



**City of
Kalgoorlie
Boulder**

MINUTES

(unconfirmed)

of the

Audit and Risk Committee Meeting

held at 10:00 AM

on

13 JUNE 2024

at the

Administration Building

Nature of Council's Role in Decision-Making

Advocacy:	When Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
Executive Strategic:	The substantial direction setting and oversight role of the Council, e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.
Legislative:	Includes adopting local law, town planning schemes and policies.
Review:	When Council reviews decisions made by officers.
Quasi-Judicial:	<p>When Council determines an application/matter that directly affects a person's rights and interests. The Judicial character arises from the obligations to abide by the principles of natural justice.</p> <p>Examples of Quasi-Judicial authority include town planning applications, building licenses, applications for other permits/licenses (e.g. under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</p>

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Audit and Risk Committee Members

Independent Member Natasha Holderness

Mayor Glenn Wilson

Deputy Mayor Kirsty Dellar

Cr Terrence Winner

Cr Wayne Johnson

Cr Kyran O'Donnell

Cr Nardia Turner

1 DECLARATION OF OPENING

The Chairperson declared the meeting open at 10:00 AM welcoming those present.

2 RECORD OF ATTENDANCE

2.1 Attendance

In Attendance:

Mayor Glenn Wilson
Deputy Mayor Kirsty Dellar
Cr Nardia Turner
Independent Member Natasha Holderness

Members of Staff:

Andrew Brien	Chief Executive Officer
Alex Wiese	Director Development and Growth
Mia Hicks	Director Community Development
Lui Camporeale	Director Engineering
Glenda Abraham	Director Corporate and Commercial
Casey Radford	Acting Executive Manager Finance
Paul Barrett	Executive Manager People & Culture
Frances Liston	Executive Manager Governance and Risk Services (Attended via Teams)
Evelyn Addison	Governance Officer

Visitors:

Nil

2.2 Apologies

Apologies - Elected Members:

Cr Wayne Johnson
Cr Terrence Winner
Cr Kyran O'Donnell (No apology)

Apologies - Members of Staff:

Executive Manager Finance - Xandra Curnock

Leave of Absence:

Nil

3 PRESENTATIONS

Mikey Fiorucci from the Office of the Auditor General (OAG) and Carina Becker from Grant Thornton presented on the Audit Planning Report for the City of Kalgoorlie Boulder.

4 DECLARATIONS OF MEMBERS' AND OFFICERS' INTEREST**4.1 Interest Affecting Impartiality City of Kalgoorlie-Boulder Code of Conduct**

Natasha Holderness declared an impartiality interest on item 7.1.3 Overdue Debtors Report as at 30 April 2024, as she is the president of a debtor.

4.2 Financial Interest Local Government Act Section 5.60A

Mayor Glenn Wilson declared a financial interest on item 7.1.3 Overdue Debtors Report as at 30 April 2024, as he is an Honorary member of a debtor.

Deputy Mayor Kirsty Dellar declared a financial interest on item 7.1.3 Overdue Debtors Report as at 30 April 2024, as her husband is a member of a debtor.

Cr Nardia Turner declared a financial interest on item 7.1.3 Overdue Debtors Report as at 30 April 2024, as her husband is a member of two debtors.

4.3 Proximity Interest Local Government Act Section 5.60B

Nil

5 CONFIRMATION OF MINUTES

COMMITTEE RECOMMENDATION

Moved By: Cr Nardia Turner

Seconded By: Deputy Mayor Kirsty Dellar

That the minutes of the Audit and Risk Committee Meeting held on 15 March 2024 be confirmed as a true record of that meeting.

CARRIED
(4 / 0)

6 URGENT BUSINESS

Nil

7 REPORTS OF OFFICERS

7.1 Chief Executive Officer

7.1.1 Purchasing Policy Exemptions January to March 2024

Responsible Officer:	Xandra Curnock Executive Manager Finance
Responsible Business Unit:	Finance
Disclosure of Interest:	Nil
Voting Requirements:	Simple
Nature of Council's Role in Decision-Making:	Review
Attachments:	Nil

SUMMARY STATEMENT

The Committee is asked to receive and note purchases made by the City that were exempted from the requirements of the Purchasing Policy during the period 1 January 2024 to 31 March 2024.

REPORT

This report provides the Audit and Risk Committee information in relation to purchase orders that have been deemed exempt as per the City's Purchasing Policy, which outlines the requirements and decision-making process for each policy threshold. The following table represents the codes of exemption:

Reason for Exemption	Example of Purchase
EN1 – Monopoly / Oligopoly / Government Department	Utilities, Telephone Charges, Licenses and Vehicle Registrations, Loan Repayments. Payments to other Government Entities (in accordance with Local Government (Finance and Governance) Regulation 11 (e))
EN2 – Specialised Supplier	Consultant services (specialized only and approved by CEO, including legal services)
EN3 – Procurement decision made	Software subscriptions, software licences, Insurance, Lease or Contract agreements, Any supply that forms part

	of a tender that has been adopted by Council
EN4 – transfers not part of a procurement decision	Trust Payments, Reimbursements
EN5 – Council decision	Payment of Grant Funds, Third Party Grants (under agreement)
EN6 – Strategic decision	Entertainers, Arts and Culture Show Purchases, Exhibitions, Public Art, Specialised Programs
EN7 – Only specialised local supplier	Specialised local contractors with an understanding of the unique conditions within the Goldfields. Evidence must be given to satisfy that this supplier is the only local supplier
EN8 – Sole Supplier	Only one within Australia
Common Use Arrangements	Exemptions need to be included under the LG Regulations (F+G) A11 (2) e.

