

TOWN *of* CLAREMONT

# Agenda

## **Audit and Risk Management Committee Meeting**

Wednesday 14 August 2024

Please be advised that a Audit and Risk Management Committee Meeting will be held at **9:00 am** on **Wednesday 14 August 2024** at 308 Stirling Highway, Claremont

Liz Ledger  
Chief Executive Officer

**DISCLAIMER**

Persons present at this meeting are cautioned against taking any action as a result of any Committee recommendation until such time as those recommendations have been considered by Council.

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**1 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS**

**2 RECORD OF ATTENDANCE/APOLOGIES**

**3 DISCLOSURE OF INTERESTS**

**4 CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS**

**That the minutes of the Audit and Risk Management Committee Meeting held on 6 March 2024 be confirmed.**

**5 PRESENTATION**

Sandra Hackett from Riskwest to provide a presentation in relation to Item 6.1 Strategic Risk.

**6 REPORTS OF THE CEO**

**6.1 STRATEGIC RISK**

- File Number:** RSK/00171
- Author:** Jessica Guy (Manager Governance and Records), Bree Websdale (Director Governance and People)
- Authoriser:** Liz Ledger (Chief Executive Officer)
- Attachments:**
1. Updated Risk Assessment Criteria [6.1.1 - 3 pages]
  2. Updated Risk Management Framework [6.1.2 - 24 pages]
  3. Strategic Risk Register [6.1.3 - 3 pages]
  4. Risk Appetite Matrix [6.1.4 - 2 pages]

**PURPOSE**

For the Committee to consider and endorse:

1. Proposed updates to the Town of Claremont Risk Assessment Criteria within the Risk Management Framework;
2. Town of Claremont Strategic Risk Register; and
3. Town of Claremont Risk Appetite Matrix.

**BACKGROUND**

Council is responsible for determining the strategic direction of the Town. The Committee is responsible for advising Council on matters relating to risk management.

Strategic risks are risks that the Town has no influence over. They generally occur external to the organisation and affect the delivery of strategic objectives.

As part of the continuous development of risk management processes across the Town, Riskwest were engaged to facilitate a series of meetings with the Executive Team to develop a Strategic Risk Register and Risk Appetite statements intended to be used as a practical tool to assist the Administration in the management and reporting of strategic risks.

A risk workshop was held with Council on 29 July 2024 to gather input into the strategic risks facing Council. Council’s feedback has been incorporated into the draft Strategic Risk Register.

**DISCUSSION**

The following attachments are provided for the Committee’s consideration:

Attachment	Description
Updated Risk Management Framework	As part of the review process, there was an opportunity to revise and update the risk assessment criteria within the Risk Management Framework, to reflect a more contemporary approach to the assessment of potential risk impacts ( <b>Attachment 1</b> ).  A summary of the changes to the risk assessment criteria is noted below with the criteria updated in the Risk Management Framework ( <b>Attachment 2</b> ).
Strategic Risk Register	The Strategic Risk Register is provided at <b>Attachment 3</b> .
Risk Appetite Matrix	The Risk Appetite Matrix is provided at <b>Attachment 4</b> .

It is proposed that the Administration present an annual report on strategic risks to the Committee to identify whether existing risks are still present and whether any new risks should be identified.

Following endorsement by the Committee, the risk documents will be presented to Council for adoption.

### **Changes to Risk Assessment Criteria**

Detailed below are the proposed changes to the Town's existing Risk Assessment Criteria:

1. Consequence Table:
  - Workplace Health and Safety – description expanded to include psychological impact as well as physical.
  - Financial Impact - measures updated to reflect current financial position and operating environment.
  - Service interruption – this has been consolidated into the new 'Organisational Performance' impact category.
  - Compliance – wording updated.
  - Reputation – expanded to consider community and stakeholder perspectives, rather than focussing solely on adverse media.
  - Property - removed as this is considered a 'risk' with consequences that are covered by the other impact areas.
  - Environment - expanded to include direct reference to flora and fauna, as well as now including potential impact on heritage assets.
  - Project Time and Cost - removed, as major project failures can be assessed using the existing consequence ratings such as Financial, Reputation, Environment, Organisational Performance etc.
2. Likelihood Table:
  - The overall timeframe for frequency has been changed to 5 years rather than 15 years in order to closer relate to the Town's strategic planning cycle.
3. Existing Controls
  - Descriptors updated to reflect the assessment of the overall control environment and the assurance it provides as to how well the risks are being controlled.
4. Risk Matrix:
  - In some areas, the risk matrix reflects a risk averse perspective, i.e.
    - i. An Almost Certain / Minor Risks (i.e. 10) is rated as HIGH. Suggest this level of risk is changed to MODERATE.
    - ii. An Almost Certain / Insignificant Risk (i.e. 5) is rated as MODERATE. Suggest this level of risk is changed to LOW.
  - At the other end of the scale, a Likely / Major risk is also rated HIGH – suggest this is changed to EXTREME.

### **PAST RESOLUTIONS**

Audit and Risk Management Committee Meeting 4 December 2023, Committee Recommendation 018/23

*That the Audit and Risk Management Committee notes the content of this report and endorses the ongoing management and reporting of risks.*

### **FINANCIAL AND STAFF IMPLICATIONS**

Sufficient budget was allocated in the 2023/24 and 2024/25 annual budgets for engaging the consultant.

### **POLICY AND STATUTORY IMPLICATIONS**

Town of Claremont Risk Management Framework

Council Policy LG534 Risk Management

**COMMUNICATION AND CONSULTATION**

Workshops were held between RiskWest, Council and the Executive Team.

**STRATEGIC COMMUNITY PLAN**

**Leadership and Governance** *We are an open and accountable local government; a leader in community service standards.*

- Demonstrate a high standard of governance, accountability, management and strategic planning.
- Continually assess our performance and implement initiatives that drive continuous improvement.

**URGENCY**

Not urgent.

**VOTING REQUIREMENTS**

Simple Majority decision of Committee (*More than half the Committee Members present are required to vote in favour*).

**OFFICER RECOMMENDATION**

**That the Audit and Risk Management Committee endorses and recommend Council adopt the:**

- 1. Updated Town of Claremont Risk Management Framework;**
- 2. Town of Claremont Strategic Risk Register; and**
- 3. Town of Claremont Risk Appetite Matrix.**

**Town of Claremont: DRAFT RISK ASSESSMENT CRITERIA**

**MEASURES OF CONSEQUENCE OR IMPACT**

LEVEL	RANK	WORKPLACE HEALTH AND SAFETY (PHYSICAL OR PSYCHOLOGICAL IMPACT)	FINANCIAL (OPERATIONAL)	REPUTATION	ORGANISATIONAL PERFORMANCE	COMPLIANCE	ENVIRONMENT AND HERITAGE
1	Insignificant	No physical injuries.  No expected psychological impact.	< \$100,000 or < 2% of operational budget	Isolated individual's issue-based complaint. No media coverage.	Impact managed through normal business practices.	No noticeable regulatory or statutory impact	Low localised event with no broader environmental or heritage impacts.
2	Minor	Minor physical injury.  Minor psychological impact.	\$100,000 - \$500,000 or 2-5% of operational budget	Local community impacts or issue-based concerns. Short term adverse social media.	Impact requires additional local management effort or response or redirection of resources to respond.	Some temporary non compliances	Minor delay impacting on ability to meet environmental and/or heritage expectations.
3	Medium	Reportable physical injury requiring professional treatment.  Psychological impact requiring professional treatment.	\$500,000 - \$2M or 5-10% of operational budget	Customer or community impacts and concerns publicly expressed. Reduced confidence by customers, community and other stakeholders. Significant negative media attention requiring significant management resources to respond.	Delays to critical operations. Administration of project or activity subject to significant review or change. One or more business objectives only partially achieved. Impact requires short term significant management and organisational resources to respond.	Short term non-compliance but with significant regulatory requirements imposed	Short term but recoverable environmental degradation.  Significant but rectifiable damage to valued heritage asset.
4	Major	Serious injury/illness requiring immediate emergency response or prolonged hospitalisation.  Serious psychological injury requiring medium/long term professional medical treatment, counselling, or intervention.	\$2M - \$5M or 10-25% of operational budget	Considerable and prolonged customer or community impact and dissatisfaction publicly expressed. Criticism and loss of confidence and trust in organisations processes and capabilities. Organisation's integrity in question. Sustained negative social media campaign.	Sustained disruption to critical operations Majority of business objectives only partially Impact requires long term significant management and organisational resources to respond.	Significant breach of legal obligations results in termination of activities, imposed penalties or civil actions.	Severe damage, loss or impairment (> 1 year to remediate or recover) of a significant ecosystem/threatened species (flora and/or fauna)  Large scale damage or partial loss requiring long term remediation of a valued heritage asset.
5	Catastrophic	Death or severe permanent disablements.  Permanent/long term psychological damage requiring extensive remedial intervention.	> \$5M or >25% operational budget	Significant adverse community impact and condemnation. Consistent ongoing community loss of confidence and trust in organisation's capabilities and intentions. High widespread media across multiple sources.	Total loss of critical operations. Non achievement of all business objectives. Impact cannot be managed within the organisation's existing resources and threatens survival of the organisation.	Severe breach of legal obligations results in criminal charges or loss of required operating licenses.	Permanent loss of significant ecosystem or threatened/vulnerable species (flora and/or fauna).  Permanent, total and irreplaceable loss of national and internationally valued state heritage.



**MEASURES OF LIKELIHOOD**

LEVEL	DESCRIPTOR	DESCRIPTION #1	FREQUENCY	PROBABILITY (Projects)
1	Rare	The event may occur only in exceptional circumstances.	Less than once in 5 years	<5%
2	Unlikely	The event could occur at some time.	At least once in 5 years	5-25%
3	Possible	The event should occur at some time.	At least once in 3 years	25-75%
4	Likely	The event will probably occur in most circumstances.	Once per 1 year	75-95%
5	Almost certain	The event is expected to occur in most circumstances.	More than once per year	>95%

**EXISTING CONTROLS**

LEVEL	DESCRIPTOR	DESCRIPTION
R	Robust	Controls are adequate and fully effective. Overall control environment provides strong assurance that the risk is being managed. Control objectives are being met and no material improvements to controls have been identified.
A	Adequate	A few specific control weaknesses noted however the overall control environment is adequate and effective and provides reasonable assurance that the risk is being managed. Certain controls may require improvement to ensure that the overall environment will continue to operate effectively.
I	Inadequate	Numerous specific controls weaknesses or gaps were noted. Overall control environment is not adequate or effective and fails to provide reasonable assurance that risks are being managed and control objectives are being met. The control environment needs improvement.

**RISK MATRIX**

<b>CONSEQUENCE</b>	<b>5 Catastrophic</b>	<b>5</b>	<b>10</b>	<b>15</b>	<b>20</b>	<b>25</b>
	<b>4 Major</b>	<b>4</b>	<b>8</b>	<b>12</b>	<b>16</b>	<b>20</b>
	<b>3 Medium</b>	<b>3</b>	<b>6</b>	<b>9</b>	<b>12</b>	<b>15</b>
	<b>2 Minor</b>	<b>2</b>	<b>4</b>	<b>6</b>	<b>8</b>	<b>10</b>
	<b>1 Insignificant</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
		<b>1 Rare</b>	<b>2 Unlikely</b>	<b>3 Possible</b>	<b>4 Likely</b>	<b>5 Almost Certain</b>
		<b>LIKELIHOOD</b>				

**CRITERIA FOR MANAGING RISK**

LEVEL OF RISK	CRITERIA FOR MANAGEMENT OF RESIDUAL RISK	REPORTING TO	WHO IS RESPONSIBLE
Low (1-6)	Acceptable with adequate controls (subject to alignment with risk tolerance and appetite)	Annual reporting to Audit Committee	Risk Owner
Moderate (7-11)	Acceptable with adequate controls (subject to alignment with risk tolerance and appetite)	Annual reporting to Audit Committee	Risk Owner
High (12-15)	Requires robust controls Refer to CEO/Director for acceptance decision	Monthly reporting to CEO. Quarterly reporting to Audit Committee.	CEO/Director
Extreme (16-25)	Unacceptable Refer to Council/CEO for next steps	Immediate and ongoing reporting to CEO, Audit Committee and Council	Council/CEO

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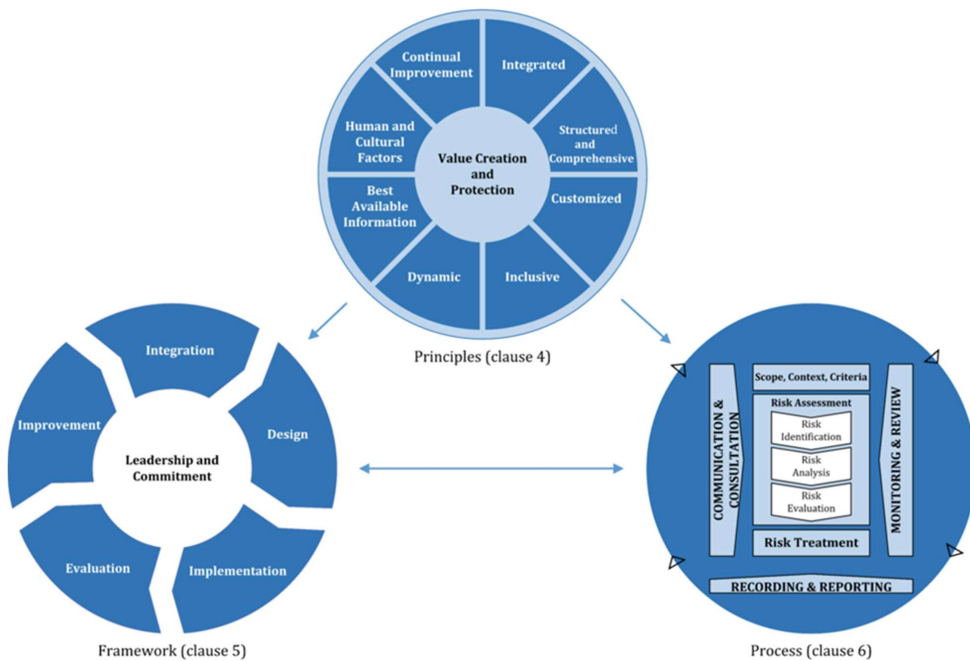
**Introduction**

The Town of Claremont’s (Town) Risk Management Policy in conjunction with the components of this document encompasses the Town’s Risk Management Framework. It sets out the Town’s approach to the identification, assessment, management, reporting and monitoring of risks. All components of this document are based on AS/NZS ISO 31000:2018 Risk management - Guidelines.

It is essential that all areas of the Town adopt these procedures to ensure:

- Strong corporate governance.
- Compliance with relevant legislation, regulations and internal policies.
- Integrated Planning and Reporting requirements are met.
- Uncertainty and its effects on objectives is understood.

This Framework aims to balance a documented, structured and systematic process with the current size and complexity of the Town.



**Figure 1: Relationship between the risk management principles, framework and process (Source: ISO 31000:2018)**

## Governance

Appropriate governance of risk management within the Town provides:

- Transparency of decision making.
- Clear identification of the roles and responsibilities of the risk management functions.
- An effective Governance Structure to support the risk framework.

## Framework Review

The Risk Management Framework is to be reviewed for appropriateness and effectiveness at least every three years.

## Operating Model

The Town has adopted a “Three Lines of Defence” model for the management of risk. This model ensures roles, responsibilities and accountabilities for decision making are structured to demonstrate effective governance and assurance. By operating within the approved risk appetite and framework, the Council, Management and Community will have assurance that risks are managed effectively to support delivery of the Town’s Strategic, Corporate & Operational Plans.

### *First line of defence*

All operational areas of the Town are considered ‘1<sup>st</sup> Line’. They are responsible for ensuring that risks within their scope of operations are identified, assessed, managed, monitored and reported. Ultimately, they bear ownership and responsibility for losses or opportunities from the realisation of risk. Associated responsibilities include;

- Establishing and implementing appropriate processes and controls for the management of risk (in line with these procedures).
- Undertaking adequate analysis (data capture) to support the risk decision-making process.
- Prepare risk acceptance proposals where necessary, based on the level of residual risk.
- Retain primary accountability for the ongoing management of their risk and control environment.

### *Second line of defence*

The Executive Team act as the primary ‘2<sup>nd</sup> Line’. The Directors own and manage the framework for risk management. They draft, implement and approve the governance procedures and provide the necessary tools and training to support the 1st line process.

Maintaining oversight on the application of the framework provides a transparent view and level of assurance to the 1<sup>st</sup> & 3<sup>rd</sup> lines on the risk and control environment. Support can be provided by additional oversight functions completed by other 1<sup>st</sup> Line Teams (where applicable). Additional responsibilities include:

- Providing independent oversight of risk matters as required.
- Monitoring and reporting on emerging risks.
- Co-ordinating the Town’s risk reporting for the CEO & Senior Management Team and the Audit and Risk Management Committee (**Audit Committee**).

*Third line of defence*

Internal & External Audits are the third line of defence, providing independent assurance to the Council, Audit Committee and Town Management on the effectiveness of business operations and oversight frameworks (1<sup>st</sup> & 2<sup>nd</sup> Line).

- Internal Audit – Appointed by the CEO to report on the adequacy and effectiveness of internal control processes and procedures. The scope of which would be determined by the CEO with input from the Audit Committee.
- External Audit – Appointed by Council on the recommendation of the Audit Committee to report independently to the Mayor and CEO on the annual financial statements only.

### Governance Structure

The following diagram depicts the current operating structure for risk management within the Town.

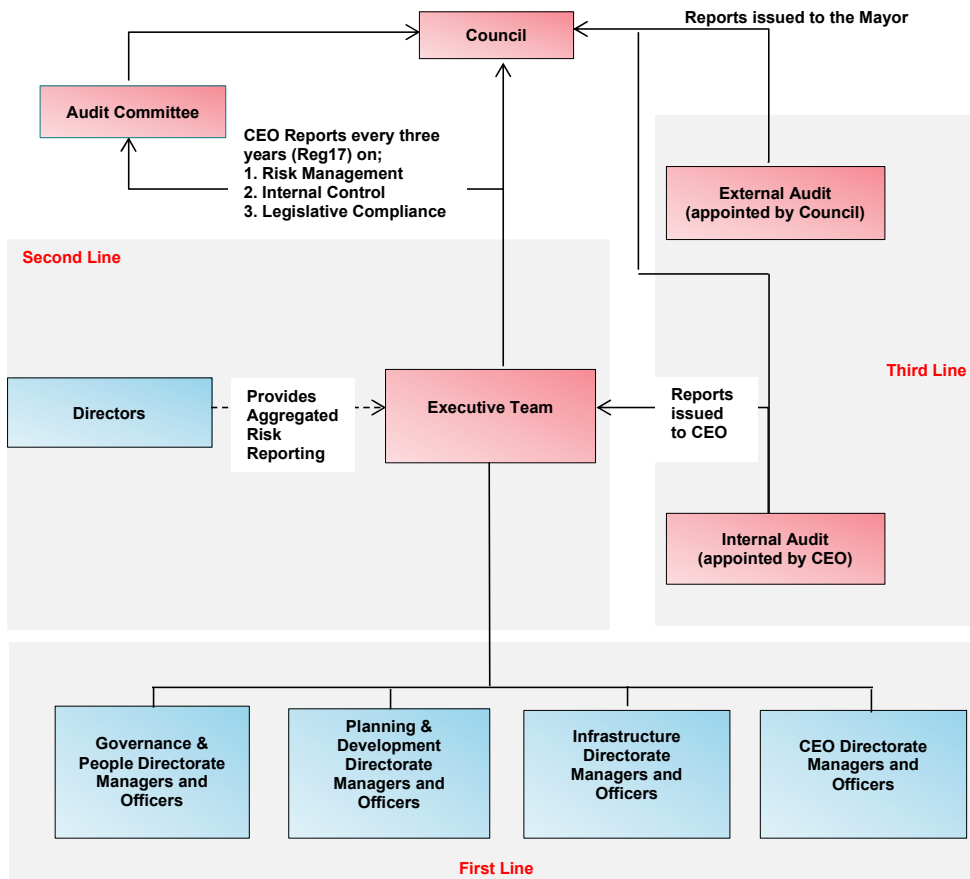


Figure 2: Operating Model

## **Roles and Responsibilities**

### **Chief Executive Officer**

The Chief Executive Officer (**CEO**) is the overall sponsor of the risk management process and will set the tone and promote a positive risk management culture by providing firm and visible support for risk management.

The CEO will review the appropriateness and effectiveness of the Town's systems and procedures in regard to risk management, internal controls and legislative compliance at least once every three calendar years and report the results of that review to the Audit Committee.

### **Executive Team**

The Executive Team are responsible for the oversight of the Risk Management Framework, including the review of risk management procedures and policies on an annual basis. It is responsible for setting the tone and promoting a positive risk management culture within the Town. The Executive Team maintains oversight of the highest level risks and takes responsibility for ensuring mitigation strategies are being implemented.

The Executive Team will drive the risk management process for the organisation by liaising with key stakeholders in both identifying risks, and in the recommendation of further actions to be implemented.

The Executive Team is responsible for overall reporting on the Town's Risk Management Framework, and in the evaluation of the Town's internal controls.

### **Management Team**

Members of the Management Team are responsible for completing risk management actions for risks identified within their areas. This will be done through liaising and communication of requirements to their relevant staff members and overseeing the action to completion.

### **Employees**

All employees within the Town are expected to develop an understanding and awareness of risks and how they can contribute to the risk management process. All employees are responsible for escalating/communicating risks to their immediate supervisor. Employees are also required to act in a manner that does not place at risk the health and safety of themselves, other employees, residents and or visitors to the Town.



**Document Structure (Framework)**

The following diagram depicts the relationship between the Risk Management Policy, Procedures and supporting documentation and reports.

