegated Authority Register	
Local Government 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	No financial interests were disclosed at the Ordinary Council Meeting	
Local Government Act 1995	s5.65 & s5.73	CEO	Were all known elected member and staff disclosures of impartiality made at the Council meeting		Monthly	Yes, two were made	
Local Government Act 1995	s5.73 & s103	CEO	Were ALL disclosures recorded in the minutes		Monthly	Yes	
Local Government Act 1995	s5.75	CEO	Have primary returns been lodged within 3 months of elected member 'start dates'		Annually - January	One has been lodged this month	
Local Government Act 1995	s5.76	CEO	Have all new 'designated' employees completed their primary returns within 3 months of commencement		Monthly	Not applicable this month	
Local Government Act 1995	s5.88	CEO	Is the register of financial interests up to date		Monthly	Not yet updated on website	
Local Government Act 1995	s5.89	CEO	Have all resigned members and staff returns been removed from the financial interest register		Monthly	N/A	
Local Government Act 1995	s103	CEO	Is the gift register up to date an on the Council website		Monthly	None have been registered	
			Is the election gift register up to date on the Council website			No electoral gifts were received	
Local Government 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	None were disposed of at the Council meeting	
Local Government Act 1995	s6.68	EMCS	Did Council dispose of any property for non payment of rates		Monthly	Yes four properties were offered for sale by auction, two are in the process of completion	
Land Administration Act 1997	s51 & s86	CEO	Did Council dispose of any Crown Reserves or land			N/A	
Local Government Act 1995	s5.121 - Minor Breach	EMCS	Has the complaints officer maintained the complaints of a minor breach register and is the online register up to date		Monthly	No complaints of a minor breach as per s5.121	
Local Government Act 1995	s3.57 & F/G Reg 11	EMCS	Have tenders been called for all good or services in excess of \$250k		Monthly	No but tender 6 of 2021 Inkpen Landfill Management closed 15/10/21 and RFQ 20 of 2021 Waste Transfer facility was advertised	
Local Government Act 1995	s3.57 & F/G Reg 14	EMCS	Was state wide public notice given for all tenders		Monthly	N/A	
Local Government Act 1995	F/G Reg 16	EMCS	Receiving and opening Tenders completed by two persons, details of tenders to be immediately recorded		Monthly	Yes 6 of 2021 was opened by Procurement Coordinator and Admin Officer	
Local Government Act 1995	F/G Reg 18	EMCS	Rejecting and accepting Tenders		Monthly	N/A	
Local Government 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	
Local Government Act 1995	F/G Reg 18 (4)	EMCS	Written evaluation of each Tenderer's criteria		Monthly	N/ tender ahs not been evaluated yet	
Local Government Act 1995	F/G Reg 17	EMCS	Tender Register to be maintained and available for inspection		Monthly	Yes	
Local Government Act 1995	F/G Reg 19	EMCS	Tenderers to be notified of outcome		Monthly	N/A	

# Audit & Risk Management Committee Meeting Agenda

## 1 December 2021



Local Government Act 1995	F/G Reg 24AD (2)	EMCS	Statewide Public Notice of the invitation to apply to join a pre-qualified panel	Monthly	No adverts placed in October	
Local Government 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	
Building Act 2011	Delegation - B02	EMDS	Buildings - Grant or Refuse Demolition Permit - register completed?	Monthly	No Demolition Permits issued this month	
	Delegation - E01	EMES	Temporary Closure of Thoroughfares to vehicles	Monthly	One road closure registered in October	
	Delegation - E04	EMES	Crossover Approvals	Monthly	One registered for this month	
	Delegation - F02	EMCS	Disposal of Council property	Monthly	No property disposed of	
	Delegation - F04	EMCS	Inviting Tenders	Monthly	RFQ 20 of 2021 Waste Transfer facility	
		EMCS	Interim Audit	Annually	N/A	
		EMCS	Accounts presented to Council	Monthly	Yes, item 13.4.1	
		EMCS	Financial Report to Council	Monthly	Yes, item 13.4.2	
		EMCS	Financial Report from Auditors given to DLGSC	30 days after	N/A	
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	Completed	
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	Completed	