January 2024

The total value of spending exempt from the City's Purchasing Policy was \$6,405,754 for the month of January 2024.

The value of exemptions by category is:

Exemption Category	Value
EN1. Monopoly/Oligopoly/Government department	\$132,372
EN2. Specialised supplier	\$5,894.90
EN3. Procurement decision made	\$3,887,321.66
EN5. Council decision	\$2,054,200.71
EN6. Strategic decision	\$116,330.01
EN7. Only Specialised local supplier	\$136,197.40
EN8. Sole Supplier	\$73,437.10

February 2024

The total value of spending exempt from the City's Purchasing Policy was \$4,006,040 for the month of February 2024.

The value of exemptions by category is:

Exemption Category	Value
EN1. Monopoly/Oligopoly/Government department	\$117,721.20
EN2. Specialised supplier	\$284,626.08
EN3. Procurement decision made	\$3,204,938.38
EN5. Council decision	\$216,418.50

EN6. Strategic decision	\$80,378.30
EN7. Only Specialised local supplier	\$101,958.10

March 2024

The total value of spending exempt from the City's Purchasing Policy was \$5,300,977 for the month of March 2024.

The value of exemptions by category is:

Exemption Category	Value
EN1. Monopoly/Oligopoly/Government department	\$1,501,453.50
EN2. Specialised supplier	\$62,471.79
EN3. Procurement decision made	\$3,115,559.38
EN5. Council decision	\$418,550.00
EN6. Strategic decision	\$125,426.00
EN7. Only Specialised local supplier	\$30,183.18
EN8. Sole Supplier	\$47,333.12

COMMUNITY ENGAGEMENT CONSULTATION

No community consultation was considered necessary in relation to the recommendations of the report.

BUDGET IMPLICATIONS

There are no financial implications resulting from the recommendations of this report.

STATUTORY IMPLICATIONS

In accordance with Local Government (Financial Management) Regulations 1996 r5(1)(e) the CEO is to ensure efficient systems and procedures are established for proper authorisation for the incurring of liabilities and the making of payments.

POLICY IMPLICATIONS

There are no policy implications resulting from the recommendations of this report.

COMMUNITY STRATEGIC PLAN LINKS

This report links to the Strategic Community Plan through the following Guiding Theme/s:

CAPABLE: We are continuing to undertake the appropriate risk management and assessment strategies.

OFFICER/ COMMITTEE RECOMMENDATION**Moved By: Deputy Mayor Kirsty Dellar****Seconded By: Cr Nardia Turner**

That the Committee recommend Council receive the summary of purchases made by the City that were exempted from the requirements of the Purchasing Policy for the period 1 January – 31 March 2024.

**CARRIED
(4 / 0)**

7.1.2 Tenders Awarded under Delegation January to March 2024

Responsible Officer:	Xandra Curnock Executive Manager Finance
Responsible Business Unit:	Finance
Disclosure of Interest:	Nil
Voting Requirements:	Simple
Nature of Council's Role in Decision-Making:	Review
Attachments:	Nil

SUMMARY STATEMENT

The Committee is asked to receive the summary of tenders awarded under delegated authority given to the Chief Executive Officer (and sub-delegated to authorised officers) during the period 1 January – 31 March 2024.

REPORT

On 30 October 2023, Council adopted a register of delegated authority which formally authorises the CEO to undertake a number of functions and responsibilities, including sub-delegation of some of those authorisations. These delegations include:

1. 1.1.16: Tenders for Goods and Services – Accepting and Rejecting Tenders; Varying Tendered Contracts; Exercising Tendered Contract Extension Options; and
2. 1.1.17: Tenders for Goods and Services – Exempt Procurement as per the City's delegation register.

This report provides oversight to the Audit and Risk Committee on the execution of those delegations during the period 1 January – 31 March 2024.

Delegation 1.1.16: Tenders for Goods and Services – Accepting and Rejecting Tenders; Varying Tendered Contracts; Exercising Tendered Contract Extension Options

The CEO is authorised to accept the tender that is most advantageous to the City within the \$1,000,000 limit, provided the conditions of the delegation have been met.

No tenders were accepted by the CEO under the conditions of delegation 1.1.16 during the period 1 January – 31 March 2024.

Delegation 1.1.17: Tenders for Goods and Services - Exempt Procurement

The following table is extracted from the City's delegated authority register and sets out thresholds for the operation of delegation 1.1.17.

Category	Maximum Value for individual contracts
WALGA Preferred Supplier Program [F&G.r.11(2)(b)]	\$750,000
Goods or services obtained through the Government of the State or Commonwealth or any of its agencies, or by a local government or regional local government [F&G.r.11(2)(e)]	\$750,000
Goods or services that are determined to be unique so that there is more than one supplier in accordance with delegation condition (b.) specified below [F&G.r.(2)(f)]	\$250,000
Supply of petrol, oil or any other liquid or gas used for internal combustion engines [F&G.r.11(2)(g)]	\$1,500,000
Goods or services supplied by a person registered on the Aboriginal Business Directory WA OR Indigenous Minority Supplier Office Limited (T/as Supply Nation) AND where satisfied that F&G.r.11(2)(h)(ii) the contract represents value for money. [F&G.r.11(2)(h)]	< \$250,000
Goods or services supplied by an Australian Disability Enterprise [F&G.r.11(2)(i)]	\$250,000

No tenders were accepted under the conditions of delegation 1.1.17 during the period 1 January – 31 March 2024.