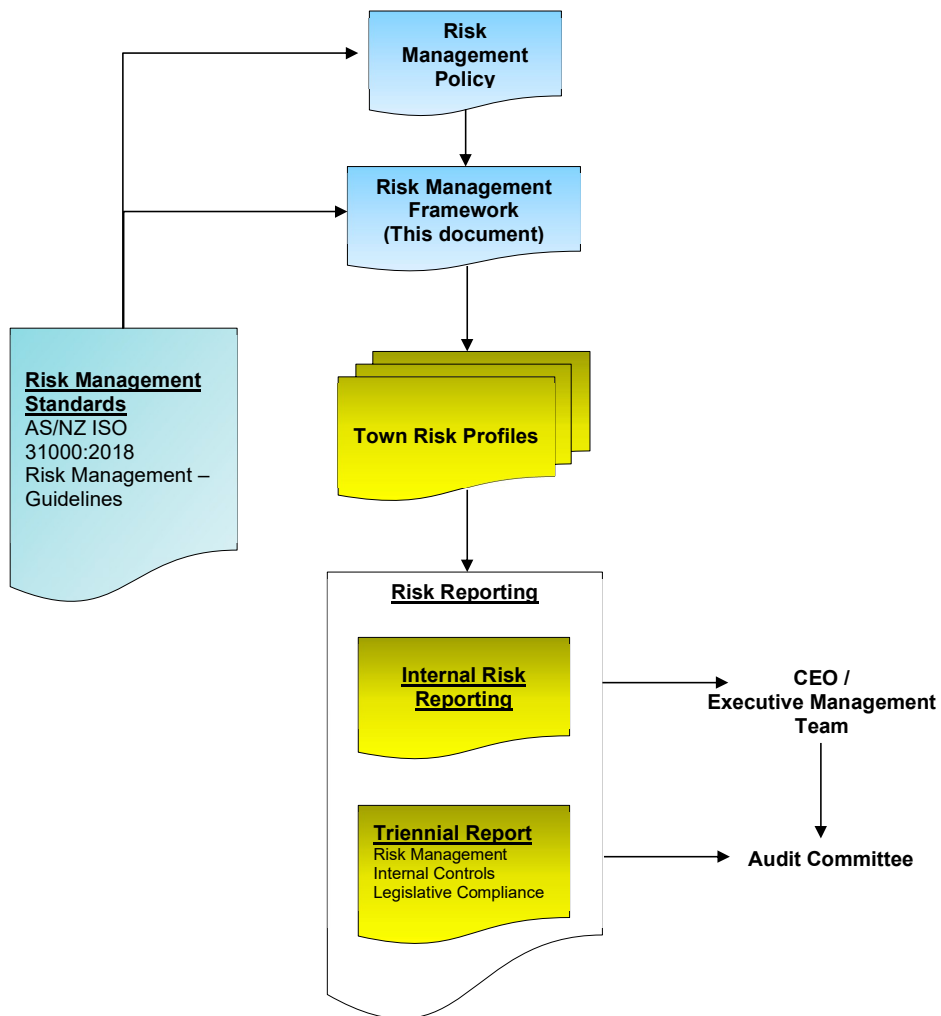


Figure 3: Document Structure

### Risk Management Procedures

Each Director (assigned as the Control Owner), is accountable for ensuring that Risk Profiles are:

- Reflective of the material risk landscape of the Town.
- Reviewed on at least an 18 month rotation, or sooner if there has been a material restructure or change in the risk and control environment.
- Maintained in the standard format.

This process is supported by the use of key data inputs, workshops and ongoing business engagement.

The risk management process is standardised across all areas of the Town. The following diagram outlines that process with the following commentary providing broad descriptions of each step.

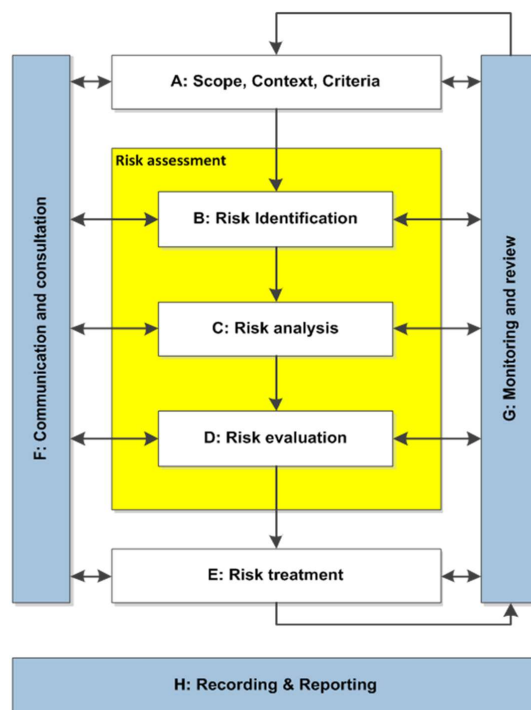


Figure 4: Risk Management Process ISO 31000:2018

## **A: Scope, Context, Criteria**

The first step in the risk management process is to understand the context within which the risks are to be assessed and what is being assessed, this forms two elements:

### **Organisational Criteria**

This includes the Risk Assessment and Acceptance Criteria (Appendix A) and any other tolerance tables as developed.

All risk assessments are to utilise these documents to allow consistent and comparable risk information to be developed and considered within planning and decision-making processes.

### **Scope and Context**

To direct the identification of risks, the specific risk assessment context is to be determined prior to and used within the risk assessment process. Risk sources can be internal or external.

For specific risk assessment purposes the Town has three levels of risk assessment context:

#### **(i) Strategic Context**

These risks are associated with achieving the organisation's long term objectives. Inputs to establishing the strategic risk assessment context may include;

- Organisational Values / Vision.
- Stakeholder Analysis.
- Environment Scan / SWOT Analysis.
- Strategies / Objectives / Goals (Integrated Planning & Reporting).

The Town's Integrated Strategic planning documents captures the identification and management of its strategic risks.

#### **(ii) Operational Context**

The Town's day to day activities, functions, infrastructure and services. Prior to identifying operational risks, the operational area should identify its key activities i.e. what is it aiming to achieve? In addition, existing Risk Profiles are to be utilised where possible to assist in the identification of related risks.

These Risk Profiles are expected to change over time. In order to ensure consistency, any amendments must be approved by the Executive Team.

#### **(iii) Project Context**

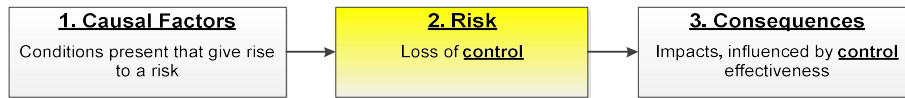
Project Risk has two main components:

- Direct refers to the risks that may arise as a result of project activity (i.e. impacting on process, resources or IT systems), which may prevent the Town from meeting its objectives.
- Indirect refers to the risks which threaten the delivery of project outcomes.

In addition to understanding what is to be assessed, it is also important to understand who are the key stakeholders or areas of expertise that may need to be included within the risk assessment.

**B: Risk Identification**

Once the context has been determined, the next step is to identify risks. This is the process of finding, recognising and describing risks. Risks are described as the point along an event sequence where control has been lost. An event sequence is shown below:



**Figure 5: Event (risk) sequence**

Using the specific risk assessment context as the foundation and in conjunction with relevant stakeholders, raise the questions listed below and then capture and review the information within each defined Risk Profile. The objective is to identify potential risks that could stop the Town from achieving its goals. This step is also where opportunities for enhancement or gain across the organisation can be found.

These questions / considerations should be used only as a guide, as unidentified risks can cause major losses through missed opportunities or adverse events occurring. Additional analysis may be required.

Risks can also be identified through other business operations including policy and procedure development, internal and external audits, customer complaints, incidents and systems analysis.

‘Brainstorming’ will always produce a broad range of ideas and all things should be considered as potential risks. Relevant stakeholders are considered to be the subject experts when considering potential risks to the objectives of the work environment and should be included in all risk assessments being undertaken.

Key risks can then be identified and captured within the Risk Profiles.

- What can go wrong? / What are areas of uncertainty? (**Risk Description**)
- How may this risk eventuate? (**Potential Causes**)
- What are the current measurable activities that mitigate this risk from eventuating? (**Controls**)
- What are the potential consequential outcomes of the risk eventuating? (**Consequences**)

**Risk Description** – describe what the risk is and specifically where control may be lost. They can also be described as an event. They are not to be confused with outcomes following an event, or the consequences of an event.

**Potential Causes** – are the conditions that may present or the failures that may lead to the event, or point in time when control is lost (risk).

**Controls** – are measures that modify risk. At this point in the process only existing controls should be considered. They must meet the following three tests to be considered as controls:

1. Is it an object, technological system and / or human action?
2. Does it, by itself, arrest or mitigate an unwanted sequence?
3. Is the required performance specifiable, measureable and auditable?

**Consequences** – need to be impacts to the Town. These can be staff, visitor or contractor injuries; financial; interruption to services; non-compliance; damage to reputation or assets or the environment. There is no need to determine the level of impact at this stage.

## C: Risk Analysis

To analyse identified risks, the Town's Risk Assessment and Acceptance Criteria (Appendix A) is now applied.

### Step 1: Determine the Inherent Risk Rating

There are three components to this step:

1. Determine relevant consequence categories and rate the 'probable worst consequence' if the risk eventuated without controls in place. This is not the worst case scenario but rather a qualitative judgement of the worst scenario that is probable or foreseeable. (Consequence)
2. Determine how likely it is that the 'probable worst consequence' will eventuate without controls in place. (Likelihood)
3. Using the Town's Risk Matrix, combine the measures of consequence and likelihood to determine the risk rating. (Risk Rating)

### Step 2: Identify and consider the effectiveness of key controls

Controls need to be considered from three perspectives:

1. The design effectiveness of each individual key control.
2. The operating effectiveness of each individual key control.
3. The overall or combined effectiveness of all identified key controls.

#### Design Effectiveness

This process reviews the 'design' of the controls to understand their potential for mitigating the risk without any 'operating' influences. Controls that have inadequate designs will never be effective, no matter if it is performed perfectly every time.

There are four components to be considered in reviewing existing controls or developing new ones:

1. *Completeness* – The ability to ensure the process is completed once. How does the control ensure that the process is not lost or forgotten, or potentially completed multiple times?
2. *Accuracy* – The ability to ensure the process is completed accurately, that no errors are made or components of the process missed.
3. *Timeliness* – The ability to ensure that the process is completed within statutory timeframes or internal service level requirements.
4. *Theft or Fraud* – The ability to protect against internal misconduct or external theft / fraudulent activities.

It is very difficult to have a single control that meets all the above requirements when viewed against a Risk Profile. It is imperative that all controls are considered so that the above components can be met across a number of controls.

#### Operating Effectiveness

This process reviews how well the control design is being applied. Similar to above, the best designed control will have no impact if it is not applied correctly. As this generally relates to the human element of control application there are four main approaches that can be employed by management or the risk function to assist in determining the operating effectiveness and / or performance management.

- *Re-perform* – this is only applicable for those short timeframe processes where they can be re-performed. The objective is to re-perform the same task, following the design to ensure that the same outcome is achieved.

- *Inspect* – review the outcome of the task or process to provide assurance that the desired outcome was achieved.
- *Observe* – physically watch the task or process being performed.
- *Inquire* – through discussions with individuals / groups determine the relevant understanding of the process and how all components are required to mitigate any associated risk.

#### Overall Effectiveness

This is the value of the combined controls in mitigating the risk. All factors as detailed above are to be taken into account so that a considered qualitative value can be applied to the 'control' component of risk analysis.

The criterion for applying a value to the overall control is the same as for individual controls and can be found in Appendix A under 'Existing Control Ratings'.

#### Step 3: Determine the Residual Risk Rating

There are three components to this step:

1. Determine relevant consequence categories and rate the 'probable worst consequence' if the risk eventuated with existing controls in place. This is not the worst case scenario but rather a qualitative judgement of the worst scenario that is probable or foreseeable. (Consequence)
2. Determine how likely it is that the 'probable worst consequence' will eventuate with existing controls in place. (Likelihood)
3. Using the Town's Risk Matrix, combine the measures of consequence and likelihood to determine the risk rating. (Risk Rating)

#### D: Risk Evaluation

Risk evaluation takes the residual risk rating and applies it to the Town's Risk Acceptance Criteria (Appendix A) to determine whether the risk is within acceptable levels to the Town.

The outcome of this evaluation will determine whether the risk is low; moderate; high or extreme.

It will also determine through the use of the Risk Acceptance Criteria, what (if any) high level actions or treatments need to be implemented.

Note: Individual Risks or Issues may need to be escalated due to urgency, level of risk or of a systemic nature.

#### E: Risk Treatment

There are generally two requirements following the evaluation of risks.

1. In all cases, regardless of the residual risk rating; controls that are rated 'Inadequate' must have a treatment plan (action) to improve the control effectiveness to at least 'Adequate'.
2. If the residual risk rating is high or extreme, treatment plans must be implemented to either:
  - a. Reduce the consequence of the risk materialising.
  - b. Reduce the likelihood of occurrence.

(Note: these should have the desired effect of reducing the risk rating to at least moderate)

  - c. Improve the effectiveness of the overall controls to 'Effective' and obtain delegated approval to accept the risk as per the Risk Acceptance Criteria.

Once a treatment has been fully implemented, the CEO is to review the risk information and acceptance decision with the treatment now noted as a control and those risks that are acceptable then become subject to the monitor and review process (Refer to Risk Acceptance section).

**F: Communication & Consultation**

Effective communication and consultation are essential to ensure that those responsible for managing risk, and those with a vested interest, understand the basis on which decisions are made and why particular treatment / action options are selected or the reasons to accept risks have changed.

As risk is defined as the effect of uncertainty on objectives, consulting with relevant stakeholders assists in the reduction of components of uncertainty. Communicating these risks and the information surrounding the event sequence ensures decisions are based on the best available knowledge.

**G: Monitor & Review**

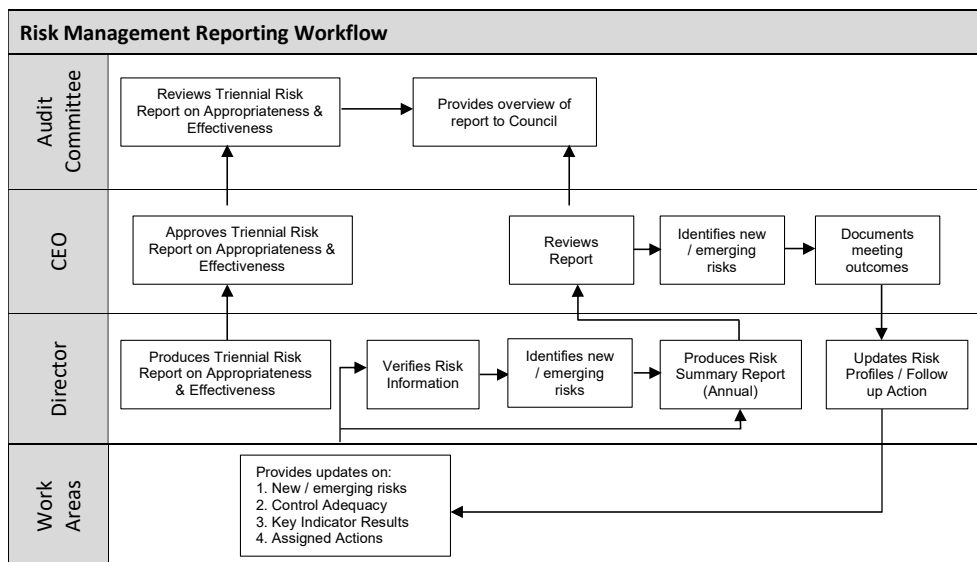
It is essential to monitor and review the management of risks, as changing circumstances may result in some risks increasing or decreasing in significance.

By regularly reviewing the effectiveness and efficiency of controls and the appropriateness of treatment / action options selected, we can determine if the organisation’s resources are being put to the best use possible.

During the quarterly reporting process, management are required to review any risks within their area and follow up on controls and treatments / action mitigating those risks. Monitoring and the reviewing of risks, controls and treatments also apply to any actions / treatments to originate from an internal audit. The audit report will provide recommendations that effectively are treatments for risks that have been tested during an internal review.

**H: Recording & Reporting**

The following diagram provides a high level view of the ongoing reporting process for Risk Management.



Each Work Area is responsible for ensuring:

- They continually provide updates in relation to new, emerging risks, control effectiveness and any relevant key indicator performance to the Director.
- Work through assigned actions and provide relevant updates to the Director
- Risks / Issues reported to the CEO & Executive Team are reflective of the current risk and control environment.

The Director/s are responsible for:

- Ensuring Town Risk Profiles are formally reviewed and updated, at least on an 18 month rotation or earlier when there has been a material restructure, change in risk ownership or change in the external environment.
- Annual Risk Reporting for the CEO & Executive Team – Contains an overview of the Risk Summary for the Town.

Audit Committee

- The Audit Committee is responsible for reviewing reports from the CEO on the appropriateness and effectiveness of the Town’s systems and procedures in relation to risk management, internal control and legislative compliance.
- The Audit Committee will report to Council the results of that review including a copy of the CEO’s report.

**Risk Profiles**

**Strategic Risks**

The Town captures its strategic risks through the development and implementation of the Town’s Strategic Plan.

**Operational Risks**

- |   |  |  |
|---|--|--|
| <ul style="list-style-type: none"> <li>• Asset Sustainability</li> <li>• Document Management</li> <li>• Environment Management</li> <li>• Management of Facilities, Venues and Events</li> <li>• Project / Change Management</li> </ul> | <ul style="list-style-type: none"> <li>• Business and Community Disruption</li> <li>• Employment Practices</li> <li>• Errors, Omissions and Delays</li> <li>• IT, Communication Systems and Infrastructure</li> <li>• Safety &amp; Security Practices</li> </ul> | <ul style="list-style-type: none"> <li>• Compliance Obligations</li> <li>• Community Engagement</li> <li>• External Theft and Fraud</li> <li>• Misconduct</li> <li>• Supplier and Contract Management</li> </ul> |
|---|--|--|

The Town utilises risk profiles to capture its operational risks. The profiles assessed are:

For each category, the profile contains the following:

- Objective.
- Risk Event.
- Potential Causes.



- Key Controls / Control Type .
- Control Adequacy.
- Control owner.
- Risk Rating.
- Actions and Responsibility.

### **Key Indicators**

Key Indicators may be used for monitoring and validating key risks and controls. The following describes the process for the creation and reporting of Key Indicators:

- Identification.
- Validity of Source.
- Tolerances.
- Monitor & Review.

### **Identification**

The following represent the minimum standards when identifying appropriate Key Indicators:

- The risk description and casual factors are fully understood
- The Key Indicator is fully relevant to the risk or control
- Predictive Key Indicators are adopted wherever possible
- Key Indicators provide adequate coverage over monitoring key risks and controls

### **Validity of Source**

In all cases an assessment of the data quality, integrity and frequency must be completed to ensure that the Key Indicator data is relevant to the risk or control.

Where possible the source of the data (data owner) should be independent to the risk owner. Overlapping Key Indicators can be used to provide a level of assurance on data integrity.

If the data or source changes during the life of the Key Indicator, the data is required to be revalidated to ensure reporting of the Key Indicator against a consistent baseline.

### **Monitor & Review**

All active Key Indicators are updated as per their stated frequency of the data source.

When monitoring and reviewing Key Indicators, the overall trend must be considered over a longer timeframe than that of individual data movements only. The trend of the Key Indicators is specifically used as an input to the risk and control assessment.

## Risk Acceptance

Day to day operational management decisions are generally managed under the delegated authority framework of the Town.

Risk Acceptance is a management decision to accept, within authority levels, material risks which will remain outside appetite framework (refer Appendix A – Risk Assessment & Acceptance Criteria).

The following process is designed to provide a framework for those identified risks.

The 'Risk Acceptance' must be in writing, signed by the relevant Manager, and include:

- A description of the risk and the reasons for holding a risk outside appetite
- An assessment of the risk (e.g. Impact consequence, materiality, likelihood, working assumptions etc.)
- Details of any mitigating action plans or treatment options in place
- An estimate of the expected remediation date.

A lack of budget / funding to remediate a material risk outside appetite is not sufficient justification in itself to accept a risk.