OCTOBER 2021 CREDITORS CHECKLIST

EFT #	Creditor	Invoice Amount	Invoice Date	Order #	Order Amount	Purchase Order Written	Signing Officer Name	Purchasing Procedure Checklist attached and completed correctly	Date of order prior to date of invoice
41464	Combined Tyres P/L	493	26/9/2021	63740	492.8	29/09/2021	Parks & Gardens Manager	No	No
41488	Western Australian Indigenous Tourism	99	26/5/2021	63745	99	29/09/2021	BKB Manager	No	No
41496	Avon Waste	37,500.74 48,265.80	24/9/2021	62589 62588	95,338.16	13/07/2021	CEO	Ongoing	Yes
41507	Damian's Plumbing	668.8	4/10/2021	63606	668.8	16/09/2021	Parks & Gardens Manager	N/A	Yes
41513	Northam Betta Home Living	352	16/6/2021	62170	352	12/06/2021	Library Manager	No copy of PO attached	Yes
41546	Civic Legal	11,550	30/9/2021	62808	50,000	23/07/2021	CEO	Yes	Yes
41577	Boekeman machinery	1,960.57	6/10/2021	63622	2,365	17/09/2021	Parks & Gardens Manager	N/A	Yes
41646	Dickenson Construction	6,424.00	3/10/2021	63429	6,424	2/09/2021	EMDS	N/A	Yes
41715	Oasis Outdoor Structures - RFT 04/2021	89,177.53	3/10/2021	62397	634,646.34	29/06/2021	CEO	Yes	Yes
41748	Fulton Hogan Industries	3,678.40	21/10/2021	63887	4,976.40	13/10/2021	Works Manager	Yes	Yes

## 6.7 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.

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### 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**

<b>Risk Category</b>	<b>Description</b>	<b>Rating (consequence x likelihood)</b>	<b>Mitigation Action</b>
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 111 risk mitigation/treatment strategies, of which **1 are overdue (which equates to 0.9%)**.

- a. MC00101: Council to establish and review quarterly a Covid-19 Strategic Response.

*The quarterly report for progress towards the action plan has not been reported to Council. A report will be provided at the December 2021 Ordinary Council Meeting.*

#### **RECOMMENDATION**

**That Council receives the November 2021 Shire of Northam Risk Register update.**

**Attachment 1 - Overdue/Non-compliant Risks**

**Overdue / Non-Compliant Risks**



Filter: Overdue / Non-compliant

<b>RESIDUAL</b> <b>7.5</b> MODERATE	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>INHERENT</b> <b>25.0</b>	<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
R00047	OWNER Jason Whiteaker CREATED 22/04/2020 16:26:59 LIKELIHOOD Almost Certain SEVERITY Extreme CONTROL EFFECTIVENESS Strong	TREATMENT MC00100 Council to monitor cashflow - monthly	SIGNOFF(S): Colin Young Jason Whiteaker DUE DATE: 01 Dec 2021 FREQUENCY: The first Day of every month
		TREATMENT MC00101 Council to establish and review quarterly a Covid-19 Strategic Response	<b>OVERDUE</b> SIGNOFF(S): Jason Whiteaker DUE DATE: 20 Oct 2021 FREQUENCY: The third Wednesday of every 3 months

## 6.8 PROCUREMENT POLICY

<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

For the Chief Executive Officer to report to the committee in relation to procuring goods and services from local businesses.

### ATTACHMENTS

Attachment 1: Procurement Policy.

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### A. BACKGROUND / DETAILS

Discussion has been held among Councillors in relation to three quotes being obtained for purchases where this is detailed within the policy.