COMMUNITY ENGAGEMENT CONSULTATION

No community consultation was considered necessary in relation to the recommendations of the report.

BUDGET IMPLICATIONS

There are no financial implications resulting from the recommendations of this report.

STATUTORY IMPLICATIONS

All tenders awarded met the requirements of Regulations 11A – 24J of the *Local Government (Functions and General) Regulations 1996* and S3.57 of the *Local Government Act 1995*.

POLICY IMPLICATIONS

There are no policy implications resulting from the recommendations of this report.

COMMUNITY STRATEGIC PLAN LINKS

This report links to the Strategic Community Plan through the following Guiding Theme/s:

CAPABLE: We are continuing to undertake the appropriate risk management and assessment strategies.

OFFICER/ COMMITTEE RECOMMENDATION**Moved By: Deputy Mayor Kirsty Dellar****Seconded By: Natasha Holderness**

That the Committee request Council to accept the report showing tenders awarded under CEO delegation during the period 1 January - 31 March 2024, noting that there were no tenders accepted.

**CARRIED
(4 / 0)**

7.1.3 Overdue Debtors Report as at 30 April 2024

Mayor Glenn Wilson left the room at 10:17 AM.

Deputy Mayor Kirsty Dellar left the room at 10:17 AM.

Cr Nardia Turner left the room at 10:17 AM.

Responsible Officer:	Xandra Curnock Executive Manager Finance
Responsible Business Unit:	Finance
Disclosure of Interest:	Natasha Holderness – Impartiality Interest Mayor Glenn Wilson – Financial Interest Deputy Mayor Kirsty Dellar – Financial Interest Cr Nardia Turner - Financial Interest
Voting Requirements:	Simple
Nature of Council’s Role in Decision-Making:	Review
Attachments:	1. CONFIDENTIAL - Overdue debtors report April 2024 [7.1.3.1 - 1 page]

SUMMARY STATEMENT

The Committee is asked to receive the Overdue Debtors Report, reporting details of overdue debts as at 30 April 2024, and identifying those where the amount owing is over 90 days with total debt exceeding \$10,000.

REPORT

This report provides the Audit and Risk Committee the following information in relation to overdue debtors:

- The amount of total debt outstanding for the period aged from current to over 90 days overdue with a comparison to the same period for the previous year;
- All records of the used of delegated authority, to waive or write off debts valued at \$1,000 or above;
- A confidential report containing the individual debtor information in relation to the outstanding debts exceeding 90 days with a combined value of debt, by debtor, exceeding \$10,000; and
- The Debtor Day Ratio, being the average number of days taken for the City to receive payment from its customers for invoices issued to them.

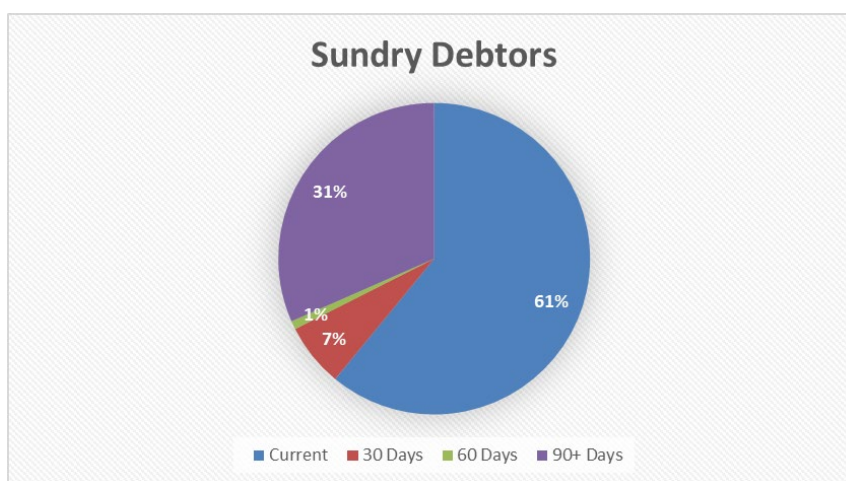
Confidential Attachment 1 sets out the names of debtors and specific details of relevant debt, which are redacted within this report to protect the City’s legal rights and recognise commercial sensitivity.

Debts Outstanding

The total debts outstanding as at 30 April 2024 was \$5,101,502. A breakdown of aged debt for the current period compared to prior period is tabled below.

Period Ending	Current	30 Days	60 Days	90+ Days	Total
July 23 -Apr 24	61%	7%	1%	32%	100%
	\$ 3,109,621.26	\$ 336,278.70	\$ 44,587.95	\$1,611,013.88	\$ 5,101,501.79
July 22 - Apr 23	76%	4%	1%	19%	100%
	\$ 4,917,998.51	\$ 231,484.04	\$ 86,112.97	\$1,216,275.89	\$ 6,451,871.41
Period Ending	Current	30 Days	60 Days	90+ Days	Total
Apr-24	61%	7%	1%	32%	100%
	\$ 3,109,621.26	\$ 336,278.70	\$ 44,587.95	\$1,611,013.88	\$ 5,101,501.79
Jun-23	75%	8%	1%	16%	100%
	\$ 6,726,268.95	\$ 742,044.94	\$ 51,507.27	\$1,413,726.07	\$ 8,933,547.23

The graph below shows the aged debt balances as at 30 April 2024.