Accepted risks must be continually reviewed through standard operating reporting structure (i.e. Executive Team)

**Appendix A- Risk Assessment and Acceptance Criteria**

Measures of Consequence									
Rating(Level)	Health	Financial Impact	Service Interruption	Compliance	Reputational	Property	Environment	Project TIME	Project COST
<b>Insignificant (1)</b>	Near miss. Minor first aid injuries	Less than \$20,000	No material service interruption	No noticeable regulatory or statutory impact	Unsubstantiated, low impact, low profile or 'no news' item	Inconsequential damage.	Contained, reversible impact managed by on site response	Exceeds deadline by 10% of project timeline	Exceeds project budget by 10%
<b>Minor (2)</b>	Medical type injuries	\$20,001 - \$100,000	Short term temporary interruption - backlog cleared < 1 day	Some temporary non-compliances	Substantiated, low impact, low news item	Localised damage rectified by routine internal procedures	Contained, reversible impact managed by internal response	Exceeds deadline by 15% of project timeline	Exceeds project budget by 15%
<b>Moderate (3)</b>	Lost time injury < 30 days	\$100,001 - \$500,000	Medium term temporary interruption - backlog cleared by additional resources < 1 week	Short term non-compliance but with significant regulatory requirements imposed	Substantiated, public embarrassment, moderate impact, moderate news profile	Localised damage requiring external resources to rectify	Contained, reversible impact managed by external agencies	Exceeds deadline by 20% of project timeline	Exceeds project budget by 20%
<b>Major (4)</b>	Lost time injury > 30 days	\$500,001 - \$1,000,000	Prolonged interruption of services - additional resources; performance affected < 1 month	Non-compliance results in termination of services or imposed penalties	Substantiated, public embarrassment, high impact, high news profile, third party actions	Significant damage requiring internal & external resources to rectify	Uncontained, reversible impact managed by a coordinated response from external agencies	Exceeds deadline by 25% of project timeline	Exceeds project budget by 25%
<b>Catastrophic (5)</b>	Fatality, permanent disability	More than \$1,000,000	Indeterminate prolonged interruption of services - non-performance > 1 month	Non-compliance results in litigation, criminal charges or significant damages or penalties	Substantiated, public embarrassment, very high multiple impacts, high widespread multiple news profile, third party actions	Extensive damage requiring prolonged period of restitution	Uncontained, irreversible impact	Exceeds deadline by 30% of project timeline	Exceeds project budget by 30%

Measures of Likelihood			
Level	Rating	Description	Frequency
5	Almost-Certain	The event is expected to occur in most circumstances (>90% chance)	More than once per year
4	Likely	The event will probably occur in most circumstances(>50% chance)	At least once per year
3	Possible	The event should occur at some time(>20% chance)	At least once in 3 years
2	Unlikely	The event could occur at some time(<10% chance)	At least once in 10 years
1	Rare	The event may only occur in exceptional circumstances(<5% chance)	Less than once in 15 years

Risk Matrix						
Consequence		Insignificant	Minor	Moderate	Major	Catastrophic
Likelihood		1	2	3	4	5
Almost-Certain	5	Moderate (5)	High (10)	High (15)	Extreme (20)	Extreme (25)
Likely	4	Low (4)	Moderate (8)	High (12)	High (16)	Extreme (20)
Possible	3	Low (3)	Moderate (6)	Moderate (9)	High (12)	High (15)
Unlikely	2	Low (2)	Low (4)	Moderate (6)	Moderate (8)	High (10)
Rare	1	Low (1)	Low (2)	Low (3)	Low (4)	Moderate (5)

Risk Acceptance Criteria			
Risk Rank	Description	Criteria	Responsibility
LOW	Acceptable	Risk acceptable with adequate controls, managed by routine procedures and subject to annual monitoring	Supervisor/ Coordinator/ Team Leader
MODERATE	Monitor	Risk acceptable with adequate controls, managed by specific procedures and subject to semi-annual monitoring	Manager
HIGH	Urgent Attention Required	Risk acceptable with effective controls, managed by senior management / executive and subject to monthly monitoring	Executive Team
EXTREME	Unacceptable	Risk only acceptable with effective controls and all treatment plans to be explored and implemented where possible, managed by highest level of authority and subject to continuous monitoring	CEO & Council

Existing Controls Ratings		
Rating	Foreseeable	Description
Effective	There is <u>little</u> scope for improvement.	Processes (Controls) operating as intended and aligned to Policies / Procedures. Subject to ongoing monitoring. Reviewed and tested regularly.
Adequate	There is <u>some</u> scope for improvement.	Processes (Controls) generally operating as intended, however inadequacies exist. Limited monitoring. Reviewed and tested, but not regularly.
Inadequate	There is a <u>need</u> for improvement or action.	Processes (Controls) not operating as intended. Processes (Controls) do not exist, or are not being complied with. Have not been reviewed or tested for some time.

LEVEL	RANK	WORKPLACE HEALTH AND SAFETY (PHYSICAL OR PSYCHOLOGICAL IMPACT)	FINANCIAL (OPERATIONAL)	REPUTATION	ORGANISATIONAL PERFORMANCE	COMPLIANCE	ENVIRONMENT AND HERITAGE
1	Insignificant	<u>No physical injuries.</u>  <u>No expected psychological impact.</u>	<u>&lt; \$100,000</u>  <u>or</u> <u>&lt; 2% of operational budget</u>	<u>Isolated individual's issue-based complaint.</u>  <u>No media coverage.</u>	<u>Impact managed through normal business practices.</u>	<u>No noticeable regulatory or statutory impact</u>	<u>Low localised event with no broader environmental or heritage impacts.</u>
2	Minor	<u>Minor physical injury.</u>  <u>Minor psychological impact.</u>	<u>\$100,000 - \$500,000</u>  <u>or</u> <u>2-5% of operational budget</u>	<u>Local community impacts or issue-based concerns.</u>  <u>Short term adverse social media.</u>	<u>Impact requires additional local management effort or response or redirection of resources to respond.</u>	<u>Some temporary non compliances</u>	<u>Minor delay impacting on ability to meet environmental and/or heritage expectations.</u>
3	Medium	<u>Reportable physical injury requiring professional treatment.</u>  <u>Psychological impact requiring professional treatment.</u>	<u>-\$500,000 - \$2M</u>  <u>or</u> <u>5-10% of operational budget</u>	<u>Customer or community impacts and concerns publicly expressed.</u>  <u>Reduced confidence by customers, community and other stakeholders. Significant negative media attention requiring significant management resources to respond.</u>	<u>Delays to critical operations. Administration of project or activity subject to significant review or change. One or more business objectives only partially achieved. Impact requires short term significant management and organisational resources to respond.</u>	<u>Short term non-compliance but with significant regulatory requirements imposed</u>	<u>Short term but recoverable environmental degradation.</u>  <u>Significant but rectifiable damage to valued heritage asset.</u>
4	Major	<u>Serious injury/illness requiring immediate emergency response or prolonged hospitalisation.</u>  <u>Serious psychological injury requiring medium/long term professional medical treatment, counselling, or intervention.</u>	<u>-\$2M - \$5M</u>  <u>or</u> <u>10-25% of operational budget</u>	<u>Considerable and prolonged customer or community impact and dissatisfaction publicly expressed.</u>  <u>Criticism and loss of confidence and trust in organisations processes and capabilities.</u>  <u>Organisation's integrity in question. Sustained negative social media campaign.</u>	<u>Sustained disruption to critical operations</u> <u>Majority of business objectives only partially</u> <u>Impact requires long term significant management and organisational resources to respond.</u>	<u>Significant breach of legal obligations results in termination of activities, imposed penalties or civil actions.</u>	<u>Severe damage, loss or impairment (&gt; 1 year to remediate or recover) of a significant ecosystem/threatened species (flora and/or fauna)</u>  <u>Large scale damage or partial loss requiring long term remediation of a valued heritage asset.</u>

5	Catastrophic	<p><u>Death or severe permanent disablements.</u></p> <p><u>Permanent/long term psychological damage requiring extensive remedial intervention.</u></p>	<p><u>&gt; \$5M</u></p> <p><u>or</u></p> <p><u>≥25% operational budget</u></p>	<p><u>Significant adverse community impact and condemnation.</u></p> <p><u>Consistent ongoing community loss of confidence and trust in organisation's capabilities and intentions.</u></p> <p><u>High widespread media across multiple sources.</u></p>	<p><u>Total loss of critical operations. Non achievement of all business objectives.</u></p> <p><u>Impact cannot be managed within the organisation's existing resources and threatens survival of the organisation.</u></p>	<p><u>Severe breach of legal obligations results in criminal charges or loss of required operating licenses.</u></p>	<p><u>Permanent loss of significant ecosystem or threatened/vulnerable species (flora and/or fauna).</u></p> <p><u>Permanent, total and irreplaceable loss of national and internationally valued state heritage.</u></p>
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MEASURES OF LIKELIHOOD

<u>LEVEL</u>	<u>DESCRIPTOR</u>	<u>DESCRIPTION #1</u>	<u>FREQUENCY</u>	<u>PROBABILITY (Projects)</u>
1	<u>Rare</u>	<u>The event may occur only in exceptional circumstances.</u>	<u>Less than once in 5 years</u>	<u>&lt;5%</u>
2	<u>Unlikely</u>	<u>The event could occur at some time.</u>	<u>At least once in 5 years</u>	<u>5-25%</u>
3	<u>Possible</u>	<u>The event should occur at some time.</u>	<u>At least once in 3 years</u>	<u>25-75%</u>
4	<u>Likely</u>	<u>The event will probably occur in most circumstances.</u>	<u>Once per 1 year</u>	<u>75-95%</u>
5	<u>Almost certain</u>	<u>The event is expected to occur in most circumstances.</u>	<u>More than once per year</u>	<u>&gt;95%</u>

EXISTING CONTROLS

<u>LEVEL</u>	<u>DESCRIPTOR</u>	<u>DESCRIPTION</u>
<u>R</u>	<u>Robust</u>	<u>Controls are adequate and fully effective. Overall control environment provides strong assurance that the risk is being managed. Control objectives are being met and no material improvements to controls have been identified.</u>
<u>A</u>	<u>Adequate</u>	<u>A few specific control weaknesses noted however the overall control environment is adequate and effective and provides reasonable assurance that the risk is being managed. Certain controls may require improvement to ensure that the overall environment will continue to operate effectively.</u>
<u>I</u>	<u>Inadequate</u>	<u>Numerous specific controls weaknesses or gaps were noted. Overall control environment is not adequate or effective and fails to provide reasonable assurance that risks are being managed and control objectives are being met. The control environment needs improvement.</u>



RISK MATRIX

<u>CONSEQUENCE</u>	<u>5 Catastrophic</u>	<u>5</u>	<u>10</u>	<u>15</u>	<u>20</u>	<u>25</u>
	<u>4 Major</u>	<u>4</u>	<u>8</u>	<u>12</u>	<u>16</u>	<u>20</u>
	<u>3 Medium</u>	<u>3</u>	<u>6</u>	<u>9</u>	<u>12</u>	<u>15</u>
	<u>2 Minor</u>	<u>2</u>	<u>4</u>	<u>6</u>	<u>8</u>	<u>10</u>
	<u>1 Insignificant</u>	<u>1</u>	<u>2</u>	<u>3</u>	<u>4</u>	<u>5</u>
		<u>1 Rare</u>	<u>2 Unlikely</u>	<u>3 Possible</u>	<u>4 Likely</u>	<u>5 Almost Certain</u>
		<u>LIKELIHOOD</u>				

CRITERIA FOR MANAGING RISK

<u>LEVEL OF RISK</u>	<u>CRITERIA FOR MANAGEMENT OF RESIDUAL RISK</u>	<u>REPORTING TO</u>	<u>WHO IS RESPONSIBLE</u>
<u>Low</u> (1-6)	<u>Acceptable with adequate controls</u> (subject to alignment with risk tolerance and appetite)	<u>Annual reporting to Audit Committee</u>	<u>Risk Owner</u>
<u>Moderate</u> (7-11)	<u>Acceptable with adequate controls</u> (subject to alignment with risk tolerance and appetite)	<u>Annual reporting to Audit Committee</u>	<u>Risk Owner</u>
<u>High</u> (12-15)	<u>Requires robust controls</u> Refer to CEO/Director for acceptance decision	<u>Monthly reporting to CEO, Quarterly reporting to Audit Committee</u>	<u>CEO/Director</u>
<u>Extreme</u> (16-25)	<u>Unacceptable</u> Refer to Council/CEO for next steps	<u>Immediate and ongoing reporting to CEO, Audit Committee and Council</u>	<u>Council/CEO</u>

Document Control Box			
<b>Owner:</b>	Chief Executive Officer	<b>Business Unit:</b>	Risk
<b>Legislation and Other References:</b>	Local Government (Audit) Regulations 1996 LG534 Risk Management AS/NZ ISO 31000:2018 Risk management - Guidelines		
Document Management:			
<b>Review Frequency:</b>	Every three years	<b>Next Review Date</b>	2027 <sup>4</sup>
Version Control	Approval Date	Reference	
1.	8 February 2022	Council Resolution 006/22	
2.			

**Town of Claremont  
Strategic Risk Register**

Risk Identification & Analysis				Current Risk Assessment (Residual)					Risk Strategy (i.e. ACCEPT, TOLERATE, REDUCE / IMPROVE CONTROLS)	Risk Owner	
Strategy Ref No	Risk Context	Risk Description	Possible Causes	Existing Controls	Risk Rating						
					Control Rating	Consequence Category	Consequence Rating	Likelihood Rating			Level of Risk
1.2a	L&G Demonstrate a high standard of governance and accountability	Failure to ensure ethical and accountable Council governance and decision-making at the Town	<ul style="list-style-type: none"> <li>- Ineffective partnership between Council and Administration;</li> <li>- Cost and time required to keep up with increasing burden of legislative changes</li> <li>- Council's lack of understanding governance requirements and role;</li> <li>- Lack of alignment of Council with strategy</li> <li>- Council fails to act "for the good of the whole";</li> <li>- Short term focus of Council members (impacting support for longer term sustainability focus)</li> </ul>	<ol style="list-style-type: none"> <li>1. Code of Conduct For Council Members, Committee Members and Candidates</li> <li>2. Employee Code of Conduct</li> <li>3. Council endorsed documents forming Governance Framework- Council Policies, Integrated Planning Documents, Council Committees</li> <li>4. Councillor induction and ongoing training - Forums, workshops</li> </ol>	Robust	Reputation Organisational Performance Compliance WHS	Medium (3) Medium (3) Medium (3)	Unlikely (2) Unlikely (2) Unlikely (2) Rare (1)	Low (6)	Accept	Executive Leadership Team
1.2b (and 1.6)	L&G: Demonstrate a high standard of management and strategic planning	Failure to ensure effective leadership and management	<ul style="list-style-type: none"> <li>- Prolonged vacancies and likelihood of staff acting in dual roles</li> <li>- Inexperienced leadership/executive</li> <li>- Poor quality planning, execution, oversight and reporting of the Town's activities</li> <li>- Insufficient capacity to capitalise on technology innovation to improve efficiencies</li> <li>- Reduction in LG powers and authorities by Government</li> <li>- Cost and time required to keep up with increasing burden of legislative changes</li> <li>- Unbalanced workload vs staff resources</li> </ul>	<ol style="list-style-type: none"> <li>1. Employee Code of Conduct</li> <li>2. Integrated Planning and Reporting</li> <li>3. Annual Budget Process (Council approval of staff resources)</li> <li>4. HR Policies and Procedures</li> <li>5. Position Descriptions</li> <li>6. Performance Assessment Cycles</li> <li>7. Leadership development (Includes succession planning, career progression framework, leadership capability framework)</li> <li>8. Staff Surveys</li> </ol>	Adequate	Reputation Organisational Performance Compliance WHS	Minor (2) Minor (2) Minor (2) Minor (2)	Unlikely (2) Unlikely (2) Possible (3) Unlikely (2)	Low (6)	Accept	Executive Leadership Team
1.3	L&G: Manage our finances responsibly and improve financial sustainability	Failure to ensure the viability and long term sustainability of the Town's financial position	<ul style="list-style-type: none"> <li>- Ineffectiveness in long term financial planning (LTFP) including poor modelling/unrealistic assumptions</li> <li>- Insufficient financial capacity/reserves to deal with demographic and market fluctuations</li> <li>- Poor financial governance and management</li> <li>- Over-reliance on rate income / insufficient diversification / alternate income streams</li> <li>- Council deviation from Financial Strategy</li> <li>- Failure to forecast and mitigate significant financial shocks</li> <li>- Increased cost of borrowing</li> <li>- Increasing rates debts due to financial strain experienced by rate payers</li> <li>- Reduced funding from State / Federal sources</li> <li>- Impact of recovery activities from natural events such as fires/floods/storms on financial reserves</li> </ul>	<ol style="list-style-type: none"> <li>1. Long Term Financial Plan</li> <li>2. Integrated Planning and Reporting Framework</li> <li>3. Council Finance Policies</li> <li>4. Annual Budget Process and Reviews</li> <li>5. Internal Audit functions - review of creditors payment run/payroll by multiple parties</li> <li>6. Regulation 17 and S reviews</li> <li>7. External Audit - Annual</li> <li>8. Monthly financial reporting</li> <li>9. Audit and Risk Management Committee</li> <li>10. Software controls in relation to purchasing (i.e. raising and approval of purchase orders)</li> <li>11. Staff training</li> <li>12. Delegated authorities and purchasing limits</li> </ol>	Adequate	Financial Reputation Organisational Performance Compliance	Catastrophic (5)	Rare (1)	Low (5)	Accept	Executive Leadership Team
1.4	L&G: Create an environment to support and develop our staff	Inability to develop and maintain a competent, capable and culturally aligned workforce	<ul style="list-style-type: none"> <li>- Increasing cost of labour and limitations associated with a small organisation (and banded salary constraints);</li> <li>- Inability to attract staff (e.g. Increasing market remuneration levels / Lack of availability of workforce in the market)</li> <li>- Workforce fatigue;</li> <li>- Lack of development and ongoing training opportunities / lack of career-paths;</li> <li>- Budget constraints</li> <li>- Key person dependency;</li> <li>- Ability to offer full time work (many positions are part time)</li> <li>- Workforce skills, experience and capability may not be aligned with the services, functions, operations of the Town</li> </ul>	<ol style="list-style-type: none"> <li>1. Workforce Plan</li> <li>2. Performance Assessment Cycles</li> <li>3. Internal Communications</li> <li>4. Employee Code of Conduct</li> <li>5. Enterprise Bargaining Agreement</li> <li>6. Training and Development</li> <li>7. Reward and recognition framework</li> <li>8. Organisational vision and values and cultural alignment</li> <li>9. Leadership and Management Support</li> <li>11. Flexibility e.g. working hours, WFH days, RDOs</li> <li>12. Organisational reputation</li> </ol>	Adequate	Reputation Organisational Performance	Minor (2) Medium (3)	Possible (3) Possible (3)	Moderate (9)	Accept	Executive Leadership Team
2.1	People: Effectively manage and enhance the Town's community facilities in response to a growing community	Failure to strategically plan, deliver and maintain infrastructure and assets to support the Town's community aspirations and predicted growth	<ul style="list-style-type: none"> <li>- Aging facilities / legacy issues with existing assets;</li> <li>- Lack of forward/lifecycle planning and maintenance</li> <li>- Lack of understanding of future community needs;</li> <li>- Disconnect with Council over future infrastructure and asset needs;</li> <li>- Asset management planning not aligned with broader strategic objectives</li> <li>- Planning fails to consider then impact of climate change;</li> <li>- Infrastructure delivery project failures or constraints (e.g. supply chain issues / increasing construction costs etc)</li> </ul>	<ol style="list-style-type: none"> <li>1. Integrated Planning and Reporting framework</li> <li>2. Dedicated planning/asset management resources</li> <li>3. Asset Management Plans</li> <li>4. Budgeting process</li> <li>5. Community Survey</li> <li>6. Local Planning Strategy</li> </ol>	Adequate	Reputation Organisational Performance	Medium (3)	Rare (1)	Low (3)	Accept	Executive Leadership Team
2.2, 2.4, 2.5 and 2.6	People: Facilitate opportunities for social participation (across all demographic), health, learning and inclusion through programmes events, activities and services.	Failure to support and/or deliver quality and responsive services, which meet the needs and expectations of the community, including seniors and youths, as well as capitalising on Town's history and culture	<ul style="list-style-type: none"> <li>- Lack of agreement and understanding of stakeholders and their expectations;</li> <li>- Ineffective engagement with the community or key stakeholders;</li> <li>- Inadequate internal systems and processes to manage stakeholders (CRM)</li> <li>- Differing views/priorities of the community</li> <li>- Town/Council lack of understanding of the value of the service to the customer</li> <li>- Lack of focus on of the Towns history and culture</li> </ul>	<ol style="list-style-type: none"> <li>1. Integrated Planning and Reporting framework</li> <li>2. Community Engagement Strategy/Process</li> <li>3. Stakeholder Engagement and Management Strategy</li> <li>4. Community Survey</li> <li>5. Media monitoring</li> <li>6. Customer Service Requests / Data</li> </ol>	Adequate	Reputation Organisational Performance	Medium (3)	Unlikely (2)	Low (6)	Accept	Executive Leadership Team