At the Audit and Risk Management Committee Meeting held on 26 August 2021, the committee requested the Chief Executive Officer to report to the committee confirming that the maximum number of local businesses are being provided with the opportunity to quote on Council work.

### 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 – s3.57 Tenders*

*Local Government (Functions & General) Regulations 2000 - Part 4A*

*Local Government (Administration) Amendment Regulations 2000 – s29*

**B.4 Policy Implications**

F 4.2 Procurement Policy

**B.5 Stakeholder Engagement / Consultation**

Nil.

**B.6 Risk Implications**

Risk Category	Description	Rating (likelihood x consequence)	Mitigation Action
Financial	Ineffective controls in place	Likely (4) x High (4) = High (16)	Council to adopt policy to ensure guidelines for procurement are in place
	Staff do not adhere to policy requirements	Possible (3) X Medium (3) – Moderate (9)	Internal audit in place to review random sample of 20 creditor payments each month
Health & Safety	N/A		
Reputation	N/A		
Service Interruption	Policy requirements are too onerous and therefore inefficient	Possible (3) X Medium (3) – Moderate (9)	Council to adopt policy to ensure guidelines for procurement are in place
Compliance	Ineffective controls in place	Likely (4) x High (4) = High 16	Council currently has policy and internal audit to ensure guidelines for procurement are in place
Property	N/A		
Environment	N/A		

**C. OFFICER'S COMMENT**

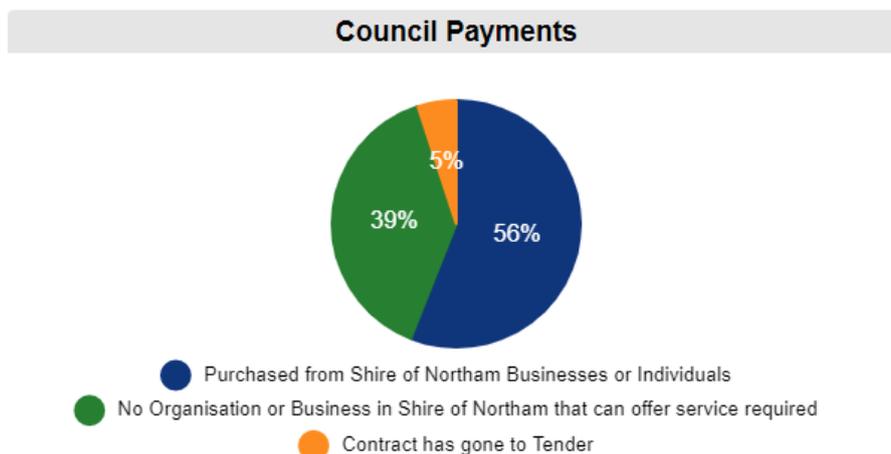
At the previous meeting it was raised whether a list of local businesses that are in Vendor Panel can be sent to the Chamber of Commerce to identify the businesses that are not currently in the portal. Officers have contacted Vendor Panel to obtain a list and have been advised that this is not possible. There are

over 75 business category lists in Vendor Panel and the only way would be to individually search every business within the Shire of Northam. This would be a time-consuming task with current limited resources.

Additionally, Officers have undertaken several engagement activities to encourage and assist businesses in becoming set up in the portal. Engagement activities include:

- Working with the Chamber of Commerce;
- Engaging and assisting businesses individually where Council has historically purchased goods and services;
- Working with the Department of Primary Industries Content Advisor.

With respect to procuring goods and services locally, Officers always endeavour to obtain these locally where possible. The below graph demonstrates that there were no purchases made from businesses outside of the Shire of Northam in October 2021 where the goods or services were available in the Shire.



**RECOMMENDATION**

**That Council receive the update provided by the Chief Executive Officer in relation to procuring goods and services from local businesses.**

**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 February 2022 at 5:00pm.

**9. DECLARATION OF CLOSURE**