Compared to the amount of debt outstanding at 30 April 2023:

- The total value of debts has decreased to \$5,101,502 from \$6,451,871; Total outstanding debt over 90 days has increased to \$1,611,014 at the end of 30 April 2024 from previous reporting period of \$1,216,276; and
- The number of overdue debtors over 90 days, and above the total debt reporting threshold of \$10,000, has increased from 10 to 17.

The City, as directed by the CEO, intends to commence legal proceedings and/or collection actions against Debtor B to collect on the outstanding debt of \$182,004.47. Meetings have been held between both parties and Debtor B has refused to pay the 2023/24 new fees and charges rate approved by council at the 22 May 2023 Ordinary Council Meeting and has continued to pay the 2022/23 rate on all invoices sent to them up prior to February 2024. Invoices raised in March, April and May remain unpaid, with their last payment made on the 26th of March 2024 of \$7,453.68.

The City continues to engage a third-party collection agency to assist with the collection of debt from Debtor C (\$63,400.45) and Debtor D (\$32,136.14) as attempts to recover the debts internally have been unsuccessful. Internal recovery action consisted of reminder letters, phone calls with promises to review for payment, and letters of demand, prior to engaging the agency. Current advice from the agent is that collection actions are still ongoing for both debts.

In addition, the City has been actively pursuing a debt owed by Debtor R currently totalling \$2,552.76, which is under the limit of \$10,000. The City has been in active debt recovery on an ongoing basis with this Debtor for seasonal bookings. Recovery actions have included multiple mutually agreed upon payment plans which have not been adhered to, requests for payment via phone call and letters of demand. The last payment made by Debtor R was for \$2,474.63 on the 20th of February 2024. The City, as directed by the CEO, intends to commence external collection action and suspend this debtor from booking City facilities until the debt is paid and will require all future facility bookings to be paid in advance. This is not usual procedure for the booking of City facilities, but as this debtor uses facilities on a regular basis without settling their account it is deemed appropriate impose this condition on their current and future bookings.

Debts Written Off

The 30 June 2023 financial statements include a bad debt provision of \$220,882.03 based on Expected Credit Loss (ECL) calculation.

A debt of \$13,432.80 has been incurred by Debtor G relating to an October 2022 invoice. This commercial lease was taken over by a commercial leasing agent from Debtor G, another commercial leasing agent, in Nov 2022 and neither party is assisting further with the recovery of this debt from last financial year, despite multiple attempts. It is recommended to write this outstanding amount off including calculated interest of \$79.82 incurred in May 24, totaling \$13,512.62. This amount is above the CEO's delegation to write off, being a general debt of over \$5,000.

Debtor Day Ratio

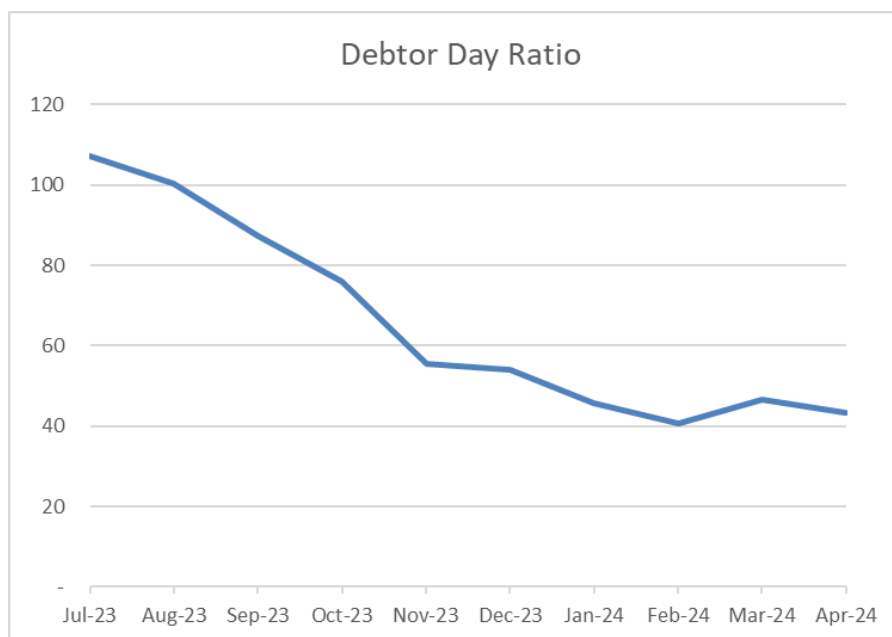
The Debtor day ratio measures how quickly cash is being collected from debtors.

The longer it takes for an organisation to collect, the greater the number of debtor days.

The calculation of the ratio considers the total amount outstanding at the end of the period divided by the total amount invoiced to that period for the financial year. This is then multiplied by the total number of days from 1 July to the end of the period.

As at 30 April 2024, the Debtor Day Ratio was 43.37, a decrease from the July 23 ratio of 107.22.

The graph below shows debtor days for the current financial year.



COMMUNITY ENGAGEMENT CONSULTATION

No community consultation was considered necessary in relation to the recommendations of the report.

BUDGET IMPLICATIONS

There are no financial implications resulting from the recommendations of this report.

STATUTORY IMPLICATIONS

Section 6.12 (1) (c) of the *Local Government Act 1995* provides authority for Council to write off outstanding monies.

In accordance with section 5.42 and 5.44 of the *Local Government Act 1995* the following delegated authority applies:

The CEO has delegated authority under the Chief Executive Officer Delegation Register to write-off rate debts under \$5,000 and sundry debtor's debts under \$25,000. Any amount above this must be referred to Council for a determination.