**Town of Claremont  
Strategic Risk Register**

3.1	Liveability: Promote and support initiatives that improve traffic flow	Failure to plan for, promote and support improved traffic flow	<ul style="list-style-type: none"> <li>- Government approved development with no or inadequate local area traffic management planning</li> <li>- Limitations around what is a State v LG responsibility / issues around lack of role clarity (i.e.: public transport networks);</li> <li>- Reliance on state government strategy and planning to set the direction for major transport routes.</li> <li>- Change in mode of transport e.g. shared car ownership, auto vehicles, aging population increasing use of personal mobile devices, use of alternative vehicles such as e-scooters/e-bikes (especially amongst younger demographic).</li> <li>- Cost of moving to more sustainable options e.g. EV strategy, cycle paths</li> <li>- Differing views/priorities of the community</li> </ul>	<ol style="list-style-type: none"> <li>1. Integrated Planning and Reporting Framework</li> <li>2. Local Planning Strategy and Local Planning Policies</li> <li>3. Traffic Management Working Group</li> <li>4. Maintaining relationships with state government</li> <li>5. Traffic Studies</li> <li>6. Long Term Financial Planning</li> <li>7. Asset Management Plans</li> </ol>	Adequate	Reputation Organisational Performance	Medium (3) Minor (2)	Possible (3) Possible (3)	<b>Moderate (9)</b>	Accept	Executive Leadership Team
3.2 3.4 and 2.3	Liveability: Provide clean, usable, safe and attractive and accessible streetscapes and public spaces (supporting participation, prosperity and enjoyment)	Failure to provide clean, usable, safe, attractive and accessible streetscapes and public spaces	<ul style="list-style-type: none"> <li>- Poor consultation with the community / lack of understanding of desires</li> <li>- Failure to respond to societal / cultural trends and changing community focus (e.g. through lack of agility);</li> <li>- Lack of consideration of community safety in the design of services, programs, events, buildings and infrastructure;</li> <li>- Lack of clarity over interface with other 'safety' focussed organisation e.g. Police</li> <li>- Community expectations greater than budget provision</li> <li>- Limited role of the Town in relation to community safety / community expectations in this area greater than funded responsibility (reliance on State Government departments for actions and funding)</li> <li>- External factors impacting liveability - e.g. impact of unfinished buildings/developments associated with economic downturn/builder issues, safety issues / increased crime</li> </ul>	<ol style="list-style-type: none"> <li>1. Community Survey</li> <li>2. Integrated planning framework</li> <li>3. Active support of Community led initiatives</li> <li>4. Local Planning Strategy</li> <li>5. Community Safety and Crime Prevention Plan</li> </ol>	Adequate	Reputation Organisational Performance	Minor (2)	Unlikely (2)	<b>Low (4)</b>	Accept	Executive Leadership Team
3.3	Liveability: Balance the Town's historical character with complementary, well designed development	Development fails to be in balance with, and compliment the Town's historic character.	<ul style="list-style-type: none"> <li>- Government development and planning decisions overruling Local Government heritage planning initiatives/directions</li> <li>- Misalignment between Council and community views</li> </ul>	<ol style="list-style-type: none"> <li>1. Local Planning Strategy</li> <li>2. Local Planning Policies</li> <li>3. Heritage List</li> <li>4. Integrated Planning Framework</li> <li>5. Community Surveys</li> </ol>	Adequate	Reputation Organisational Performance Environment and Heritage	Minor (2) Minor (2) Major (4)	Possible (3) Unlikely (2) Rare (1)	<b>Moderate (6)</b>	Accept	Executive Leadership Team
4.1	ES: Take a leadership in the community in environmental sustainability	The Town is not seen as a leader in the area of environmental sustainability.	<ul style="list-style-type: none"> <li>- Lack of understanding (and measurement) of how the Town's activities and decisions contribute to the drivers of climate change.</li> <li>- Lack of funding to respond appropriately to the drivers of climate change</li> <li>- Lack of clear target/strategy for carbon reduction / reductional fossil fuel usage</li> <li>- Lack of funding to respond sustainability standards and requirements (e.g. sustainable design standards)</li> <li>- Insufficient non-financial resources (and therefore lack of focus)</li> <li>- Community expectations greater than capacity of the Town to respond</li> <li>- Climate change and increasing frequency of natural events such as storms, floods etc requiring increased focus and resources to manage</li> <li>- Insufficient knowledge/ capacity/resources to deal with invasive species impacting tree canopy and natural environments.</li> </ul>	<ol style="list-style-type: none"> <li>1. Emergency Management Committees and Arrangements</li> <li>2. Integrated Planning and Reporting Framework</li> <li>3. Membership and Activities of Western Suburbs Alliance and Western Australian Local Government Association</li> <li>4. Council Policies e.g. Fleet Management</li> <li>5. Annual Budget / Long Term Financial Plan</li> </ol>	Adequate	Reputation Environment and Heritage	Medium (3) Minor (2)	Unlikely (2) Unlikely (2)	<b>Moderate (6)</b>	Accept	Executive Leadership Team
4.2a	ES: Aim for best practice in water usage in line with community expectations	Failure to manage both the use of and impact on water supply across the Town's activities in line with community expectations,	<ul style="list-style-type: none"> <li>- Changes to Government Water Policy</li> <li>- Lack of information relating to water usage across the Town</li> <li>- Insufficient strategic priority/focus in long term planning</li> <li>- Natural limitations e.g. reducing water availability and adverse natural events</li> </ul>	<ol style="list-style-type: none"> <li>1. Council Environmental Sustainability Policies</li> <li>2. Water Wise Accreditation</li> <li>3. Use of alternative water sources e.g. bore water</li> <li>4. Integrated Planning and Reporting Framework</li> <li>5. Lake Claremont and Foreshore Management Plans</li> <li>6. Lake Claremont and Foreshore Advisory Committees</li> </ol>	Adequate	Reputation Environment and Heritage	Minor (2)	Unlikely (2)	<b>Low (4)</b>	Accept	Executive Leadership Team
4.2b	ES: Aim for best practice in waste minimisation in line with community expectations	Failure to manage waste across the Town's activities in a sustainable and responsible way.	<ul style="list-style-type: none"> <li>- Impact of changing waste management landscape (WZE, FOGO).</li> <li>- Requirement to follow state government initiatives such as FOGO</li> <li>- Lack of clear waste management strategy and targets</li> <li>- Reluctance of community to change behaviours re waste management</li> <li>- Town out of step with other local governments - e.g. number of bins, FOGO and verge collections</li> <li>- Increasing costs and community attitudes / potential misalignments</li> </ul>	<ol style="list-style-type: none"> <li>1. Integrated Planning and Reporting Framework</li> <li>2. Membership of Western Metropolitan Regional Council</li> <li>3. Membership and Activities of Western Suburbs Alliance and Western Australian Local Government Association</li> <li>4. Appointment of reliable waste management contractors</li> <li>5. Community education about waste management</li> <li>6. Waste Local Law</li> </ol>	Adequate	Reputation Organisational Performance Environment and Heritage	Minor (2)	Unlikely (2)	<b>Low (4)</b>	Accept	Executive Leadership Team

**Town of Claremont  
Strategic Risk Register**

4.3	ES: Protect and conserve the natural flora and fauna of Lake Claremont and the Foreshore	Council planning, decision making processes and/or activities fail to effectively and responsibly protect and conserve the natural flora and fauna of Lake Claremont and the Foreshore	<ul style="list-style-type: none"> <li>- Increasing community expectations and focus</li> <li>- Changing complex legislative and policy environment</li> <li>- Competing priorities</li> <li>- Lack of internal capability and capacity (including dedicated resources)</li> <li>- Lack of clear strategy, direction and focus</li> <li>- Inaction from State Government (e.g. PSHB)</li> <li>- Lengthy process to obtain approvals for works on areas of environmental significance</li> <li>- Failure to capitalise/protect strong relationship and support from the Friends of Lake Claremont</li> </ul>	<ol style="list-style-type: none"> <li>1. Integrated Planning and Reporting Framework</li> <li>2. Local Planning Strategy, Schemes and Policies</li> <li>3. Lake Claremont and Foreshore Advisory Committees</li> <li>4. Lake Claremont Management Plan</li> <li>5. Foreshore Management Plan</li> <li>6. Community Surveys</li> <li>7. Association with Friends of Lake Claremont</li> <li>8. Annual Budget</li> <li>9. Animal Local Law</li> </ol>	Adequate	Reputation Organisational Performance Environment and Heritage	Minor (2)	Rare (1)	Low (2)	Accept	Executive Leadership Team
5.1, 5.2 and 5.3	Local Prosperity: Plan for the development of attractive and thriving activity nodes to support new and existing local small businesses and entrepreneurial activity (including tourism)	Failure to engage and partner with business and development stakeholders to promote, advocate and support opportunities to live, work, visit and invest in the Town	<ul style="list-style-type: none"> <li>- Failure to identify relevant ED priorities</li> <li>- Insufficient budget allocated to support ED activities</li> <li>- Lack of support and grant funding from Federal or State Government for economic initiatives</li> <li>- Economic development strategies fail to attract and support commercial investment</li> <li>- Insufficient promotion of the Town, its strengths and achievements</li> <li>- Commercial vs residential land availability issues</li> <li>- Infrastructure planning and development not aligned with economic development objectives</li> <li>- Failure to capitalise on the opportunity for Claremont Town Centre to be a visitor/tourism destination</li> <li>- Government approved developments not in the interest of small businesses and/or detract from investment or tourism opportunities</li> </ul>	<ol style="list-style-type: none"> <li>1. Integrated Planning and Reporting Framework</li> <li>2. Annual Budgeting Process</li> <li>3. Special Area Rate and matched Council funding</li> <li>4. Claremont Town Centre Advisory Committee</li> <li>5. Relationships with Local Businesses</li> </ol>	Robust	Reputation Financial	Medium (3)	Rare (1)	Low (3)	Accept	Executive Leadership Team

**TOWN OF CLAREMONT RISK APPETITE MATRIX - SUMMARY**

**KEY:**

**ALARP** – Risk must be managed to ‘As Low As Reasonably Practicable’. Controls must be ‘Robust’. There is no tolerance for breaches of controls or standards.

**LIMITED** – Some appetite for LOW risks in this area however no tolerance for substantive risks at any time.

**BALANCED** – MODERATE levels of risk are accepted subject to there being a full understanding of the potential benefits and risks, the opportunity outweighs the risk, and the controls are in place and effective.

**ENHANCED** – HIGH levels of risk are accepted subject to there being a full understanding of the potential benefits and risks, the opportunity significantly outweighs the risk, and a strong control environment (‘Robust’) can be maintained.

RISK APPETITE CATEGORIES	CONSEQUENCE CATEGORIES					
	Workplace Health and Safety	Financial	Reputation	Organisational Performance	Compliance	Environment and Heritage
Maximum tolerable impact	ALARP	MEDIUM i.e. <\$2M (Level 3 impact)	MEDIUM (Level 3 impact)	MEDIUM (Level 3 impact ) for non critical services and strategic initiatives MINOR (Level 2) for critical services	MINOR (Level 2 impact)	MINOR (Level 2 impact)
Governance and Leadership	ALARP - As Low As Is Reasonably Practicable	LIMITED				
Strategic / External Factors		BALANCED	BALANCED	BALANCED	LIMITED	LIMITED
Financial sustainability		LIMITED	LIMITED	BALANCED		
People - Organisational Capability and Conduct		LIMITED	LIMITED	BALANCED		
Financial Management		LIMITED				
Assets and Facilities		LIMITED				
ICT, Information and Data		LIMITED				
Business/Management Systems and Processes		BALANCED	BALANCED	LIMITED		
Community Services		BALANCED	BALANCED	LIMITED		

**TOWN OF CLAREMONT DRAFT RISK APPETITE MATRIX**

**KEY:**  
**ALARP** – Risk must be managed to 'As Low As Reasonably Practicable'. Controls must be 'Robust'. There is no tolerance for breaches of controls or standards.  
**LIMITED** – Some appetite for **LOW** risks in this area however no tolerance for substantive risks at any time.  
**BALANCED – MODERATE** levels of risk are accepted subject to there being a full understanding of the potential benefits and risks, the opportunity outweighs the risk, and the controls are in place and effective.  
**ENHANCED – HIGH** levels of risk are accepted subject to there being a full understanding of the potential benefits and risks, the opportunity significantly outweighs the risk, and a strong control environment ('Robust') can be maintained.

RISK APPETITE CATEGORIES	CONSEQUENCE CATEGORIES						
	Workplace Health and Safety Impact of risk: Physical or psychological injury to employees, contractors, volunteers and/or visitors.	Financial Impact of risk: Unbudgeted/unplanned financial loss.	Reputation Impact of risk: Reduced community and stakeholder reputation and trust.	Organisational Performance Impact of risk: Delays and/or non-delivery of strategic objectives, projects and services.	Compliance Impact of risk: Breach of legislation, regulation or policy.	Environment and Heritage Impact of risk: Damage to environment or heritage assets	
<b>MAXIMUM TOLERABLE IMPACT</b> (as defined in the Risk Assessment Tables Consequence)	<b>ALARP</b>	<b>MEDIUM</b> i.e. <\$2M (Level 3 impact)	<b>MEDIUM</b> (Level 3 impact)	<b>MEDIUM</b> (Level 3 impact) for non critical services and strategic initiatives) <b>MINOR</b> (Level 2) for critical services(	<b>MINOR</b> (Level 2 impact)	<b>MINOR</b> (Level 2 impact)	
<b>Governance and Leadership</b> Risks arising from poor or minimal governance and leadership across all aspects of the Town.	The Town strives to ensure that risks to the safety and wellbeing of our staff, contractors and volunteers (i.e. 'workers') are minimised through the effective implementation of our safety policies and procedures. Residual health and safety risks are tolerated providing we are doing all that is "reasonably practicable" in accordance with legislation. We have no tolerance to non-compliance with the Town's established WHS procedures and/or behaviour that may lead to people being harmed while at work. Any incidents are investigated with a view to mitigating the chance of any further occurrence and minimising all harm.	We have a <b>LIMITED</b> appetite for any risk associated with poor or ineffective governance, or unethical or ineffective leadership or decision-making. We expect the Council and Administration staff to uphold the highest levels of integrity and we expect appropriate governance structure, systems and processes to be in place and effective.					
<b>Strategic / External factors</b> Risks arising from the management of strategic/external factors and the delivery of initiatives and innovation.		We have a <b>BALANCED</b> appetite for risk arising from external factors impacting our financial position, such as changes to the funding environment, economic conditions etc. External factors will be monitored, and controls maintained to protect the Town from any major threats. We have a <b>BALANCED</b> appetite for pursuing strategic initiatives and innovation, where the potential financial risk is outweighed by the opportunity.	We have a <b>BALANCED</b> appetite for reputation risk arising from the pursuit of strategic initiatives and opportunities, where the benefit of the opportunity outweighs any medium term reputation impact.	We have a <b>BALANCED</b> appetite for risk associated with the delivery of our strategies, acknowledging that the need to prioritise the delivery of critical services may result in the occasional failure to meet all planned strategic outcomes.			
<b>Financial sustainability</b> Risks arising from the financial sustainability of the Town / Council.		We have a <b>LIMITED</b> appetite for risk associated with long term financial viability. We will maintain conservative level of liquid reserves and adopt a conservative approach to investment risk.	We have a <b>LIMITED</b> appetite for any reputation risk associated with long term financial viability. It's imperative that we protect our reputation as a stable, reliable and resilient Council.	Our focus on ensuring both our long term financial sustainability, as well as the day to day delivery of our core services, results in need for a <b>BALANCED</b> appetite for risk associated with boarder organisational performance, as it relates to the delivery of new initiatives and programs.			
<b>People - Organisational Capability and Conduct</b> Risks arising from the capability, competency and actions of our people.		We have a <b>LIMITED</b> appetite for any financial risk associated with the conduct of our people. We will maintain effective people management processes to limit exposure to compensation/other claims. We have no tolerance for non-compliance with policies, procedures and our code of conduct.	We have <b>LIMITED</b> appetite for risks associated with activities or behaviour that have the potential to negatively impact our reputation or credibility.	We have a <b>BALANCED</b> risk appetite for the delivering of strategic initiatives where resources constraints limits our workforce capacity and capability, as our resourcing priority needs to focus on our core business in delivering quality community services.	We operate in a highly regulated sector and therefore have a <b>LIMITED</b> appetite for any risk which could negatively impact our compliance status.	We recognise the importance of environmental sustainability and have <b>LIMITED</b> appetite for any action or decision which has the potential to negatively impact our environment or heritage assets. Environmental and heritage protection and sustainability for future generations is a priority.	
<b>Financial Management</b> Risks arising from the financial management activities		We have a <b>LIMITED</b> appetite for any risk associated with poor financial management. We expect financial controls to be in place including the effective monitoring and oversight of financial transactions.					
<b>Assets and Facilities</b> Risks arising from your assets and facilities		We have a <b>LIMITED</b> appetite for any risk associated with poor management of our assets and facilities, as these are core to our ability to delivery quality services to our community.					
<b>ICT, Information, and Data</b> Risks arising from the management of ICT, information and data		We have a <b>LIMITED</b> appetite for risks associated with management of ICT, information and data, which could impact our financial position, reputation or core services. Maintaining privacy and confidentiality of data is core to our service delivery, as is the need to be able to continue operating in the event of a critical ICT outage/threat.					
<b>Business/Management Systems and Processes</b> Risks arising from poor or inefficient business and management processes, systems and technologies.		In relation to the development and implementation of our business processes, factors such as the evolving AI environment and resource limitations drive the need for a <b>BALANCED</b> approach to financial risks in this area.	We have a <b>BALANCED</b> appetite for reputation risk associated with our business management systems and processes. Due to balancing the cost of technology and systems as against the likelihood.	We have a <b>LIMITED</b> appetite for any risk with the potential to interrupt critical business functions. We will invest in resources to ensure efficient and effective systems are in place to reduce residual risk to a tolerable level.			
<b>Community Services</b> Risks arising from the delivery of community services		Driven by our core purpose, we have a <b>BALANCED</b> appetite for any risk associated with variance to budget/financial loss where service and community benefits outweigh the risk.					

**6.2 LOANS**

**File Number:** GOV/00054  
**Author:** Bree Websdale (Director Governance and People)  
**Authoriser:** Liz Ledger (Chief Executive Officer)  
**Attachments:** Nil

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**PURPOSE**

To provide the Audit Risk Management Committee with expiry dates of Town Loans as required by Committee Recommendation 009/24 (set out below).

**BACKGROUND**

At the Audit and Risk Management Committee Meeting on 6 March 2024, the Committee resolved that the administration provide it with “notification of expiry dates of loans, desirable application dates and deadlines”.

**DISCUSSION**

The 2024/2025 Budget was adopted by Council at the Ordinary Council Meeting on 30 July 2024.

As per the Statutory Budget under ‘7. Borrowings’ on page 17, the Town of Claremont has 3 Loans.

The tables below state:

- The opening balance for each loan as at 1 July 2024.
- The date of repayments and amount.
- The closing balance at at 30 June 2025.
- The maturity date.

**Loan 1 Aquatic Centre**

Opening Balance - 1 July 2024	\$467,722
Repayments in 2024/2025	
16 December 2024	\$29,632.44
16 June 2025	\$30,571.56
Closing Balance - 30 June 2025	\$407,518

Maturity Date	14 December 2030
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**Loan 2C 333 Stirling Hwy Claremont (Typika)**

Opening Balance - 1 July 2024	\$4,151,004
Repayments in 2024/2025	
13 September 2024	\$167,607.12
13 March 2025	\$171,100.88
Closing Balance - 30 June 2025	\$ 3,812,296

Maturity Date	13 March 2027
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**Loan 3                      327 Stirling Highway (Claremont Community Hub and Library)**

Opening Balance - 1 July 2024	\$ 570,435
Repayments in 2024/2025	
27 December 2024	\$30,073
26 June 2025	\$30,742
Closing Balance - 30 June 2025	\$509,620

Maturity Date	26 June 2032
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**PAST RESOLUTIONS**

Audit and Risk Management Committee Meeting 6 March 2024, Committee Recommendation 009/24

*That the Committee:*

1. *Notes the contents of this Report;*
2. *Receives notification of expiry dates of loans, desirable application dates and deadlines; and*
3. *Recommends that the Monthly Statements of Financial Activity presented to Council include loan expiry dates.*

**FINANCIAL AND STAFF IMPLICATIONS**

Resource requirements are in accordance with existing budgetary allocation.

**POLICY AND STATUTORY IMPLICATIONS**

Nil

**COMMUNICATION AND CONSULTATION**

Nil

**STRATEGIC COMMUNITY PLAN**

**Leadership and Governance** *We are an open and accountable local government; a leader in community service standards.*

- Demonstrate a high standard of governance, accountability, management and strategic planning.
- Manage our finances responsibly and improve financial sustainability.

**URGENCY**

Not urgent

**VOTING REQUIREMENTS**

Simple Majority decision of Committee *(More than half the Committee Members present are required to vote in favour).*

**OFFICER RECOMMENDATION**

**That the Audit and Risk Management Committee:**

1. **Notes the contents of this report and that no loans reach maturity in this financial year; and**
2. **Requests a further report on the Town's loans be provided following adoption of the 2025/26 Annual Budget.**

### 6.3 AUDIT LOG

<b>File Number:</b>	GOV/00054
<b>Author:</b>	Jessica Guy (Manager Governance and Records), Bree Websdale (Director Governance and People)
<b>Authoriser:</b>	Liz Ledger (Chief Executive Officer)
<b>Attachments:</b>	1. Audit Log [6.3.1 - 33 pages]

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#### PURPOSE

To present the Audit Log to the Audit and Risk Management Committee (**Committee**).

#### BACKGROUND

The Committee is responsible for advising Council on matters relating to internal and external audits of the Town.

The Audit Log is presented to the Committee biannually and includes all current outstanding audit actions from the:

- 2021/22 Financial Audit;
- Regulation 17 Review (May 2023);
- 2022/23 Financial Audit; and
- 2022/23 IT General Controls Audit.

The Audit Log includes the current status of findings and actions that have been completed since the last report to the Committee are removed from the log and noted in this report accordingly.

#### DISCUSSION

The Audit Log is included at **Attachment 1**.

The following actions have been completed since they were last reported to the Committee and are proposed to be removed from the Audit Log:

- Financial Audit for 2021/22
    - 4. Network Oversight and Firewall Management
    - 6. Purchase orders are raised/approved after service performed or goods received
    - 14. IT Governance – Policies and Procedures
  - Regulation 17 Review May 2023
    - 6.2 Review of Policy and Other Guidance Documents
    - 6.3 Monitoring of Purchasing Processes
  - Financial Audit for 2022/23
    - 2. Non-compliance with the Town's Purchasing Policy
    - 3. Delay in review of monthly reconciliation
    - 4. Purchase orders are approved after service performed or goods received.
  - IT General Controls Audit for 2022/23
    - 1. Change Management
    - 4. Network Active (AD) – Privileged Account Management
    - 5. Network Active (AD) – User Account Management
    - 8. Physical Security and Environmental Management
-

The interim audit for the 2023/24 financial year was completed in May 2024 with the final audit scheduled for early October (on-site) to late October (off-site).

The Town has engaged Paxon Group to complete a Financial Management Review as required on a three yearly basis by regulation 5 of the *Local Government (Audit) Regulations 1996*.

### **PAST RESOLUTIONS**

Audit and Risk Management Committee Meeting 6 March 2024, Committee Recommendation 017/23

*That the Audit and Risk Management Committee:*

1. *Notes the status of previous audit recommended actions as detailed in the Audit Log.*
2. *Requests the completed audit recommendations be removed from the Audit Log; and*
3. *Requests a comprehensive report and workshop on the status of the outstanding IT recommendations.*

### **FINANCIAL AND STAFF IMPLICATIONS**

Resource requirements are in accordance with existing budgetary allocation.

### **POLICY AND STATUTORY IMPLICATIONS**

*Local Government Act 1995*

*Local Government (Audit) Regulations 1996*

### **COMMUNICATION AND CONSULTATION**

The Audit Log is regularly reviewed and updated by the Governance, Finance and IT business units and presented to the Committee biannually.

### **STRATEGIC COMMUNITY PLAN**

**Leadership and Governance** *We are an open and accountable local government; a leader in community service standards.*

- Demonstrate a high standard of governance, accountability, management and strategic planning.
- Continually assess our performance and implement initiatives that drive continuous improvement.

### **URGENCY**

Not urgent.

### **VOTING REQUIREMENTS**

Simple Majority decision of Committee *(More than half the Committee Members present are required to vote in favour).*

### **OFFICER RECOMMENDATION**

**That the Audit and Risk Management Committee notes the status of previous audit recommended actions as detailed in the Audit Log.**

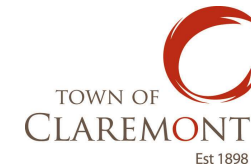


## AUDIT LOG

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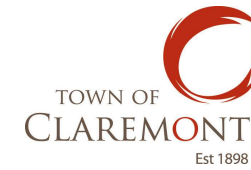
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# AUDIT LOG

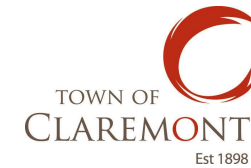


Audit Details	Action	Approved Completion Date	Status	Proposed Completion Date
<b>Office of the Auditor General – Financial Audit for 2021/22</b>				
<b>4. Network Oversight and Firewall Management</b>				
<p><b>Finding</b> We identified that:</p> <ul style="list-style-type: none"> <li>the network diagram in place does not have a version number or review date documented</li> <li>there is no change log maintained for firewall rule changes</li> <li>there is no formal periodic firewall rule review process in place.</li> </ul> <p>We acknowledge there is currently a project underway with a Vendor to review the change management process and implement new change management frameworks, which would include maintaining a change register.</p> <p><b>Recommendation</b> The Town should:</p> <ul style="list-style-type: none"> <li>Implement a process to document and maintain current network diagrams. These should include a requirement for regular review of the network to determine potential risks, vulnerabilities, and improvements.</li> <li>Implement formal processes to ensure that security software / hardware (e.g., firewall) and configurations are reviewed, monitored and regularly updated. This should include appropriate change management processes.</li> </ul>	<p><b>Management Comment</b></p> <p>The Town accepts the findings related to the network diagram. The Town will update the network diagram to record version numbers and review dates and to include a formal change management process.</p> <p>The Town accepts that finding that as at 30 June 2022 there was no procedure for firewall management. Since in November 2022, the Town has implemented an overriding ICT Governance Framework and IT Security Plan and a suite of IT plans and procedures. Of relevance to this finding is the Information Security Plan.</p> <p>The Town will amend and update the Town’s Patching and Vulnerability Management procedure to address formal firewall rules. The Town will utilise the change request register to capture the rule changes.</p> <p><b>Responsible Officer</b> Director Governance and People</p>	June 2023	<p>The Patching and Vulnerability Management Procedure has been approved as per the 2022-23 Financial Audit management letter response.</p>	Complete
<b>Risk Rating</b>				
Minor (Low)				

# AUDIT LOG

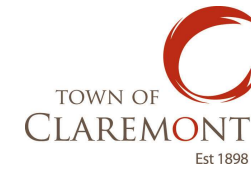


Audit Details	Action	Approved Completion Date	Status	Proposed Completion Date
<b>Office of the Auditor General – Financial Audit for 2021/22</b>				
<p><b>6. Purchase orders are raised/approved after service performed or goods received</b></p>	<p><b>Management Comment</b></p>	<p>Ongoing</p>	<p>06/03/2024 - The Town has undertaken extensive education and training for all employees in purchasing and procurement and will continue to do so.</p>	<p>Complete</p>
<p><b>Finding</b> From our testing performed on a sample of payment transactions, we have noted that purchase orders for 13 out of 30 payment transactions tested were approved after the invoice was received.</p>	<p>The Town accepts the finding that payment were approved after invoices were received. The Town acknowledges that this is a breach of the Town’s approved purchasing policy and increases risk of unauthorised expenditure occurring.</p>		<p>Improvements have been seen with the implementation of the Town’s new ERP system which has introduced requirements when employees are raising requisitions to ensure compliance with the purchasing policy and for a purchase order to be raised before goods can be receipted.</p>	
<p><b>Recommendation</b> The Town should ensure all purchases are made in line with the Town’s purchasing policy and within budgetary responsibility, they should be supported by duly authorised purchase orders which should be raised and issued to suppliers prior to goods or services being received. They should contain all the necessary details (including quantity and price) for matching with final invoices subsequently received from supplier.</p>	<p>The Town has done an extensive amount of education and training for all employees in this area since 30 June 2012 and will continue to do so. Furthermore, the Town continues to do internal self-audits. The Town will look at further training for those employees who are not following the purchasing policy and where necessary sanctions for those employees.</p>		<p>148/08/2024 - The Administration proposes that this finding be marked as completed.</p>	
<p><b>Risk Rating</b> Moderate (Medium)</p>	<p><b>Responsible Officer</b> Director Governance and People</p>			



## AUDIT LOG

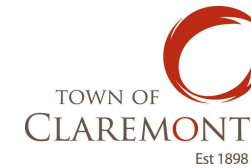
Audit Details	Action	Approved Completion Date	Status	Proposed Completion Date
<b>Office of the Auditor General – Financial Audit for 2021/22 (Matters outstanding from prior year audits)</b>				
<b>12. Continuity Management</b>	<b>Management Comment</b>	December 2023	06/03/2024 - DC2 was selected to provide the Disaster Recovery Solution.	<a href="#">March 2025</a> <del><a href="#">June 2024</a></del>
<b>Finding</b> We identified that the Town’s business continuity and incident management is not fully effective as the continuity and incident management findings noted in 2021 have not yet been addressed.	The Town accepts the findings in relation to disaster recovery. A Disaster Recovery Plan can be formally documented now the Town has completed the relocation of the Disaster Recovery Site and all devices are now fully installed, configured, and tested.			
<b>Recommendation</b> The Town should: <ul style="list-style-type: none"> <li>Develop, review and endorse a policy / procedure / plan for backup &amp; restoration, disaster recovery and incident response.</li> <li>Periodically conduct and document backup restoration testing, disaster recovery testing and business continuity testing.</li> <li>The Town should conduct regular training to ensure optimisation of Business and IT Continuity and Recovery Plans.</li> </ul>	The Town released an RFQ 17-2022 in January 2023 seeking the services of a contractor to upgrade its disaster recovery and backup capabilities in consideration of business and security needs. The Town will progress this project in 2023. The Town will develop an IT disaster recovery plan that dovetails into the Town’s broader business continuity plan. The Town will then conduct appropriate training and testing as per the approved plan.		The Town has received the new hardware and is implementing the solution at both the Town and Mosman Park site.	
<b>Risk Rating</b> Moderate (Medium)			14/08/2024 - This has now been completed.	
			The Town will now prepare the associated plans and procedures. There has been some delay due to staff vacancies in the IT team.	
	<b>Responsible Officer</b> Director Governance and People			



## AUDIT LOG

Audit Details	Action	Approved Completion Date	Status	Proposed Completion Date
<b>Office of the Auditor General – Financial Audit 2020/21</b>				
<b>14. IT Governance – Policies and Procedures</b>				
<p><b>Finding</b> We identified that:</p> <ul style="list-style-type: none"> <li>The IT Governance Framework is in a draft state.</li> <li>The IT Social Media and e-Communications Procedure was not reviewed in accordance to the defined review date.</li> <li>The IT Risk Management Plan does not have a review date and was not endorsed.</li> <li>The IT Organisation Chart did not have employees attached to each role, along with there being no review date documented.</li> <li>There is no Information Data Classification or Information Security Policy in place.</li> </ul> <p>We acknowledge there is currently a project underway with a Vendor to create an Information Classification Policy, Information Security Policy and IT Security Policy along with other IT related policies.</p> <p><b>Recommendation</b> The Town should consider reviewing, approving and publishing Policies / Procedures / Guidelines and Governance documents as required and ensure that these documents are appropriately governed.</p> <p><b>Risk Rating</b> <b>Moderate (Medium)</b></p>	<p><b>Management Comment</b> The Town accepts this finding that as at 30 June 2022, there was no approved IT Governance Framework , IT Risk Management Plan or Information Security Policy. Since November 2022, the Town has implemented an overriding ICT Governance Framework and IT Security Plan and a suite of IT plans and procedures. The IT Social Media and e-Communications Procedure was reviewed and updated in August 2022 and then again in January 2023. An IT Organisation Chart will be prepared and updated to include employees attached to each role, along with a review date.</p> <p><b>Responsible Officer</b> Director Governance and People</p>	<p>June 2023</p>	<p>06/03/2024 - The IT organisation chart was updated on 14 March 2023.</p>	<p>Complete</p>

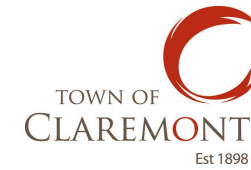




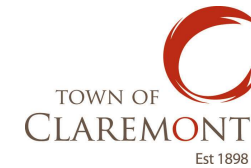
## AUDIT LOG

Audit Details	Action	Approved Completion Date	Status	Proposed Completion Date
<b>Paxon Group – Regulation 17 Review (May 2023)</b>				
<b>5.1 Risk Improvement Plan</b>				
<p><b>Finding</b> Improvements to the Town’s Risk Management Framework identified through comparison to the Risk Management Standard 31000. It was also noted that there was no reporting of risk registers to the Audit &amp; Risk Management Committee (ARMC) meetings held in 2022 as per the meeting minutes. Although this is not explicitly documented within the Committee’s terms of reference, this is expected practice for key strategic and operational risk, new risks or major changes to the risk profile</p> <p><b>Recommendation</b> 5.1.1 Regular reporting of risk to the ARMC should be implemented. 5.1.2 An improvement plan should be documented for risk management to identify how far the Town wishes to progress in its risk management maturity.</p>	<p><b>Management Comment</b> 5.1.1 A report regarding risk management will be presented to the ARMC at it’s meeting on 25 May 2023. This is considered timely noting that the Risk Framework was adopted in February 2022. Additionally, the Administration regularly provides the following reports to the ARMC that deal with risk:</p> <ul style="list-style-type: none"> <li>• Financial and IT risks as against audit findings;</li> <li>• OCM resolutions tracking; and</li> <li>• Insurance claims tracking.</li> </ul> <p>5.1.2 The Town’s Risk Management Framework and Risk Profile were drafted with assistance from LGIS and adopted in February 2022. All components of the Framework are based on AS/NZS ISO 31000:2018 Risk management – Guidelines. The Framework will be reviewed at three year intervals.</p>	<p>Ongoing</p>	<p>06/03/2024 – refer report to ARMC meeting December 2024 regarding ongoing risk management.</p> <p>The Administration are in the process of engaging a consultant to progress this finding.</p> <p>14/08/2024 – to be finalised by presentation of Strategic Risk Register and reporting process to ARMC meeting 14/08/2024 and then to Council.</p>	<p>August 2024</p>
<p><b>Risk Rating</b> <b>Medium</b></p>	<p><b>Responsible Officer</b> Director Governance and People</p>			

# AUDIT LOG



Audit Details	Action	Approved Completion Date	Status	Proposed Completion Date
<b>Paxon Group – Regulation 17 Review</b>				
<b>6.2 Review of Policy and Other Guidance Documents</b>				
<p><b>Finding</b></p> <p>There is a Governance Policy Manual in place which lists all policy. This is located on the internet and contains policy within 6 different categories for ease of use. The Town aims to present policies to Council for review annually. During the performance of this review the following was noted:</p> <ul style="list-style-type: none"> <li>There is a Risk Management Policy in place (LG534), which was adopted by Council in February 2021 and was due for review in 2022. It was reviewed by Council in 2022, but the incorrect version was uploaded. This has now been rectified.</li> <li>There is a Governance Structure within the Risk Management Framework that is out of date as it references external audit as being appointed by Council, but this is performed by the Office of the Auditor General. It also includes an internal audit function, which does not appear to be in place based upon the reports received as part of this review and a reference to the Regulation 17 review, but not the Regulation 5 review.</li> <li>Policy LG537 Fraud Prevention, was adopted on 16/2/21 and due for review in 2022 but has not yet been reviewed. This document includes reference to a Fraud &amp; Corruption Control Plan which will be reviewed every 2 years, which we have not been provided and does not appear to exist but doesn't contain any reference to the Integrity Strategy.</li> </ul>	<p><b>Management Comment</b></p> <p>6.1.1 The review of the policy manual in line with the dates on the policies has been delayed due to resourcing within the relevant business units. All abovementioned policies have been reviewed internally and are undergoing final internal approval before presentation to Council within the coming months.</p> <p>6.1.2 The <i>Local Government (Model Code of Conduct) Regulations 2021</i> came into effect on 3 February 2021 and introduced a Model Code of Conduct (Model Code) for Council Members, Committee Members and Candidates. Section 5.104 of the <i>Local Government Act 1995</i> required Council to prepare and adopt a code of conduct incorporating the Model Code. Amendments cannot be made to Division 2 (Principles) or Division 4 (Rules of Conduct) of the Model Code. However, additional behaviour requirements (Division 3) could be included in the Code of Conduct provided any additions are consistent with the Model Code.</p> <p>The Act and Regulations do not provide any time requirement for Council to</p>	<p>December 2023</p>	<p>06/03/2024 – 6.1.1 – Note there is no legislative timeframe for the review of Council policies.</p> <p>Most local governments adopt a 3 year cycle bearing in mind that the Town's administration regularly review changes to legislation, audit reports or best practice for any impact on the Town's policies.</p> <p>Resolution 001/23 from the OCM dated 28 November 2023 endorsed the policy manual to be reviewed at three yearly intervals.</p> <p>Any policies remaining due for review to be put to Council as soon as possible.</p> <p>The Governance team utilises a register of Council policies to track review dates.</p> <p>6.1.2 – A review of the EM Code of Conduct was presented to Council at the December 2023 OCM.</p> <p>14/08/2024 –</p>	<p>6.1.1- Complete</p> <p>6.1.2 - Complete</p>



## AUDIT LOG

- Policy LG535 Legislative Compliance is the document that sets the Town’s position on Legislative Compliance. This was reviewed in February 2021 and was documented as next due for review in 2021.
  - Policy LG533 Complaints Management was endorsed in February 2021 and has not been reviewed since but should be annually.
  - Policy LG536 Public Interest Disclosure was adopted on 16/2/21 and was next due for review in 2022 but has not been reviewed.
- review the Code of Conduct. As it is based on the Model Code, a change to the Regulations would trigger a review by Council. It is proposed to otherwise present the Code to Council for review at three yearly intervals.

**Responsible Officer**  
Director Governance and People

6.1.1 – the remaining policies have now been reviewed by Council.

It was also noted that:

- LG508 Accounting, was last reviewed December 2018 and was due for review in 2021
- LG509 Purchasing, was last reviewed February 2021 and was due for review in 2022.
- LG511 Investment, does not contain any last or next review date
- LG512 Corporate Purchasing Cards, was reviewed February 2021, next review due 2021
- LG518, Records Management, was reviewed in December 2018, next review 2021
- LG526, Asset Management, last review was in December 2018 next review 2021
- LG544 Work Health & Safety Policy, reviewed October 2021, next review 2022, and
- The elected member Code of Conduct document is not dated and doesn’t contain a proposed date for next review.

### Recommendation

6.1.1 A process should be developed to establish a

## AUDIT LOG

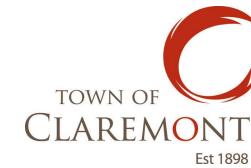
practical process for review and update of policy and other key documents, based upon their risk.

6.1.2 All documents should include details of the last and next review date.

**Risk Rating**

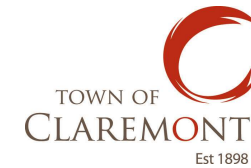
**Medium**





## AUDIT LOG

Audit Details	Action	Approved Completion Date	Status	Proposed Completion Date
<b>Paxon Group – Regulation 17 Review</b>				
<b>6.3 Monitoring of Purchasing Processes</b>				
<p><b>Finding</b> Historically there have been instances of invoices being received that are dated before a purchase order is raised. It is not possible to run a report from the MS Dynamic Business Finance system to determine the prevalence of this, so we understand that management check a sample manually from invoice to purchase order each payment run.</p> <p><b>Recommendation</b> The Town should develop a report to assist in monitoring of where invoice is dated before purchase order. Depending on the extent of non-compliance an appropriate process should be implemented to monitor and educate staff to prevent future occurrence.</p>	<p><b>Management Comment</b> The Town accepts the finding that payment were approved after invoices were received. The Town acknowledges that this is a breach of the Town’s approved purchasing policy and increases risk of unauthorised expenditure occurring. The Town has done an extensive amount of education and training for all employees in this area since 30 June 2022 and will continue to do so. Furthermore, the Town continues to do internal self-audits. The Town will look at further training for those employees who are not following the purchasing policy and where necessary sanctions for those employees.</p>	<p>30 December 2023</p>	<p>06/03/2024 - The Town has undertaken extensive education and training for all employees in purchasing and procurement and will continue to do so.</p> <p>Improvements have been seen with the implementation of the Town’s new ERP system which has introduced requirements when employees are raising requisitions to ensure compliance with the purchasing policy and for a purchase order to be raised before goods can be received.</p> <p>14/08/2024 - The Administration proposes that this finding be marked as completed.</p>	<p>Complete</p>
<p><b>Risk Rating</b> Medium</p>	<p><b>Responsible Officer</b> Director Governance and People</p>			



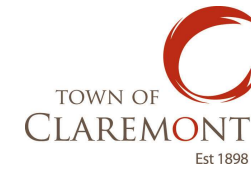
## AUDIT LOG

Audit Details	Action	Approved Completion Date	Status	Proposed Completion Date
<b>Paxon Group – Regulation 17 Review</b>				
<b>6.4 Contractor Management Framework</b>				
<p><b>Finding</b> The Town has a Contractor Management Framework in place, which is currently in the process of being reviewed and updated. WHS is a key element of contract/contractor management, but the framework appears to be predominantly focussed on this area. There is little consideration of other contract management related areas such as finance, project management, milestones, on-going meetings and KPI's such as quality of service provision. Whilst there is no specific requirement for a contract management framework within the local government sector, it is considered good practice as part of an internal control framework and due to the level of expenditure made under contracts.</p> <p><b>Recommendation</b> Detailed guidance on contract management should be developed and implemented to provide consistency of expectation and operational contract management processes.</p> <p><b>Risk Rating</b> <b>Medium</b></p>	<p><b>Management Comment</b> All Contractors appointed by a RFQ or RFT process are bound by a contract with the Town which sets out and addresses some of these issues including milestones, payments, quality of service and termination clauses. The Town acknowledges the finding that detailed guidance on contract management should be developed and implemented to provide consistency of expectation and operational contract management processes. The Town will consider the recommendation whilst reviewing its Contractor Management Framework.</p> <p><b>Responsible Officer</b> Director Governance and People</p>	<p>December 2023</p>	<p>06/03/2024 - all Contractors appointed by a RFQ or RFT process are bound by a contract with the Town which sets out and addresses some of these issues including milestones, payments, quality of service and termination clauses.</p> <p>The Town has contractor management procedures in place and these are under review.</p> <p>The Town will need to evaluate this finding further and consider what resources are required to address this finding. And to what extend the finding should be addressed when balanced with the risk.</p> <p>14/08/2024 - ongoing</p>	<p>Ongoing</p>



## AUDIT LOG

Audit Details	Action	Approved Completion Date	Status	Proposed Completion Date
<b>Paxon Group – Regulation 17 Review</b>				
<b>6.6 Inventory Adjustments</b>				
<b>Finding</b>	<b>Management Comment</b>	December 2023	06/03/2024 - Review in progress following stocktake undertaken at 30 June 2023.	<del>June</del> December 2024
<p>The inventory count for the pool shop was obtained for 30 June 2022.</p> <p>Evidence was viewed of the count itself but no record of the differences between book and physical stock.</p> <p>The journal was obtained but this only contained the value of counted stock at year end and did not show an adjustment for inventory write off.</p>	<p>The Town accepts the finding that it is not possible to identify trends in difference in inventory levels.</p> <p>The Town will undertake a review of the stocktake and inventory adjustment process, to include regular reconciliations between physical stock and balance sheet value and recognise any differences in the adjustment entry if required.</p>		<p>14/08/2024- The Town is currently reviewing the set up in the point of sale system, Phoenix. It is anticipated to be completed in the next 2 months.</p> <p>Any new procedures will then be dated and rolled out to the organisation.</p>	
<b>Recommendation</b>	<b>Responsible Officer</b>			
<p>The stock adjustment should be identified to ascertain if there is any need for further investigation or trends in any differences noted.</p>	Director Governance and People			
<b>Risk Rating</b>				
Low				

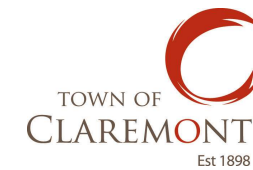


## AUDIT LOG

Audit Details	Action	Approved Completion Date	Status	Proposed Completion Date
<b>Office of the Auditor General – Financial Audit for 2022/23</b>				
<p><b>1. Maintenance of detail and accurate asset register</b></p>	<p><b>Management Comment</b></p>	<p>June 2024</p>	<p>06/03/2024 – workshop with consultant scheduled for 12 March 2024 to review asset register/book structure in the Towns new ERP system.</p>	<p><a href="#">December 2024</a></p>
<p><b>Finding</b> The Town maintains a financial fixed asset register within Business Central and the asset management register. We noted that the financial fixed asset register, and the asset management register are not reconciled. Further, the transactions/movements in the infrastructure assets may not be recorded in both registers simultaneously or not at all. In addition, the quality of information held within RAMM is not accurate.</p>	<p>The Town will configure and implement the finance asset register into the new ERP system following auditor sign off of the 2022-23 Financial Statements.</p>		<p>Manager Finance and IT has met with Assets and GIS Officer to review reconciliation processes from infrastructure asset register to new finance asset register, and explored options for an asset management system. Potential proposal for funding in 24/25 budget.</p>	
<p>We make the following observations based on our audit:</p>	<p>The Town will give consideration to combining the finance and infrastructure asset register, rather than maintaining two registers.</p>		<p>14/08/2024- in progress. The Town is finalising an asset register in its ERP system. This process was started but then delayed due to staff vacancies in Finance team.</p>	
<ul style="list-style-type: none"> <li>The Town has undertaken a revaluation of all infrastructure assets during the year. As the Town’s financial fixed asset register and the asset management register were not reconciled, a completeness checks on the infrastructure assets was performed by management with reference to various spreadsheets and records that the Town maintains including a comparison to the 2018 revaluation workings. During this exercise, the Town has identified that assets valued at \$6.23 million across various categories such as roads, parks and reserves and street furniture were previously not included within the Town’s fixed assets. These have since been included in the FY23 financial statements.</li> <li>The Town engaged Asset Infrastructure Management (AIM) to peer review its infrastructure valuation. AIM’s scope included</li> </ul>	<p><b>Responsible Officer</b> Director Governance and People</p>			



## AUDIT LOG



determining whether the attribute information such as date of acquisition, physical condition, expected useful life and dimensions of the assets was correctly recorded in the Town's RAMM. Across most categories of assets, except roads and car parks, AIM's review has assessed the confidence grade of the Town's information as 'Uncertain' or 'Very uncertain'. While the Town has made a number of updates to its asset registers and the resulting valuation, a few areas of improvement still remain. These areas have been documented by the Town in the document titled 'Position Paper – Infrastructure Asset Valuation 30 June 2023'.