POLICY IMPLICATIONS

There are no policy implications resulting from the recommendations of this report.

COMMUNITY STRATEGIC PLAN LINKS

This report links to the Strategic Community Plan through the following Guiding Theme/s:

CAPABLE: We will have the resources to contribute to our community and economy.

OFFICER/ COMMITTEE RECOMMENDATION

That the Committee recommend to Council to:

1. Receive the Overdue Debtors Report, reporting details of overdue debts as at 30 April 2024, and note the status of various overdue debts owed to the City;
2. Approve the write-off of debt incurred by Debtor G of \$13,512.62; and
3. Endorse the CEO's intended actions in relations to Debtor B, and Debtor R.

Due to the disclosed financial interest of Mayor Glenn Wilson, Deputy Mayor Kirsty Dellar and Cr Nardia Turner which precluded them from voting, quorum could not be achieved in relation to this matter. As a result, this matter has been referred to the Ordinary Council Meeting on 24 June 2024.

Mayor Glenn Wilson returned to the room at 10:18 AM.

Deputy Mayor Kirsty Dellar returned to the room at 10:18 AM.

Cr Nardia Turner returned to the room at 10:18 AM.

7.1.4 Reserves at 30 June 2024

Responsible Officer:	Xandra Curnock Executive Manager Finance
Responsible Business Unit:	Finance
Disclosure of Interest:	Nil
Voting Requirements:	Simple
Nature of Council's Role in Decision-Making:	Executive Strategic
Attachments:	1. CONFIDENTIAL - Reserves 2024 [7.1.4.1 - 1 page]

SUMMARY STATEMENT

The report has been prepared to provide the Audit and Risk Committee and Council with an update of the estimated closing position of cash backed reserves based on actual activities during the 2024 financial year.

REPORT

The estimated closing cash back reserve position is noted below within the attachment, Cash Backed Reserves. This shows an estimate closing reserve cash position of \$36,366,360. This is \$16,459,942 higher when compared to an original budgeted closing position of \$19,906,418.

The main reason for this increase in closing cash being a reduction in capital spend during the FY2024 year. One being the Golf Course Resort coming in at \$9.5m less than budget due to delays, partially offset by a (\$3.0m) contribution to the Basketball Association, leaving the Future Projects Reserve \$6.5m higher than originally budgeted.

Oasis reserve is \$3.3m higher than budgeted wholly due to saving in reduced building works capital spend.

The closing position of the Sewerage reserve is \$3.1m higher than budgeted due to delays in Sewer renewal works of \$2.5m, and increased depreciation on budgeted estimations of \$0.6m.

Aerodrome reserve is \$1.4m higher than budgeted due to less capex spend during the financial year than budgeted.

Plant reserve is \$1.1m higher due to lower than budgeted capex spend.

The Town Hall reserve is \$0.3m higher due to delay in works on the air conditioning within Kalgoorlie Town Hall.

The Leave reserve is \$0.3m higher due to a proposed transfer to this reserve to account for the increase in the long service leave provision.

Cash back reserves are linked to specific projects or commitments. These are noted within the below table.

	Name of reserve account	Purpose of the reserve account
	Restricted by legislation/ agreement	
(a)	Public Open Space Reserve	To comply with Planning and Development Act, section 154.

	Name of reserve account	Purpose of the reserve account
	Restricted by council	
(b)	Leave Reserve	To fund payments to staff for accrued leave and / or budgeted leave.
(c)	Plant Reserve	To fund the City's ten year (10) Plant Replacement Program.
(d)	Building Reserve	To fund building projects and major structural repairs to existing assets.
(e)	Computer Facilities Reserve	To fund Information Technology projects.
(f)	Sewerage Construction Reserve	To provide for the ongoing construction and future replacement of sewerage lines and any other relevant initiatives.
(g)	Recreation Reserve	To be utilised for future reserves, ovals, or any other recreational projects Council deems necessary.
(h)	Parking Facilities Reserve	To provide for the future parking needs of the City.
(i)	Oasis Reserve	To improve the Goldfields Oasis.
(j)	Aerodrome Reserve	To facilitate the replacement of assets to subsidise operations, items not included in the Airport Movement Reserve.
(k)	Valuations Equalisation Reserve	To provide for revaluation expenses, every four (4) years.
(l)	Insurance Equalisation Reserve	To provide for any Workers Compensation expenses.
(m)	Town Halls Refurbishment Reserve	To provide for future maintenance, refurbishment, heritage development of the Kalgoorlie and Boulder Town Halls.
(n)	Waste Initiatives Reserve	To develop and introduce alternatives or modified waste collection treatment and disposal options.
(o)	Airport and City Promotions Reserve	To promote the City of Kalgoorlie-Boulder and the Kalgoorlie-Boulder Airport.
(p)	Future Projects Reserve	To fund future projects that Council supports as a desired outcome for the overall Community.

The attachment within this report accounts for estimated interest to be received on reserve funds invested in term deposits. Interest is estimated to total \$978,100. Any interest received over and above this figure will be transferred to municipal funds.

COMMUNITY ENGAGEMENT CONSULTATION

No community consultation was considered necessary in relation to the recommendations of the report.

BUDGET IMPLICATIONS

There are no financial implications resulting from the recommendations of this report.

STATUTORY IMPLICATIONS

There are no statutory implications resulting from the recommendations of this report.

POLICY IMPLICATIONS

There are no policy implications resulting from the recommendations of this report.

COMMUNITY STRATEGIC PLAN LINKS

This report links to the Strategic Community Plan through the following Guiding Theme/s:

CAPABLE: We will have the resources to contribute to our community and economy.