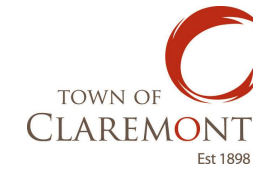
- Artefacts valued at \$175,000 which were disposed of in January 2021 were not recorded as removed/disposed in the financial fixed asset register. This has since been corrected.

### **Recommendation**

The Town should:

- Maintain a financial fixed asset register with sufficient details, including the individual asset's acquisition date, cost, depreciation rate with specific asset ID matching to the asset management module to enable the Town to reconcile this to the asset management register.
- Perform a monthly reconciliation between the financial fixed asset register and the asset management register to ensure that transactions/movement in the infrastructure assets are recorded on both registers on a timely basis.
- When an asset revaluation exercise is performed, review the valuation workings by performing a 3-way match against the financial fixed asset register

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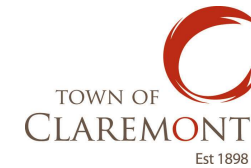


and asset management register to ensure completeness of all assets' classes subject to revaluation.

- Perform a 100% inventory count of both assets register annually and before an asset revaluation exercise to ensure completeness.
- Incorporate the matters identified in the 'Improvement Plan' in management's position paper and consider updating the valuation of assets as required.

**Risk Rating**

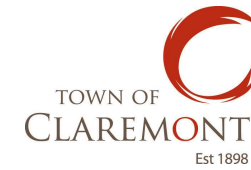
**Significant**



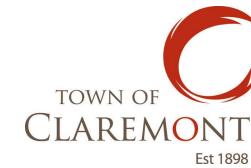
## AUDIT LOG

Audit Details	Action	Approved Completion Date	Status	Proposed Completion Date
<b>Office of the Auditor General – Financial Audit for 2022/23</b>				
<b>2. Non-compliance with the Town’s Purchasing Policy</b>				
<b>Finding</b>	<b>Management Comment</b>	Ongoing	06/03/2024 - The Town has undertaken extensive education and training for all employees in purchasing and procurement and will continue to do so.	Ongoing/Complete
The Town’s purchasing policy requires that any purchases over \$1,000 and up to \$5,000 require at least two verbal or written quotations for a suitable supplier.	The Town’s new ERP system which was implemented 1 July 2023 requires evidence of quotations to be included with all requisitions.		Improvements have been seen with the implementation of the Town’s new ERP system which has introduced requirements when employees are raising requisitions to ensure compliance with the purchasing policy and for a purchase order to be raised before goods can be received.	
During our interim audit, when performing a walkthrough of the purchases cycle we noted that that no quotes had been obtained prior to engaging a supplier with invoice number 221033 dated 3 November 2022 amounting to \$2,167.	The Town will continue to implement procurement training for employees.			
<b>Recommendation</b>	The Town will implement additional training for those employees who were identified as not following the purchasing policy and where necessary sanctions for those employees.		14/08/2024 - The Administration proposes that this finding be marked as completed.	
The Town should ensure all purchases are made in accordance with the Town’s purchasing policy and should be supported by evidence of quotations as received from suppliers. For any verbal quotation obtained, this should be documented and recorded as evidence. The documented evidence should contain all the necessary details (including the name of the suitable supplier, the date and time of the quote obtained and the quotation price) for matching with the final invoices subsequently received from the supplier.	<b>Responsible Officer</b> Director Governance and People			
<b>Risk Rating</b>	<b>Minor</b>			

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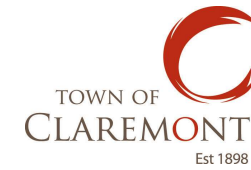


Audit Details	Action	Approved Completion Date	Status	Proposed Completion Date
<b>Office of the Auditor General – Financial Audit for 2022/23</b>				
<p data-bbox="318 459 840 483"><b>3. Delay in review of monthly reconciliation</b></p> <p data-bbox="318 515 840 539"><b>Finding</b></p> <p data-bbox="318 539 840 643">From a walkthrough performed over bank reconciliation, we noted that the bank reconciliation for the month ended 31 October 2022 was reviewed after three months on 1 February 2023.</p> <p data-bbox="318 667 840 794">A similar finding was first raised in the June 2022 interim audit. The Town continues to educate officers on the requirements of the Town’s policy and expects system controls will be in place from July 2023 with the change of ERP systems.</p> <p data-bbox="318 818 840 842"><b>Recommendation</b></p> <p data-bbox="318 842 840 946">The Town should ensure all monthly reconciliations are reviewed within a reasonable time frame to allow management to detect and correct any errors or unauthorised transactions in a timely manner.</p> <p data-bbox="318 970 840 994"><b>Risk Rating</b></p> <p data-bbox="318 994 840 1021">Minor</p>	<p data-bbox="840 459 1176 483"><b>Management Comment</b></p> <p data-bbox="840 483 1176 507">The Town accepts this finding.</p> <p data-bbox="840 531 1176 643">The Town will develop a month end checklist to ensure all reconciliation are being completed and reviewed in a timely manner.</p> <p data-bbox="840 691 1176 715"><b>Responsible Officer</b></p> <p data-bbox="840 715 1176 738">Director Governance and People</p>	<p data-bbox="1176 459 1377 483">January 2024</p>	<p data-bbox="1377 459 1713 587">06/03/2024 – Accountant has finalised month end check list with the wider finance team, with implementation done for February month end process.</p> <p data-bbox="1377 611 1713 635">14/08/2024 – Completed</p>	<p data-bbox="1713 459 1901 483">Completed</p>



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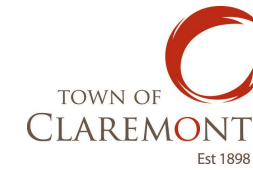
Audit Details	Action	Approved Completion Date	Status	Proposed Completion Date
<b>Office of the Auditor General – Financial Audit for 2022/23</b>				
<p><b>4. Purchase orders are approved after service performed or goods received.</b></p>	<p><b>Management Comment</b> The Town accepts this finding.</p>	Ongoing	<p>06/03/2024 - The Town has done an extensive amount of education and training for all employees in this area since the new ERP was implemented on 1 July 2023. The Town will continue to provide ongoing education and training to employees.</p>	<del>Ongoing</del> Completed
<p><b>Finding</b> From the walkthrough performed over expenditure payment transaction, we have noted that a purchase order was approved on 14 November 2022 after the supplier’s invoice bearing number 221033 and dated 3 November 2022 was received. The Town’s purchasing policy requires that all purchase orders must be approved prior to service performed or goods received.</p>	<p>The Town has done an extensive amount of education and training for all employees in this area since the new ERP was implemented on 1 July 2023. The Town will continue to provide ongoing education and training to employees.</p>		<p>The Town will continue to perform internal self-audits.</p>	
<p>A similar finding was first raised in the June 2022 interim audit. The Town continues to educate officers on the requirements of the Town’s policy and expects system controls will be in place from July 2023 with the change of ERP systems.</p>	<p>The Town will continue to perform internal self-audits.</p>		<p>The Town will look at further training for those employees who are identified as not following the purchasing policy and where necessary sanction those employees.</p>	
<p><b>Recommendation</b> The Town should ensure all purchases are made in line with the Town’s purchasing policy and within budgetary responsibility, they should be supported by duly authorised purchase orders which should be raised and issued to suppliers prior to goods or services being received. They should contain all the necessary details (including quantity and price) for matching with final invoices subsequently received from supplier.</p>	<p>The Town will look at further training for those employees who are identified as not following the purchasing policy and where necessary sanction those employees.</p>		<p>14/08/2024 - The Administration proposes that this finding be marked as completed.</p>	
<p><b>Risk Rating</b> Minor</p>	<p><b>Responsible Officer</b> Director Governance and People</p>			



## AUDIT LOG

Audit Details	Action	Approved Completion Date	Status	Proposed Completion Date
<b>Office of the Auditor General – IT General Controls 2022/23</b>				
<b>1. Change Management</b>				
<b>Finding</b>	<b>Management Comment</b>	June 2024 (for investigation)	06/03/2024 – the IT help desk has been upgraded to a version that includes change management.	June 2024 <u>Completed</u>
The Town has established a “Change Management Work Procedure” and changes are logged in a “Change Request Register” spreadsheet.	The Town will investigate implementing an automated system for recording change management. This may require additional budget funding from Council.		IT team to review configuration requirements to then log changes going forward.	
We identified the following deficiencies regarding the change management process:	<b>Responsible Officer</b>		14/08/2024 - Completed	
<ul style="list-style-type: none"> <li>In the “Change Request Form - Standard Template”, the service request number is not required, despite the existing change management work procedure mandating all IT changes to be logged within the change request register referencing the service desk support ticket.</li> <li>The current list of changes during the audit period in the “Change Request Register” lacked a rollback plan.</li> <li>The current change management process does not outline urgency or priority for changes raised so there are no time metrics defined in which changes should or need to be completed.</li> </ul>	Director Governance and People			
Further, we noted that changes during the audit period were recorded inconsistently, either in the change request register or in the service desk tool.				

## AUDIT LOG



### Recommendation

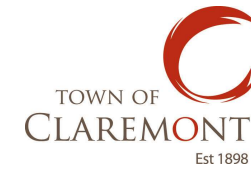
The Town should:

- Review the “Change Request Form - Standard Template” to ensure it includes information regarding the service desk support ticket.
- Define priority categories for changes and establish metrics for the time required to implement a change, ensuring this information is documented within change forms.
- Consistently record changes in the agreed-upon tool and ensure the documentation covers all necessary information, including a rollback plan.

### Risk Rating

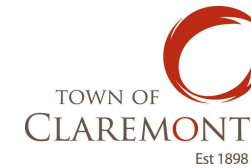
Moderate

## AUDIT LOG



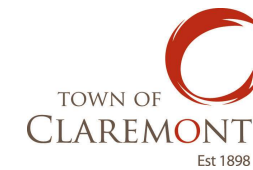
Audit Details	Action	Approved Completion Date	Status	Proposed Completion Date
<b>Office of the Auditor General – IT General Controls 2022/23</b>				
<b>3. Data Loss Prevention Management</b>				
<p><b>Finding</b> We identified that the Town does not have formalised policies, procedures, guidelines or technical controls in place to restrict and manage the use of portable storage devices, cloud storage and sharing platforms.</p>	<p><b>Management Comment</b> The Town accepts these findings. The Town will draft and implement a policy on Data Loss Prevention.</p> <p><b>Responsible Officer</b> Director Governance and People</p>	<p>June 2024</p>	<p>06/03/2024 – policy to be drafted.</p> <p>14/08/2024 – technical controls actioned and completed. One policy remaining.</p>	<p>December 2024</p>
<b>Recommendation</b>				
The Town should:				
<ul style="list-style-type: none"> <li>Define, document, and implement data loss prevention policies, procedures and processes that include cloud storage and transfer services.</li> <li>Investigate and implement appropriate technical controls to restrict access to cloud storage websites, file-sharing platforms, and the use of portable storage devices.</li> </ul>				
<b>Risk Rating</b>				
<p><b>Moderate</b></p>				





## AUDIT LOG

Audit Details	Action	Approved Completion Date	Status	Proposed Completion Date
<b>Office of the Auditor General – IT General Controls 2022/23</b>				
<b>4. Network Active (AD) – Privileged Account Management</b>	<b>Management Comment</b>	June 2024	06/03/2024 – procedure to be updated.	June 2024 <u>Completed</u>
<b>Finding</b>	Although the default domain access is limited to the IT team, the Town accepts these findings.		14/08/2024 – completed.	
We identified that:	<p>The Town has now commenced some of the recommendations. It has undertaken a review of access and changed passwords. It will implement the remaining recommendations.</p> <p>The Town will ensure that passwords are changed more frequently including when IT staff leave and/or every six months (whichever is earlier).</p>			
<ul style="list-style-type: none"> <li>There were no documented reviews of the default domain administrator account to ensure it is only used when essential. As such, the prior year finding (2022) remains unresolved. As per the prior year management comments, the “Access Control Procedure” provides for bi-annual review of the domain admin account (and all other accounts).</li> <li>There were no documented reviews of the password manager conducted during the audit period.</li> <li>We identified that KeePass, the current password manager in use is open source and lacks the capability to log or notify on any activities related to the access of domain account passwords within the password manager application.</li> <li>As per prior year management comments, the “Computer Password Procedure” included periodic reviews of access to the password manager however we could not confirm this was prescribed within the document.</li> <li>The new user forms used for the 2 sampled privileged accounts did not record that they required privileged access.</li> <li>There is no monitoring or review performed of the default domain admin account to ensure it only gets used when essential. This finding was first raised during the June 2022 IT General Controls Audit and remains unresolved in the current period. The Town</li> </ul>	<b>Responsible Officer</b> Director Governance and People			



## AUDIT LOG

has implemented an Access Control Procedure document which provides for bi-annual review of the domain admin account (and all other accounts).

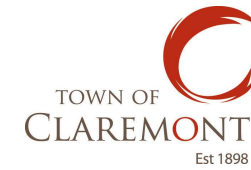
### Recommendation

The Town should:

- Implement a monitoring and review process for the default domain admin account to ensure it has not been used for any unauthorised actions.
- Implement periodic reviews of access to the password manager.
- Establish mitigating controls to ensure that access to the password manager and domain administrator accounts are appropriately secure where logging and monitoring functions are limited.
- Review the provisioning process and ensure all appropriate steps are followed when creating, modifying, or terminating privileged accounts.

### Risk Rating

Moderate



## AUDIT LOG

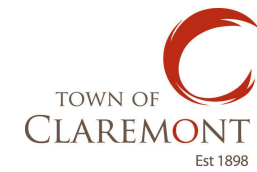
Audit Details	Action	Approved Completion Date	Status	Proposed Completion Date
<b>Office of the Auditor General – IT General Controls 2022/23</b>				
<b>5. Network Active (AD) – User Access Management</b>	<p><b>Management Comment</b> The Town accepts these findings. The Town will implement a policy to monitor account access. This policy will address automated lock out after a set number of days (30 days).</p>	June 2024	<p>06/03/2024 – policy to be updated.</p> <p>14/08/2024 – completed. Procedures have been approved and are being followed.</p>	<p>June 2024</p> <p><u>Completed</u></p>
<p><b>Finding</b> We identified that:</p> <ul style="list-style-type: none"> <li>There are 10 interactives, shared generic accounts in the Network AD (8 which existed in the prior year).</li> <li>10 out of the 83 generic non-interactive Network AD accounts were deemed as not required by management.</li> <li>There is no formal periodic review process in place to verify whether generic or system accounts are still appropriate. This finding was first raised during the June 2022 IT General Controls Audit and remains unresolved in the current period.</li> </ul> <p>It is noted that the Town acknowledges that various shared accounts are in use. The Town understands the potential implications and risks however upon completion of a risk assessment, the Town has determined it is low risk as these accounts have limited access to some workstations and no access to the corporate network. We were unable to determine if there is an established process to conduct regular reviews and monitor the shared accounts.</p>	<p><b>Responsible Officer</b> Director Governance and People</p>			
<p><b>Recommendation</b> The Town should:</p> <ul style="list-style-type: none"> <li>Disable and remove the identified user accounts which are no longer required by the Town.</li> <li>Periodically document and review user access to ensure that all users (including shared and generic accounts) with access to the network are valid and</li> </ul>				

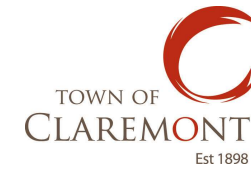
## AUDIT LOG

appropriate. Further, the reviews should include ensuring that users have an appropriate level of access for their current role.

**Risk Rating**

**Moderate**





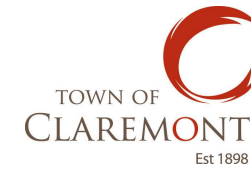
## AUDIT LOG

Audit Details	Action	Approved Completion Date	Status	Proposed Completion Date
<b>Office of the Auditor General – IT General Controls 2022/23</b>				
<b>6. Network Oversight and Firewall Management</b>				
<b>Finding</b>				
We identified that:				
<ul style="list-style-type: none"> <li>• the Town has a draft “Patching and Vulnerability Management Procedure”, however there is no requirement to integrate the patching and vulnerability management process with the Town’s change management procedures.</li> <li>• The following findings were raised in the June 2022 IT General Controls Audit and remains unresolved in the current audit period:                             <ul style="list-style-type: none"> <li>○ The network diagram in place does not have a version number or review date documented.</li> <li>○ There is no formal periodic firewall rule review process in place.</li> </ul> </li> </ul>	<p><b>Management Comment</b>                      The Town accepts these findings. The Town will implement the recommendations with regards to network diagrams and firewall with assistance. This will require additional internal resources or use of external consultants. The Patching and Vulnerability Management Procedure has been approved.</p>	Estimated as December 2024 (subject to budget for additional resources)	<p>06/03/2024 – quotes for firewall and network review received, with budget request for consultants added to the 2023-24 mid-year budget review to be endorsed by Council in late March.</p> <p>14/08/2024 - in progress. Diagrams and procedures have been started.</p>	December 2024
<b>Recommendation</b>				
The Town should:				
<ul style="list-style-type: none"> <li>• Implement a process to document and maintain current network diagrams. These should include a requirement for regular review of the network to determine potential risks, vulnerabilities, and improvements.</li> <li>• Implement formal processes to ensure the regular review, monitoring, and updating of firewall rules.</li> <li>• Ensure that any changes of security software / hardware configurations follow appropriate change management processes.</li> </ul>	<p><b>Responsible Officer</b>                      Director Governance and People</p>			

## AUDIT LOG



**Risk Rating**  
**Moderate**



## AUDIT LOG

Audit Details	Action	Approved Completion Date	Status	Proposed Completion Date
<b>Office of the Auditor General – IT General Controls 2022/23</b>				
<b>7. Vulnerability Management</b>				
<p><b>Finding</b></p> <p>We identified that:</p> <ul style="list-style-type: none"> <li>The Town’s workstations are not monitored for vulnerabilities.</li> <li>The Defender for Cloud and monitoring agent were not enabled or installed for the Azure Arc servers therefore the Defender for Cloud integrated Qualys scanner is not running.</li> <li>The Town uses the Azure Arc dashboard to monitor the operating system (OS) patch updates of the Town’s servers, but this does not extend to workstations.</li> <li>There were no security penetration tests conducted within the audit period, therefore no tests were done within the last 2 years. This finding was first raised during the June 2022 IT General Controls Audit and remains unresolved in the current period. The Town has a signed agreement with CyberCX as of June 2023 to conduct internal network penetration testing which is scheduled for July 2023.</li> </ul>	<p><b>Management Comment</b></p> <p>The Town has a number of policies that address security. The Town will however implement a procedure for security testing and where necessary update existing policies to follow the recommendations. A penetration test was completed in July and August 2023. The Town will work towards resolving vulnerability findings from this test as deemed appropriate. Some findings may require additional resources and budget funding from Council. The Town is committed to a vulnerability assessment or penetration test each financial year.</p>	<p>During the 24/25 financial year for a further vulnerability assessment or penetration test Ongoing (for resolving findings, also subject to additional resources and budget funding)</p>	<p>06/03/2024 – procedure to be drafted. Funding requests noted for 2024-25 budget process.</p> <p>14/08/2024- Funds to undertake a vulnerability assessment has been approved in the 24/25 budget.</p> <p>Procedures have been prepared and will be finalised.</p>	<p>2024/25</p>
<p><b>Recommendation</b></p> <p>The Town should define, document, and implement security testing, updates and vulnerability management policies, processes, and procedures. These should include the requirement for periodic security testing, vulnerability assessments, patch management and processes to mitigate identified security weaknesses or improvements, covering all servers and workstations.</p>	<p><b>Responsible Officer</b> Director Governance and People</p>			

## AUDIT LOG

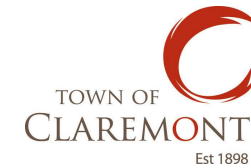


**Risk Rating**

**Moderate**

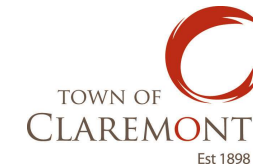


# AUDIT LOG



Audit Details	Action	Approved Completion Date	Status	Proposed Completion Date
<b>Office of the Auditor General – IT General Controls 2022/23</b>				
<b>8. Physical Security and Environmental Management</b>				
<b>Finding</b>	<b>Management Comment</b>	June 2024 for reviews and investigation	<b>06/03/2024 – Physical hazards have been removed from the server room. Procedure to be updated on frequency of review to server room access, and review to be noted in IT Governance quarterly meetings. Funding requests for backup generators and/or additional air-conditioning noted for 2024-25 budget process.</b>	June 2024 <u>Completed</u>
We identified that:	The Town will review access to the server room more frequently and formally document that process. The Town is satisfied that current employees with access is appropriate for business needs. The Town will ensure the server room is free from physical hazards and investigate the cost of backup generators and/or additional air-conditioning. These items will require funding from Council.		14/8- This finding has been completed and is being undertaken on a regular basis.	
<ul style="list-style-type: none"> <li>The Data Centre only has one air conditioner, with no backup in the event of failure or maintenance needs.</li> <li>There were cardboard boxes containing IT supplies in the Data Centre.</li> <li>The rack doors were found disassembled, as IT was working on a task or project.</li> <li>We could not see a documented periodic access review in the audit period which verifies if users with access to the Data Centre is appropriate.</li> <li>There are no backup generators. This finding was first raised during the June 2022 IT General Controls Audit and remains unresolved in the current period. We acknowledge that the Town had responded to disagree that a backup generator is required due to the existing availability of an uninterrupted power supply (UPS) unit, which is considered sufficient for the needs of the Town and the datacentre. Further, it was commented that a backup generator would be cost inefficient for an organisation of this size.</li> <li>We noted there were non-IT employees who had access to the Town’s onsite data centre and there is no periodic access review process in place to ensure only authorised personnel has access to the data centre. This finding was first raised during the June 2022 IT General Controls Audit and remains unresolved in the current period. We acknowledge that the Town had informed us that:</li> </ul>	<b>Responsible Officer</b> Director Governance and People		<ul style="list-style-type: none"> <li><i>Periodically review and validate server room access to ensure access is valid and needed.</i></li> </ul>	
			14/8- The Town believe the current server room meets this requirement.	
			<ul style="list-style-type: none"> <li><i>Implement appropriate environmental measures to protect physical sites and the data centre against environmental threats and damage.</i></li> </ul>	
			The Administration proposes that this finding be marked as completed.	

## AUDIT LOG



- The data centre access is restricted to IT team members (3), a governance team member (1) and the Chief Warden (1) and Deputy Chief Warden/Director of IT (1) which is considered appropriate for the requirements and needs of the Town. The governance team member has limited access to two days per week to access the Council Meeting recordings via the terminal.
- The Town has restricted swipe card access to the data centre which logs entry time and a camera to monitor activity in the data centre, which captures exit time and automatically emails screenshots of personnel movement.
- Some of the non-IT employees may need access to the data centre in case of emergency situations such as a fire.

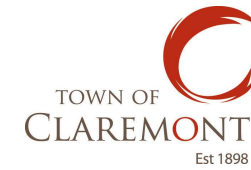
### Recommendation

The Town should:

- Periodically review and validate server room access to ensure access is valid and needed.
- Implement appropriate environmental measures to protect physical sites and the data centre against environmental threats and damage.

### Risk Rating

Moderate



## AUDIT LOG

Audit Details	Action	Approved Completion Date	Status	Proposed Completion Date
<b>Office of the Auditor General – IT General Controls 2022/23</b>				
<b>9. Continuity Management</b>				
<p><b>Finding</b></p> <p>We identified that:</p> <ul style="list-style-type: none"> <li>• There is no policy or procedure in place for disaster recovery and incident response processes.</li> <li>• There has not been any formal backup restoration, disaster recovery testing or training done during the audit period.</li> <li>• The business continuity plan was last reviewed in July 2020 and does not have a next review date defined.</li> </ul> <p>The above findings were first raised in the June 2022 IT General Controls Audit and remain unresolved in the current audit period. The Town has advised that the Disaster Recovery upgrade project in response to RFQ 17-2022 is now underway.</p> <p>Further, we were unable to confirm whether there has been any formal business continuity testing done during the audit period.</p> <p><b>Recommendation</b></p> <p>The Town should:</p> <ul style="list-style-type: none"> <li>• Develop, review, and endorse a policy / procedure / plan for disaster recovery and incident response.</li> <li>• Periodically conduct and document backup restoration testing, disaster recovery testing and business continuity testing.</li> <li>• The Town should conduct regular training to ensure optimisation of Business and IT Continuity and Recovery Plans.</li> </ul>	<p><b>Management Comment</b></p> <p>The Town accepts these findings. The Town will implement these recommendations. This will likely require additional internal resources or use of external consultants.</p> <p><b>Responsible Officer</b></p> <p>Director Governance and People</p>	<p>December 2024 (subject to budget for additional resources)</p>	<p>06/03/2024 – The Town has engaged a consultant to complete a review of the Business Continuity Plan, this is anticipated to be complete before the end of 2023/24.</p> <p>14/08/2024 – Project to review Business Continuity Plan in progress with consultant.</p>	<p>December 2024</p>

## AUDIT LOG



Risk Rating  
Moderate

**6.4 UPDATE ON INSURANCE ACTIVITIES**

**File Number:** GOV/00054  
**Author:** Jessica Guy (Manager Governance and Records)  
**Authoriser:** Liz Ledger (Chief Executive Officer)  
**Attachments:** Nil

**PURPOSE**

To provide the Audit and Risk Management Committee an update with respect to:

- insurance claims made by the Town in the 2023/24 financial year; and
- the Membership Renewal process for the 2024/25 financial year.

**BACKGROUND**

The Town is a member of the Local Government Insurance Scheme (LGIS) which is a mutual indemnity scheme owned by its Western Australian local government members. The scheme operates on a not-for-profit basis with surpluses being returned to members.

The Town holds various policies with LGIS including but not limited to Public Liability, Management Liability, Motor Vehicle, Cyber Protection, Property and Workers’ Compensation.

Insurance claims made by the Town are predominantly under the Motor Vehicle, Property and Public Liability policies. This report provides a summary of insurance claims made under these policies in the financial year 30 June 2024.

Prior to each financial year the Town undertakes a Membership Renewal process with LGIS, the details of the renewal for financial year 2024/25 are also detailed in this report.

**DISCUSSION**

**Insurance Claim Activity**

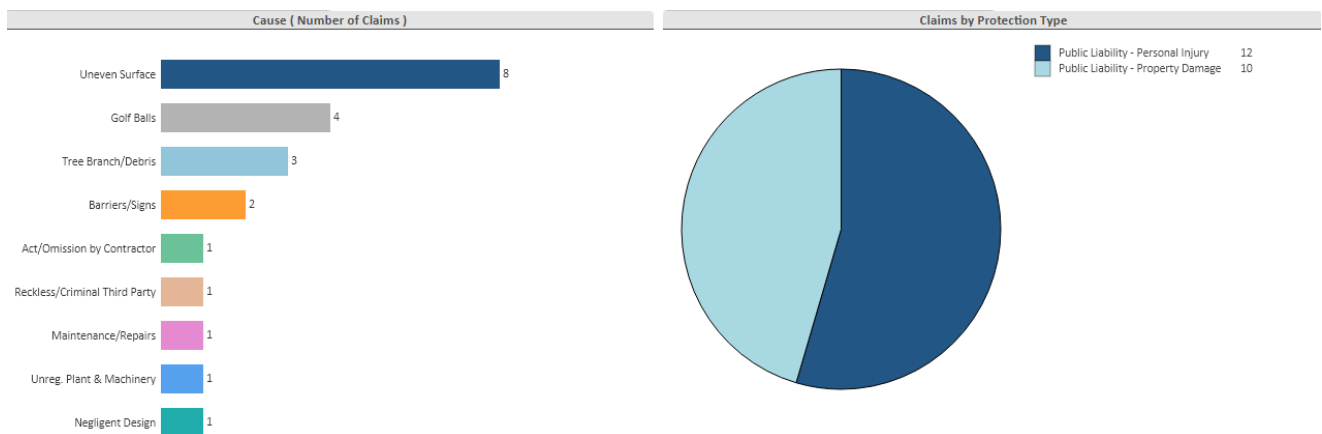
A report on insurance claim activity for the period 1 July 2023 to 31 December 2023 was provided to the Committee at its meeting on 6 March 2024.

The Town’s insurance claim activity for the entire financial year ending 30 June 2024 is detailed below.

Public Liability Claims

22 claims were made under the Town’s Public Liability policy in the financial year.

Of the 22 claims, 10 claims related to third party property damage and 12 claims related to personal injury. Image 1 below provides a specific breakdown of the causes of Public Liability claims.



For 12 of the claims the Town received a formal request for compensation and submitted a claim to LGIS for independent assessment. In all instances LGIS deemed that there was no negligence on the part of the Town and accordingly the Town could not be held liable.

The other 10 claims related to occasions where the Town was notified of an incident that could have led to a claim however, no formal request for compensation was received. Where this occurs, it is standard practice for the Town to notify LGIS of the incident should a request for compensation be received in the future.

Property Claims

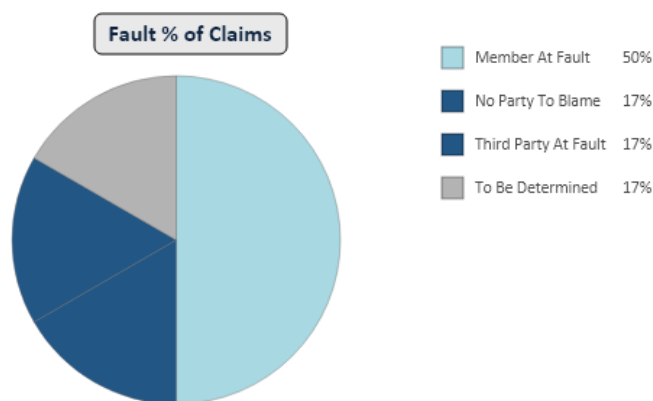
The Town notified LGIS of 4 property damage claims in the reporting period as detailed below:

Property	Damage Sustained	Status
Clare Sculpture	Vandalism	No claim as repairs under excess amount
Claremont Aquatic Centre	Vandalism	No claim as repairs under excess amount
Claremont Golf Course Toilets	Water Damage	No claim as repairs under excess amount
Claremont Aquatic Centre Clubroom	Water Damage	Claim in progress

The applicable excess on claims for damage to the Town’s general property is \$10,000 meaning that a formal claim commences where the value of the damage exceeds this amount. In 3 instances the value of the damage was less than the excess amount and therefore a claim was not pursued.

Motor Vehicle

6 claims were made in the reporting period under the Town’s Motor Vehicle policy. The fault % of these claims is shown below:



5 of the 6 claims have been finalised.

During the financial year the Town arranged defensive driver training for employees who drive Town vehicles. The Town provides this training approximately every 2 years.

Workers’ Compensation

One Workers' Compensation claim was made in the financial year and was formally declined by LGIS. The claim was subsequently settled by LGIS.

### 2024/2025 Membership Renewal

The Town's Membership Renewal process for 2024/2025 was completed in June 2024. The below table provided by LGIS details the contributions for each policy this financial year and the comparative contribution for 2023/24.

Scheme Fund	2023/24 Total Contribution (including GST)	2024/25 Total Contribution (including GST)	Comments
LGIS Liability	\$159,153.52	\$168,702.60	6% increase in contribution
LGIS Casual Hirers Liability	\$0.00	\$0.00	Scheme Funded policy
LGIS Commercial Crime & Cyber	\$14,559.14	\$14,559.60	Expiring rate rolled over
LGIS Management Liability	\$18,561.00	\$18,561.40	Expiring rate rolled over
LGIS Pollution Legal Liability	\$0.00	\$0.00	Scheme Funded Policy
LGIS Property	\$84,958.84	\$84,308.40	-2.5% decrease in rate. Contribution has not been reduced by -2.5% due to declared assets fluctuation.
LGIS Motor Vehicle Fleet	\$25,275.80	\$28,694.60	Expiring rate rolled over Fluctuation in declared assets
LGIS WorkCare	\$105,600.00	\$119,196.00	Increase in rate and estimated wages for 2024/25
LGIS Corporate Travel	\$934.51	\$1,018.60	9% increase applied
LGIS Voluntary Workers	\$558.88	\$609.40	9% increase applied
<b>Total Scheme Membership</b>	<b>\$409,602.74</b>	<b>\$431,193.04</b>	

### PAST RESOLUTIONS

Audit and Risk Management Committee Meeting 6 March 2024, Committee Recommendation 005/24

*That the Audit and Risk Management Committee notes the contents of this report.*

*CARRIED*

### FINANCIAL AND STAFF IMPLICATIONS

An insurance excess is payable on claims made under the Town's property and motor vehicle policies.

Sufficient funds are allocated in the annual budget for insurance premiums and claim excesses.

### POLICY AND STATUTORY IMPLICATIONS

Nil

### COMMUNICATION AND CONSULTATION

The lodgement of public liability insurance claims requires the Governance team to consult with various business units and members of the public.

The Governance Team worked with LGIS staff and internal business units on the renewal process.

#### **STRATEGIC COMMUNITY PLAN**

**Leadership and Governance** *We are an open and accountable local government; a leader in community service standards.*

- Demonstrate a high standard of governance, accountability, management and strategic planning.
- Continually assess our performance and implement initiatives that drive continuous improvement.

#### **URGENCY**

Nil

#### **VOTING REQUIREMENTS**

Simple Majority decision of Committee *(More than half the Committee Members present are required to vote in favour).*

#### **OFFICER RECOMMENDATION**

**That That the Audit and Risk Management Committee notes the contents of this report.**



## 6.5 COUNCIL RESOLUTION TRACKING

<b>File Number:</b>	GOV/00054
<b>Author:</b>	Jessica Guy (Manager Governance and Records)
<b>Authoriser:</b>	Liz Ledger (Chief Executive Officer)
<b>Attachments:</b>	1. Outstanding Council Resolutions Report [6.5.1 - 6 pages] 2. Completed Council Resolutions Report [6.5.2 - 10 pages]

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### PURPOSE

To provide a report to the Audit and Risk Management Committee (**Committee**) on the status of Council resolutions.

### BACKGROUND

Since 2021, a report has been provided to each Committee meeting including a Register of Council Resolutions and their status.

The Town has recently implemented a new Agenda and Minutes software which has significantly automated what was previously a manual process for reporting to the Committee. All previous outstanding actions have been imported to the new system.

After a Council Meeting, Council decisions are assigned to the report author to update whether the associated action is in progress or completed. Outstanding actions associated with Council decisions are reviewed by the Executive Leadership Team in their fortnightly meeting.

Going forward for this reporting to the Committee, two attachments will be provided:

1. Outstanding items report – detailing all outstanding actions.
2. Completed items report – detailing actions completed since the previous quarter's report.

### DISCUSSION

At its meeting on 6 March 2024, the Committee was presented with a report on Council Resolutions made between December 2023 to February 2024 and their status.

Since the last report to the Committee three Ordinary Council Meetings and one Special Council Meeting were held:

- OCM - 26 March 2024
- SCM - 22 April 2024
- OCM - 28 May 2024
- OCM - 25 June 2024

The 30 July 2024 Ordinary Council Meeting and 6 August 2024 Special Council Meeting have not been included in this report due to their proximity to creation of the Agenda for this meeting.

**Attachment 1** is a report detailing the twelve Council Resolutions that are in progress and their status.

**Attachment 2** is a report detailing all Council Resolutions that have been completed from the 25 June 2024 Ordinary Council Meeting, which was the implementation date of Doc Assembler. At future meetings this attachment will include all actioned decisions from the preceding quarter.

### PAST RESOLUTIONS

Audit and Risk Management Committee Meeting 6 March 2024, Recommendation 003/23

*That the Audit and Risk Management Committee notes the contents of this report.*

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CARRIED

**FINANCIAL AND STAFF IMPLICATIONS**

Nil

**POLICY AND STATUTORY IMPLICATIONS**

*Local Government Act 1995*

**COMMUNICATION AND CONSULTATION**

The Register is reviewed fortnightly by the Executive team.

The Governance team presents an updated copy of the Register to the Committee at each Meeting.

**STRATEGIC COMMUNITY PLAN**

**Leadership and Governance** *We are an open and accountable local government; a leader in community service standards.*

- Demonstrate a high standard of governance, accountability, management and strategic planning.
- Continually assess our performance and implement initiatives that drive continuous improvement.

**URGENCY**

Nil

**VOTING REQUIREMENTS**

Simple Majority decision of Committee (*More than half the Committee Members present are required to vote in favour*).

**OFFICER RECOMMENDATION**

**That the Audit and Risk Management Committee notes the contents of this report.**

# Action Register



Search Criteria

**Showing Completed Items:** No

**Generated By:** Jessica Guy

**Generated On:** 05/08/2024 at 3:08pm

Meeting Date	Document	Item No.	Item	Status	Action Required	Action Taken
25/07/2023	Ordinary Council Meeting	17.1.1	Acquisition of 288 Stirling Highway Claremont	In progress	<p><b>COUNCIL RESOLUTION 096/23</b></p> <p>That Council:</p> <ol style="list-style-type: none"> <li>Notes the feedback on the Business Plan for 288 Stirling Highway and the extensive consultation which will inform the Masterplan and future development for this site; and</li> <li>Authorises the obtaining of a loan on the terms set out in this report for the purchase and acquisition of 288 Stirling Highway, Claremont.</li> </ol>	In progress
22/04/2024	Special Council Meeting	8.1.1	Claremont Town Centre Precinct Structure Plan - Amendment 1 - Development Bonus Provisions	In progress	<p><b>RESOLUTION 048/24</b></p> <p>That Council:</p> <p>Resolve, subject to final Western Australian Planning Commission approval of the Claremont Town Centre Precinct Structure Plan, and pursuant to the clauses 18 and 29 of the Planning and Development (Local Planning Schemes) Regulations 2015, to initiate and formally advertise for public comment Amendment No. 1 to the Claremont Town Centre Precinct Structure Plan to include development bonus provisions for 'Gateway' and 'Landmark' sites as detailed in this report and Attachment.</p>	In progress
22/04/2024	Special Council Meeting	11.2.1	CEO Performance Review Working Group	In progress	<p><b>RESOLUTION 059/24</b></p> <p>That Council:</p> <ol style="list-style-type: none"> <li>Supports the establishment of a Working Group for the CEO Performance Review for the period 1 July 2023 to 30 June 2024.</li> <li>Endorses the Terms of Reference for the CEO Performance Review Working Group shown at Confidential Attachment 3 amended to include four Council Members, including the Mayor; and</li> <li>Appoints Mayor Barker, Councillor Suann, Councillor Goetze and Councillor Hatton to the Working Group.</li> </ol>	In progress
28/05/2024	Ordinary Council Meeting	17.1.1	Strategic Project Update - Land	In progress	<p><b>RESOLUTION 074/24</b></p> <p>That Council:</p> <p>Authorise the Chief Executive Officer to continue discussions with the Department of Planning, Lands and Heritage and Department of Communities on the potential to facilitate a land exchange between 288 Stirling Highway Claremont and Lot 11578 Shenton Road Claremont.</p>	In progress
28/05/2024	Ordinary Council Meeting	17.1.2	Strategic Project Update - Leasing	In progress	<p><b>RESOLUTION 075/24</b></p> <p>That Council authorises the Chief Executive Officer to:</p>	<ol style="list-style-type: none"> <li>Completed</li> <li>In progress</li> </ol>

Meeting Date	Document	Item No.	Item	Status	Action Required	Action Taken
					<ol style="list-style-type: none"> <li>1. Prepare a lease for the premises known as the Kindergarten and Infant Health Centre at 282B Stirling Highway, Claremont and Meals on Wheels Building at 288A Stirling Highway, Claremont to Claremont Bright Beginnings Incorporated for a term ending on 30 December 2027 on the terms set out in this report; and</li> <li>2. Seek Ministerial approval to lease the premises (portion of Lot 848 in Reserve 21710).</li> </ol>	
28/05/2024	Ordinary Council Meeting	17.1.4	Claremont Community Centre Café Lease	In progress	<p><b>RESOLUTION 079/24</b></p> <p><b>AMENDED OFFICER RECOMMENDATION WAS PUT</b></p> <p><b>That Council</b></p> <p>Advertises its intention to dispose of zone 2 at 64 Bayview Terrace on the parameters set out in this report, with market rent reviews to align with option years under the lease. If any submissions are received, Council will be provided with a report to consider those submissions. If no submissions are received, the Chief Executive Officer is authorised to have lease documents prepared.</p>	In progress
25/06/2024	Ordinary Council Meeting - 25 June 2024	13 1.2	Review of Council Policies	In progress	<p><b>AMENDED OFFICER RECOMMENDATION WAS PUT</b></p> <p><b>COUNCIL RESOLUTION 88/24</b></p> <p><b>That Council:</b></p> <ol style="list-style-type: none"> <li>1. Revokes Council policy LV115 Private Property Maintenance;</li> <li>2. Adopts reviewed Council policies:                             <ol style="list-style-type: none"> <li>(a) LG507 Entertainment;</li> <li>(b) LG518 Records Management;</li> <li>(c) LG522 Honorary Freeman of the Town;</li> <li>(d) LG523 Executing of Documents</li> <li>(e) LG528 Gifts to Terminating Employees;</li> <li>(f) LG530 Bank Account;</li> <li>(g) LG533 Complaints Management as amended;</li> <li>(h) LG535 Legislative Compliance;</li> <li>(i) LG536 Public Interest Disclosure;</li> <li>(j) LG540 Council Member Training and Continuing Professional Development;</li> <li>(k) LG542 Council Members Media Policy;</li> <li>(l) LG543 Equal Opportunity;</li> <li>(m) LG544 Work Health and Safety Policy; and</li> </ol> </li> </ol>	<p>Policies updated on website.</p> <p>LG527 Fleet Management to be presented to Council at a future meeting.</p>