OFFICER/ COMMITTEE RECOMMENDATION

Moved By: Natasha Holderness
Seconded By: Cr Nardia Turner

That the Committee recommend Council:

1. Notes the estimated reserve position; and
2. Authorise the CEO to make the proposed reserve transfers and interest components at 30 June 2024.

CARRIED
(4 / 0)

7.1.5 Infringement Review 2024

Responsible Officer:	Casey Radford Finance Manager
Responsible Business Unit:	Finance
Disclosure of Interest:	Nil
Voting Requirements:	Simple
Nature of Council's Role in Decision-Making:	Review
Attachments:	<ol style="list-style-type: none"> 1. CONFIDENTIAL - Quarter 2 23-24 - Recommend FER Write Off Report [7.1.5.1 - 5 pages] 2. CONFIDENTIAL - Quarter 3 23-24 - Recommend FER Write Off Report [7.1.5.2 - 4 pages]

SUMMARY STATEMENT

This report is prepared to advise the Audit and Risk Committee and Council of the report received by the Fines Enforcement Registry (FER) regarding infringement cases that are not considered recoverable for the financial year to date.

REPORT

The FER prepares quarterly reports to the City outlining a list of cases that it has reviewed and considers unrecoverable. In most cases, if an infringement has been with the FER for four years and has not been able to be recovered in that time, it is listed as non-enforceable. Other reasons may include the death of an offender, or the offender has been incarcerated.

These reports are attached and are presented as information only. The relevant infringements will be removed from the City's infringement management system on the advice of FER. They are not captured as debts in the City's accounting system and therefore are not listed for write off by Council.

Over the next 6 months, City officers will conduct a review of the historical database that holds infringement information, with the intent to clean up the historical data to ensure only current and enforceable infringements are held in our systems. A report on this review will be provided to the Audit and Risk Committee on completion.

COMMUNITY ENGAGEMENT CONSULTATION

No community consultation was considered necessary in relation to the recommendations of the report.

BUDGET IMPLICATIONS

There are no financial implications resulting from the recommendations of this report.

STATUTORY IMPLICATIONS

There are no statutory implications resulting from the recommendations of this report.

POLICY IMPLICATIONS

There are no policy implications resulting from the recommendations of this report.

COMMUNITY STRATEGIC PLAN LINKS

This report links to the Strategic Community Plan through the following Guiding Theme/s:

CAPABLE: We will have the resources to contribute to our community and economy.

OFFICER/ COMMITTEE RECOMMENDATION

Moved By: Deputy Mayor Kirsty Dellar

Seconded By: Cr Nardia Turner

That the Committee receive the list of infringements that are no longer recoverable as deemed by the Fines Enforcement Registry for the 23/24 year to date.

CARRIED
(4 / 0)

7.1.6 Risk Management

Responsible Officer:	Andrew Brien Chief Executive Officer Frances Liston Executive Manager Governance and Risk Services
Responsible Business Unit:	Office of the CEO Governance
Disclosure of Interest:	Nil
Voting Requirements:	Simple
Nature of Council's Role in Decision-Making:	Legislative
Attachments:	<ol style="list-style-type: none"> 1. CONFIDENTIAL - Risk Management Framework [7.1.6.1 - 16 pages] 2. CONFIDENTIAL - Risk Management Policy [7.1.6.2 - 3 pages] 3. CONFIDENTIAL - Risk Management Procedure [7.1.6.3 - 15 pages] 4. CONFIDENTIAL - Risk Management Strategy [7.1.6.4 - 27 pages] 5. CONFIDENTIAL - Risk appetite statement [7.1.6.5 - 1 page] 6. CONFIDENTIAL - Risk Tolerance Position [7.1.6.6 - 3 pages] 7. CONFIDENTIAL - Risk register (WIP) [7.1.6.7 - 7 pages]

SUMMARY STATEMENT

The Audit and Risk Committee is asked to receive the update in relation to the City's risk management processes and adopt the amended Risk Management Policy and Risk Management Framework.

REPORT

Status update

The City has recently decided to change the software platform for organisation risk management and officers have been developing the following corporate documents:

1. Risk Management Framework;
2. Risk Management Strategy; and
3. Risk Management Procedure.

In recent years, the City has had challenges in respect of its administration of risk management including:

1. Lack of corporate documentation to support staff in their responsibilities; and

2. Risk management platform that was not broadly accessible for all staff.

The attached suite of documentation and the move to Pulse to manage enterprise risk have been critical developments for the City's administration team.

The Governance team have nearly completed the development of the risk management module in Pulse and anticipate this being launched for organisation use by the end of June at the latest.

The platform has been built with updated risk assessment content but will require all controls to be developed by business units and entered into the system by those units over the coming months. This will be supported by the Governance team. Once the risk register is updated entirely and controls are entered, the Pulse system enables different "tasks" in terms of implementation of controls to be delegated to officers who will then have systematic reminders to action, and report, on how they have completed those tasks to implement controls. The system also has a range of reporting capabilities to improve oversight of how risk is being managed.

The Governance team have had meetings with each of the City's managers to start discussions on how risk will be managed moving forward with the requirements under the various documents attached and new software platform. The first step will be establishing "risk" as a standing item in monthly meetings within each business unit to ensure there is an open discussion which includes the views and feedback of all officers. As a first step, this will achieve a shift from senior management undertaking "desktop" reviews of the risk register and will be a shift towards all City employees understanding organisational risks and identifying and implementing controls.

Risk Management Framework

The Risk Management Framework is attached to this report (attachment 1).

This document sets out the broad framework under which risk is managed, including setting out risk principles and the broad risk management process of:

1. Assess risk through:
 - a. Identification;
 - b. Analysis;
 - c. Evaluation; and
 - d. Treatment;and
2. Manage risk through:
 - a. Communication and consultation;
 - b. Understanding scope, context and criteria;
 - c. Monitoring and review; and
 - d. Recording and reporting.

The framework establishes the criteria for assessment of risk (likelihood and consequence) and creates an updated risk matrix tool. It also defines criteria for evaluating the effectiveness of controls/treatments in mitigating risk.

Council is asked to adopt this document as it is a strategic corporate document.

Risk Management Policy

The Audit and Risk Committee is asked to adopt the updated Risk Management Policy (see attachment 2).

Risk Management Procedure

The draft Risk Management Procedure is attached for the information of the Audit and Risk Committee (attachment 3). This will be finalised once the development of the software program has been completed to support all City officers in their risk management practices.

This is an internal operational document that will be endorsed by the Chief Executive Officer (CEO) and does not require endorsement or adoption by the Audit and Risk Committee or Council.

Risk Management Strategy

The draft Risk Management Strategy is attached for the information of the Audit and Risk Committee (attachment 4). There are three components of this document:

1. Action plan for rolling out a change in risk management practices and development of a more focussed risk management culture across the whole of the organisation;
2. Council's determination of its Risk Appetite and Risk Tolerance; and
3. Identification of focus areas needing specific risk management plans.

The Audit and Risk Committee is asked to note the proposed Risk Management Strategy which will be finalised and endorsed by the CEO.

Council's Risk Appetite Statement (see attachment 5) and Risk Tolerance Position (see attachment 6) will need to be determined by resolution of Council and will be discussed with Council at an upcoming workshop.

Risk Register

As part of the requirements to develop the Pulse risk management module the City's risk register content has been updated. These updates include:

1. Update of information including in particular expansion of information regarding "risk causes" and "risk consequences"; and
2. Addition of new risks.

This register is not yet complete but the excel version of that is provided as a work in progress (attachment 7) by way of information and update to the Committee. The Executive Leadership Team is currently working through updates to the initial, residual and target risk ratings as well as finalising the draft content. It is anticipated that the completed register will be provided at the September Audit and Risk Committee as a Pulse software report rather than spreadsheet.

Next steps

The next steps for the Governance team are as follows:

1. Complete the Pulse build and make that "live" (anticipated to be by end of June);
2. Finalise Risk Management Procedure with relevant "how to" guides for use of Pulse;
3. Distribute all finalised risk management documentation across organisation;
4. Attend business unit meetings over the next six months to assist with risk focussed discussions and ongoing data entry into Pulse; and
5. Develop Area Specific Risk Management Plans and work with relevant teams to incorporate relevant processes and templates.

COMMUNITY ENGAGEMENT CONSULTATION

No community consultation was considered necessary in relation to the recommendations of the report.

BUDGET IMPLICATIONS

There are no financial implications resulting from the recommendations of this report.

STATUTORY IMPLICATIONS

There are no statutory implications resulting from the recommendations of this report.

POLICY IMPLICATIONS

There are no policy implications resulting from the recommendations of this report, noting that the City's Risk Management Policy will be amended as set out herein.

COMMUNITY STRATEGIC PLAN LINKS

This report links to the Strategic Community Plan through the following Guiding Theme/s:

EMPOWERED: We ensure considered decision making based on collaborative, transparent and accountable leadership.

OFFICER/ COMMITTEE RECOMMENDATION

Moved By: Cr Nardia Turner
Seconded By: Deputy Mayor Kirsty Dellar

That the Committee:

1. Receive the updates set out in this report;
2. Adopt the Risk Management Policy as attached to this report;
3. Adopt the Risk Management Framework; and
4. Note the draft Risk Management Procedure, draft Risk Management Strategy, Risk Appetite Statement, Risk Tolerance Position and draft Risk Register.

CARRIED
(4 / 0)

7.1.7 LGIS Workplace Health and Safety audit - internal audit project update

Responsible Officer:	Andrew Brien Chief Executive Officer Frances Liston Executive Manager Governance and Risk Services Paul Barrett Executive Manager People and Culture
Responsible Business Unit:	Office of the CEO Governance People & Culture
Disclosure of Interest:	Nil
Voting Requirements:	Simple
Nature of Council's Role in Decision-Making:	Review
Attachments:	1. CONFIDENTIAL - LGIS Action Plan Audit Risk Committee update June 2023 [7.1.7.1 - 10 pages]

SUMMARY STATEMENT

The Committee is asked to receive this report which provides an update on the City's progress in relation to its internal audit project relating to Workplace Health and Safety systems. This project is aligned with the audit being conducted by the City's insurer, the Local Government Insurance Scheme (LGIS).

REPORT***Background***

On 15 March 2024 the Audit and Risk Committee endorsed a recommendation to Council (then endorsed by Council on 25 March 2024) as follows:

That the Committee recommend that Council endorse:

1. *The proposal to delay commencement of the 2023/24 internal audit plan projects (Trading Undertaking and Land Transaction Contract Review and Approval and Information Systems and Cyber Security); and*
2. *The development of an internal audit project plan for 2024/25 to include WHS Systems, Pool Inspection and Compliance and Asset Management Framework;*
3. *Request the CEO to obtain quotes for external review of the City's contract management systems (with initial focus areas being the process for entry into contracts, record keeping, contract oversight and execution of contracts).*

In relation to Workplace Health and Safety systems, in March 2024 it was noted:

The City's insurer, the Local Government Insurance Scheme (LGIS), intends to run a complimentary assessment of the City's WHS systems at no cost to the City.