Meeting Date	Document	Item No.	Item	Status	Action Required	Action Taken
					<p>(n) LV108 Rights of Ways/Laneways;</p> <p>3. Adopts Council Policy LG547 Payments to Independent Committee Members.</p> <p>4. The Administration include in Council Policy LG547 Fleet Management the Fleet Management Guidelines and resubmit the Policy to Council for consideration and approval.</p> <p>For: Mayor Jock Barker, Deputy Mayor Cr Paul Kelly, Cr Graham Cameron, Cr Shelley Hatton, Cr Kate Main, Cr Jill Goetze, Cr Sara Franklyn and Cr Ryan Brown</p> <p>Against: Nil</p> <p style="text-align: right;">CARRIED BY ABSOLUTE MAJORITY 8/0</p>	
25/06/2024	Ordinary Council Meeting - 25 June 2024	13 2.1	Finalisation of Local Planning Strategy	In progress	<p><b>COUNCIL RESOLUTION 92/24</b></p> <p>Moved: Cr Jill Goetze</p> <p>Seconded: Cr Shelley Hatton</p> <p>That Council:</p> <p>1. Refer the Certified Town of Claremont Local Planning Strategy to the Western Australian Planning Commission for endorsement inclusive of requested modifications within 60 days as prescribed under Regulation 15 of the <i>Planning and Development (Local Planning Schemes) Regulations 2015</i>.</p> <p>2. Request the Minister for Planning, Lands and Heritage to finalise Amendment No. 138 to Local Planning Scheme No. 3 given the significant advanced work undertaken by the Town to advertise and support the Certified Town of Claremont Local Planning Strategy for final endorsement by the Western Australian Planning Commission with modification requested at 1 above to address balanced residential growth within the Town of Claremont consistent with the Urban Consolidation Principles contained within the Western Australian Planning Commission’s 2018 Central Sub-regional Planning Framework.</p> <p>For: Mayor Jock Barker, Deputy Mayor Cr Paul Kelly, Cr Graham Cameron, Cr Shelley Hatton, Cr Kate Main, Cr Jill Goetze, Cr Sara Franklyn and Cr Ryan Brown</p> <p>Against: Nil</p> <p style="text-align: right;">CARRIED 8/0</p>	Awaiting external response

Meeting Date	Document	Item No.	Item	Status	Action Required	Action Taken
25/06/2024	Ordinary Council Meeting - 25 June 2024	15.1	Cr Kelly - Traffic Impact Study following Occupancy of 1 Airlie Street, Claremont (The Grove)	In progress	<p><b>COUNCIL RESOLUTION 99/24</b></p> <p><b>Moved:</b> Deputy Mayor Cr Paul Kelly</p> <p><b>Seconded:</b> Cr Jill Goetze</p> <p><b>That following occupancy of 1 Airlie Street, known as The Grove, the Town of Claremont undertake a comprehensive traffic study assessing the vehicular movement impacts and recommending any traffic management improvements. The area of the study to include Airlie Street, Bindaring Parade, Osborne Parade, Anstey Street and Richardson Avenue.</b></p> <p><b>For:</b> Mayor Jock Barker, Deputy Mayor Cr Paul Kelly, Cr Graham Cameron, Cr Shelley Hatton, Cr Kate Main, Cr Jill Goetze, Cr Sara Franklyn and Cr Ryan Brown</p> <p><b>Against:</b> Nil</p> <p style="text-align: right;"><b>CARRIED 8/0</b></p>	In progress
25/06/2024	Ordinary Council Meeting - 25 June 2024	17 1.2	Strategic Project Update - Facilities	In progress	<p><b>COUNCIL RESOLUTION 102/24</b></p> <p><b>Moved:</b> Cr Ryan Brown</p> <p><b>Seconded:</b> Cr Jill Goetze</p> <p><b>That Council acknowledges the Implementation Plan as outlined in this report.</b></p> <p><b>For:</b> Mayor Jock Barker, Deputy Mayor Cr Paul Kelly, Cr Graham Cameron, Cr Kate Main, Cr Jill Goetze, Cr Sara Franklyn and Cr Ryan Brown</p> <p><b>Against:</b> Cr Shelley Hatton</p> <p style="text-align: right;"><b>CARRIED 7/1</b></p>	In progress
25/06/2024	Ordinary Council Meeting - 25 June 2024	17 1.3	Review of Service Provision	In progress	<p><b>COUNCIL RESOLUTION 103/24</b></p> <p><b>Moved:</b> Cr Jill Goetze</p> <p><b>Seconded:</b> Cr Sara Franklyn</p> <p><b>That Council</b></p> <ol style="list-style-type: none"> <li><b>1. Supports the recommended night patrol service provision as outlined in this report; and</b></li> <li><b>2. Requests the CEO to provide a future report on the outcomes and present future</b></li> </ol>	In progress

Meeting Date	Document	Item No.	Item	Status	Action Required	Action Taken
					<p>options.</p> <p><b>For:</b> Mayor Jock Barker, Deputy Mayor Cr Paul Kelly, Cr Graham Cameron, Cr Shelley Hatton, Cr Kate Main, Cr Jill Goetze, Cr Sara Franklyn and Cr Ryan Brown</p> <p><b>Against:</b> Nil</p> <p style="text-align: right;"><b>CARRIED 8/0</b></p>	
25/06/2024	Ordinary Council Meeting - 25 June 2024	17 1.4	Lease for Golf Course and Cafe	In progress	<p><b>COUNCIL RESOLUTION 104/24</b></p> <p><b>That Council:</b></p> <ol style="list-style-type: none"> <li>1. Consents to the proposal submitted by Golf Oracle Pty Ltd to extend the building at 30 Lapsley Road, Claremont, subject to Ministerial approval and approval under the MRS.</li> <li>2. Authorises the Chief Executive Officer to vary the Lease with Golf Oracle Pty Ltd for 30 Lapsley Road, Claremont on the terms set out in this report.</li> </ol> <p><b>For:</b> Mayor Jock Barker, Deputy Mayor Cr Paul Kelly, Cr Graham Cameron, Cr Shelley Hatton, Cr Kate Main, Cr Jill Goetze, Cr Sara Franklyn and Cr Ryan Brown</p> <p><b>Against:</b> Nil</p> <p style="text-align: right;"><b>CARRIED 8/0</b></p>	In progress



# Action Register



## Search Criteria

**Showing Completed Items:** Yes - Completed Actions Only

## Applied Filters

**Date Completed Range:** 24th Jun 2024 to 6th Aug 2024

**Generated By:** Jessica Guy

**Generated On:** 06/08/2024 at 4:33pm

Meeting Date	Document	Item No.	Item	Status	Action Required
25/06/2024	Ordinary Council Meeting - 25 June 2024	13 1.1	Corporate Business Plan 2024-2025 to 2028-2029	Completed	<p><b>COUNCIL RESOLUTION 85/24</b></p> <p><b>Moved:</b> Cr Jill Goetze</p> <p><b>Seconded:</b> Cr Kate Main</p> <p><b>That Council adopt the Town of Claremont Corporate Business Plan 2024 - 2027 as shown in Attachment 1.</b></p> <p><b>For:</b> Mayor Jock Barker, Deputy Mayor Cr Paul Kelly, Cr Graham Cameron, Cr Shelley Hatton, Cr Kate Main, Cr Jill Goetze, Cr Sara Franklyn and Cr Ryan Brown</p> <p><b>Against:</b> Nil</p> <p style="text-align: right;"><b>CARRIED BY ABSOLUTE MAJORITY 8/0</b></p>
25/06/2024	Ordinary Council Meeting - 25 June 2024	13 1.3	Monthly Statement of Financial Activity for the Period ended 31 May 2024	Completed	<p><b>COUNCIL RESOLUTION 89/24</b></p> <p><b>Moved:</b> Deputy Mayor Cr Paul Kelly</p> <p><b>Seconded:</b> Cr Sara Franklyn</p> <p><b>That Council:</b></p> <p><b>1. Notes the Statement of Financial Activity covering the period 1 July 2023 to 31 May 2024.</b></p> <p><b>For:</b> Mayor Jock Barker, Deputy Mayor Cr Paul Kelly, Cr Graham Cameron, Cr Shelley Hatton, Cr Kate Main, Cr Jill Goetze, Cr Sara Franklyn and Cr Ryan Brown</p> <p><b>Against:</b> Nil</p> <p style="text-align: right;"><b>CARRIED 8/0</b></p>

Meeting Date	Document	Item No.	Item	Status	Action Required																		
25/06/2024	Ordinary Council Meeting - 25 June 2024	13 1.4	List of Payments 1 to 31 May 2024	Completed	<p><b>COUNCIL RESOLUTION 90/24</b></p> <table border="1"> <tr> <td><b>Moved:</b></td> <td>Deputy Mayor Cr Paul Kelly</td> </tr> <tr> <td><b>Seconded:</b></td> <td>Cr Sara Franklyn</td> </tr> </table> <p>That Council notes all payments made by the Chief Executive Officer under Delegation DA 2.1.5 for May 2024 totalling \$2,134,513.00, as detailed in Attachment 1 comprising:</p> <table border="1"> <tr> <td>\$ 2,054,479.34</td> <td>Municipal Funds electronic funds transfers (EFT)</td> </tr> <tr> <td>\$ 80,033.66</td> <td>Municipal Funds direct debits</td> </tr> <tr> <td>\$ -</td> <td>Municipal Fund vouchers</td> </tr> <tr> <td>\$ -</td> <td>Trust Fund EFT</td> </tr> <tr> <td>\$ -</td> <td>Trust Fund vouchers (none)</td> </tr> </table> <table border="1"> <tr> <td><b>For:</b></td> <td>Mayor Jock Barker, Deputy Mayor Cr Paul Kelly, Cr Graham Cameron, Cr Shelley Hatton, Cr Kate Main, Cr Jill Goetze, Cr Sara Franklyn and Cr Ryan Brown</td> </tr> <tr> <td><b>Against:</b></td> <td>Nil</td> </tr> </table> <p style="text-align: right;"><b>CARRIED 8/0</b></p>	<b>Moved:</b>	Deputy Mayor Cr Paul Kelly	<b>Seconded:</b>	Cr Sara Franklyn	\$ 2,054,479.34	Municipal Funds electronic funds transfers (EFT)	\$ 80,033.66	Municipal Funds direct debits	\$ -	Municipal Fund vouchers	\$ -	Trust Fund EFT	\$ -	Trust Fund vouchers (none)	<b>For:</b>	Mayor Jock Barker, Deputy Mayor Cr Paul Kelly, Cr Graham Cameron, Cr Shelley Hatton, Cr Kate Main, Cr Jill Goetze, Cr Sara Franklyn and Cr Ryan Brown	<b>Against:</b>	Nil
<b>Moved:</b>	Deputy Mayor Cr Paul Kelly																						
<b>Seconded:</b>	Cr Sara Franklyn																						
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\$ 80,033.66	Municipal Funds direct debits																						
\$ -	Municipal Fund vouchers																						
\$ -	Trust Fund EFT																						
\$ -	Trust Fund vouchers (none)																						
<b>For:</b>	Mayor Jock Barker, Deputy Mayor Cr Paul Kelly, Cr Graham Cameron, Cr Shelley Hatton, Cr Kate Main, Cr Jill Goetze, Cr Sara Franklyn and Cr Ryan Brown																						
<b>Against:</b>	Nil																						
25/06/2024	Ordinary Council Meeting - 25 June 2024	13 1.5	Draft 2024-25 Budget	Completed	<p><b>COUNCIL RESOLUTION 91/24</b></p> <table border="1"> <tr> <td><b>Moved:</b></td> <td>Cr Jill Goetze</td> </tr> <tr> <td><b>Seconded:</b></td> <td>Deputy Mayor Cr Paul Kelly</td> </tr> </table> <p><b>That Council:</b></p>	<b>Moved:</b>	Cr Jill Goetze	<b>Seconded:</b>	Deputy Mayor Cr Paul Kelly														
<b>Moved:</b>	Cr Jill Goetze																						
<b>Seconded:</b>	Deputy Mayor Cr Paul Kelly																						

Meeting Date	Document	Item No.	Item	Status	Action Required
					<p>1. Notes that there will be a General Rate and a Commercial Rate for 2024/2025.</p> <p>2. Requests the Chief Executive Officer to commence the process and to advertise the differential rate as required under Section 6.36 of the <i>Local Government Act 1995</i>.</p> <p>3. Endorse advertising of its draft 2024-25 Budget for public comment.</p> <p>For: Mayor Jock Barker, Deputy Mayor Cr Paul Kelly, Cr Graham Cameron, Cr Shelley Hatton, Cr Kate Main, Cr Jill Goetze, Cr Sara Franklyn and Cr Ryan Brown</p> <p>Against: Nil</p> <p style="text-align: right;">CARRIED 8/0</p>
25/06/2024	Ordinary Council Meeting - 25 June 2024	13 2.2	Lot 512 (2) Shenton Road, Claremont - Proposed Medical Centre	Completed	<p><b>AMENDED OFFICER RECOMMENDATION WAS PUT</b></p> <p><b>COUNCIL RESOLUTION 94/24</b></p> <p>That Council recommend the Western Australian Planning Commission support the issue of a Development Approval for a proposed Medical Centre at Lot 512 (2) Shenton Road, Claremont subject to the following conditions and advice notes:</p> <p>1. All development shall occur in accordance with the approved drawings (Development Application DA2024.00031), as amended by these conditions.</p> <p>2. The parking area is to service 60% (39) public short term parking with unrestricted daytime access and 40% (26) tenant parking in accordance with the requirements of the North East Precinct Structure Plan to the satisfaction of the Town of Claremont.</p> <p>3. A Construction and Site Management Plan detailing access to the site, the delivery and storage of materials and the parking of tradespersons is to be approved by the Town of Claremont prior</p>

Meeting Date	Document	Item No.	Item	Status	Action Required
					<p>to the issue of a Building Permit and implemented for the duration of construction.</p> <p>4. Prior to the lodgement of a Building Permit, the details of external materials and colour finishes of the development are to be to a standard such that it complies with the requirements of Clauses 76 and 77 of the Town of Claremont Local Planning Scheme No. 3, to the satisfaction of the Town of Claremont.</p> <p>5. Prior to the lodgement of a Building Permit, a detailed lightning plan is to be provided to the specification and satisfaction of the Town of Claremont. The lighting plan is to be thereafter implemented, to the satisfaction of the Town of Claremont.</p> <p>6. Prior to the lodgement of a Building Permit, a detailed mechanical and hydraulic plan is to be provided to the specification and satisfaction of the Town of Claremont.</p> <p>7. A Signage Strategy is to be submitted to and approved by the Town of Claremont prior to the issue of a Building Permit. A copy of the Signage Strategy is to be provided to all commercial tenants.</p> <p>8. All stormwater discharge shall be contained and disposed of on site and vehicle access designed in such a manner as to prevent storm water entering the property or discharging externally from the property, to the satisfaction of the Town of Claremont.</p> <p>9. The plan is to be amended to include details of the proposed aluminium infill panels to be added to the northern façade of the north-facing car parking prior to or with the lodgement of a Building Permit.</p> <p>10. The dimensions of all car parking bays, aisle widths and circulation areas complying with the Australian Standard AS/NZS 2890.1/2004.</p> <p>11. Prior to an application for a Building Permit an updated detailed noise assessment shall be submitted to the satisfaction of the Town of Claremont.</p>

Meeting Date	Document	Item No.	Item	Status	Action Required
					<p>12. For the life of the development the recommendations of the Acoustic Report are to be implemented to the satisfaction of the Town of Claremont.</p> <p>13. Prior to the application of a Building Permit, submission of an updated Public Art Strategy relating to the provision of public art to the value of \$200,000 for the consideration and approval of the Town of Claremont.</p> <p>14. Prior to completion of development the Landscape Plan is to be implemented and thereafter maintained to the satisfaction of the Town of Claremont.</p> <p>15. The development is to provide a minimum of 52 cycle bays, of which 36 are to be provided for tenants and 15 for visitors and 1 for the associated pharmacy in accordance with the requirements of the North East Precinct Structure Plan to the satisfaction of the Town of Claremont.</p> <p>Advice Notes:</p> <p>(a) If the development the subject of this approval is not substantially commenced within a period of 2 years, the approval will lapse and be of no further effect.</p> <p>(b) Where an approval has so lapsed, no development must be carried out without the further approval of the local government having first been sought and obtained.</p> <p>(c) If an applicant or owner is aggrieved by this determination there is right of review by the State Administrative Tribunal in accordance with the <i>Planning and Development Act 2005</i> Part 14. An application must be made within 28 Days of the determination.</p> <p>(d) This is a Development Approval only and a Building Permit must be obtained from the Local Government prior to the commencement of any building works. Permits for non-residential development must be Certified prior to submission.</p>

Meeting Date	Document	Item No.	Item	Status	Action Required
					<p>(e) A Demolition Permit may be required from the Town’s Building Services prior to commencement of any demolition works. The Town accepts Certified and Uncertified Demolition Permits.</p> <p>(f) This property is included on the Town of Claremont’s Heritage List and/or the Heritage Council of Western Australia’s Register of Heritage Places. Any future alteration to the building or development on the land requires Development Approval and the application may be referred to the Heritage Council.</p> <p>(g) The WAPC is advised that the Town does not support the proposed conversion of three parking bays on the north side of the site along Shenton Road into drop-off and pick-up bays for the proposed development.</p> <p>(h) The applicant is required to submit a Crossover Application Form with or prior to application for a Building Permit. Refer to the Town of Claremont website (Infrastructure) for standards and specifications, and to download the Crossover Application Form.</p> <p>(i) The applicant/owner is advised to liaise with the adjoining landowners where trees, vegetation, dividing fences or other structures may be affected due to work on or near the property boundaries.</p> <p>(j) The applicant/owner is advised of the following requirements from the Town’s Health Services. Should any advice be unclear, please contact the Town’s Health Services on 9285 4300:</p> <ul style="list-style-type: none"> <li>a) The applicant/owner is advised that the Town’s waste services does not extend to commercial waste and medical waste collections.</li> <li>b) All plant and machinery (such as air conditioners and pool pumps) must be suitably located and/or sound proofed to comply with the requirements of the <i>Environmental Protection (Noise) Regulations 1997</i>.</li> <li>c) Under the <i>Environmental Protection (Noise) Regulations 1997</i>, no construction work is to be permitted or suffered to be carried out:</li> </ul>

Meeting Date	Document	Item No.	Item	Status	Action Required
					<p style="text-align: right;">i. Before 7.00am or after 7.00pm Monday to Saturday inclusive; or</p> <p style="text-align: right;">ii. On a Sunday or on a public holiday.</p> <p>d) The applicant is required to remove any hazardous materials encountered during construction/demolition at their own expense and in accordance with the <i>Code of Practice on Safe Removal of Asbestos [NOHSC: 2002(2005)]</i> as stipulated by the <i>Occupational Health and Safety Regulations 1996</i> and disposed of in accordance with the <i>Health (Asbestos) Regulations 1992</i> and the <i>Environmental Protection (Controlled Waste) Regulations 2004</i>.</p> <p>For: Mayor Jock Barker, Deputy Mayor Cr Paul Kelly, Cr Graham Cameron, Cr Shelley Hatton, Cr Kate Main, Cr Jill Goetze, Cr Sara Franklyn and Cr Ryan Brown</p> <p>Against: Nil</p> <p style="text-align: right;">CARRIED 8/0</p>
25/06/2024	Ordinary Council Meeting - 25 June 2024	13 2.4	Roadwise Council	Completed	<p><b>COUNCIL RESOLUTION 97/24</b></p> <p>Moved: Cr Sara Franklyn</p> <p>Seconded: Deputy Mayor Cr Paul Kelly</p> <p>That:</p> <ol style="list-style-type: none"> <li>1. Council accept WALGA’s invitation to register as a RoadWise Council;</li> <li>2. Council nominates two Officers and one Elected Member to represent the Town on the WALGA RoadWise Council, being:</li> </ol>



Meeting Date	Document	Item No.	Item	Status	Action Required
					<p>(a) Director Infrastructure</p> <p>(b) Manager Assets &amp; Design</p> <p>(c) Chair (Elected Member) of the Traffic Management Working Group.</p> <p>For: Mayor Jock Barker, Deputy Mayor Cr Paul Kelly, Cr Graham Cameron, Cr Shelley Hatton, Cr Kate Main, Cr Jill Goetze, Cr Sara Franklyn and Cr Ryan Brown</p> <p>Against: Nil</p> <p style="text-align: right;">CARRIED 8/0</p>
25/06/2024	Ordinary Council Meeting - 25 June 2024	13 3.1	Lake Claremont Management Plan 2024-2029	Completed	<p><b>COUNCIL RESOLUTION 98/24</b></p> <p>Moved: Cr Sara Franklyn</p> <p>Seconded: Deputy Mayor Cr Paul Kelly</p> <p>That Council adopt the Lake Claremont Management Plan 2024-2029.</p> <p>For: Mayor Jock Barker, Deputy Mayor Cr Paul Kelly, Cr Graham Cameron, Cr Shelley Hatton, Cr Kate Main, Cr Jill Goetze, Cr Sara Franklyn and Cr Ryan Brown</p> <p>Against: Nil</p> <p style="text-align: right;">CARRIED 8/0</p>

Meeting Date	Document	Item No.	Item	Status	Action Required
25/06/2024	Ordinary Council Meeting - 25 June 2024	16.1.1	RFT 02-2024: Traffic Management Services	Completed	<p><b>COUNCIL RESOLUTION 101/24</b></p> <p>Moved: Deputy Mayor Cr Paul Kelly</p> <p>Seconded: Cr Jill Goetze</p> <p>That Council accepts, subject to the execution of relevant contract documentation, the appointment of both Contraflow and QTM Pty Ltd on a panel arrangement for the supply of Traffic Management Services for the Town of Claremont, for up to a maximum period of three years in accordance with RFT 02-2024.</p> <p>For: Mayor Jock Barker, Deputy Mayor Cr Paul Kelly, Cr Graham Cameron, Cr Shelley Hatton, Cr Kate Main, Cr Jill Goetze, Cr Sara Franklyn and Cr Ryan Brown</p> <p>Against: Nil</p> <p style="text-align: right;">CARRIED 8/0</p>

**7 OTHER BUSINESS**

**8 NEW BUSINESS OF AN URGENT NATURE APPROVED BY THE PRESIDING PERSON OR BY DECISION OF MEETING**

**9 FUTURE MEETINGS OF COMMITTEE**

To be advised.

**10 DECLARATION OF CLOSURE OF MEETING**