This is an area that was already earmarked for internal review, and the opportunity to engage with LGIS in relation to this is welcomed. LGIS have met with People and Culture staff members and have allocated an assessor for the City.

The review by LGIS is anticipated to take place between 12 – 15 August 2024, and will include site visits, documentation review and interviews.

Once completed the LGIS will provide the City with recommendations and can assist with the development of an action plan if required.

This review will pick up processes and systems for employees as well as contractors.

The purpose of this report is to provide an update in relation to the status of the City's internal audit project in relation Workplace Health and Safety systems, and next steps in relation to that.

Current status

The LGIS "3 Steps to Safety audit" is a complimentary safety audit conducted once every three years. It is a structured approach designed to enhance workplace safety at the City. The audit follows a structured methodology aimed at evaluating the City of Kalgoorlie-Boulder's Work health and Safety (WHS) systems and processes. The audit comprises of several key steps:

1. Document Review;
2. Site Visits; and
3. Interviews

Once these steps have been completed, LGIS will provide a report to the City setting out findings and recommendations which will be developed into action items.

Attachment 1 provides an update on the City's preparation for the LGIS Audit, including action items that the City will continue to work through. The project is generally meeting expected milestones, with Site Visits and Interviews scheduled for August 2024.

COMMUNITY ENGAGEMENT CONSULTATION

No community consultation was considered necessary in relation to the recommendations of the report.

BUDGET IMPLICATIONS

There are no financial implications resulting from the recommendations of this report.

STATUTORY IMPLICATIONS

There are no statutory implications arising from this report.

POLICY IMPLICATIONS

There are no policy implications arising from this report

COMMUNITY STRATEGIC PLAN LINKS

This report links to the Strategic Community Plan through the following Guiding Theme/s:

SAFE: We will be safe and free from harm and crime.

EMPOWERED: We ensure considered decision making based on collaborative, transparent and accountable leadership.

OFFICER/ COMMITTEE RECOMMENDATION

Moved By: Deputy Mayor Kirsty Dellar

Seconded By: Cr Nardia Turner

That the Committee recommend Council receive the update in relation to the City's internal audit project in relation to Workplace Health and Safety systems.

CARRIED
(4 / 0)

7.1.8 Asset Management Framework - internal audit project update

Responsible Officer:	Andrew Brien Chief Executive Officer Frances Liston Executive Manager Governance and Risk Services Lui Camporeale Director of Engineering
Responsible Business Unit:	Office of the CEO Governance Engineering
Disclosure of Interest:	Nil
Voting Requirements:	Simple
Nature of Council's Role in Decision-Making:	Review
Attachments:	Nil

SUMMARY STATEMENT

The Committee is asked to receive this update on the City's progress in relation to its internal audit project relating to the City's Asset Management Framework.

REPORT

Background

On 15 March 2024 the Audit and Risk Committee endorsed a recommendation to Council (then endorsed by Council on 25 March 2024) as follows:

That the Committee recommend that Council endorse:

1. *The proposal to delay commencement of the 2023/24 internal audit plan projects (Trading Undertaking and Land Transaction Contract Review and Approval and Information Systems and Cyber Security); and*
2. *The development of an internal audit project plan for 2024/25 to include WHS Systems, Pool Inspection and Compliance and Asset Management Framework;*
3. *Request the CEO to obtain quotes for external review of the City's contract management systems (with initial focus areas being the process for entry into contracts, record keeping, contract oversight and execution of contracts).*

In relation to the Asset Management Framework project, in March 2024 it was noted:

The City has recently employed a new Coordinator Asset Management who has a wealth of knowledge and experience in this space. City officers have been working on the development of an action plan for the preparation of a new Asset Management Framework which has included prioritisation of assets, policy review and identification of system needs including an appropriate IT platform.

It is expected that this review will be more of an ongoing update to the Audit and Risk Committee as to the progress of this project, rather than an audit.

The purpose of this report is to provide an update in relation to the status of the City's Asset Management Framework project, and next steps in relation to that.

Background and current status

It has been some time since the City had dedicated asset management staff – the current Coordinator Asset Management (CAM) commenced his role in November 2023 with the team of predecessors having finished in about 2017. Since that time, individual officers had been tasked with asset management tasks with varying success. As a result, the CAM has identified several deficiencies in the City's asset management systems including in respect of resources, workflows and procedures, policies, consistency across the organisation and staff knowledge.

On 26 June 2023, Council adopted a Strategic Asset Management Plan as part of the Engineering document package, which has been utilised by the Engineering business unit and the CAM in work to date.

The City does not have a current Asset Management Framework or any other documentation that supports the organisation-wide management of City assets.

Purpose of Asset Management Framework

An Asset Management Framework is a set of critical strategic documents that supports local government functions by supporting long term planning, management and sustainable service delivery. It provides consistency and clarity to utility systems, enabling the collection of valuable data to drive decision-making and empower utilities to maintain consistent, adequate service levels to meet consumer demand. The AMF consists of the following documents and systems:

- The City's Governance Framework document;
- The Asset Management Policy;
- The Strategic Assessment Management Plan; and
- All relevant policies and procedures that are related to assets (from procurement to maintenance to disposal).

The City's Asset Management Policy requires the following to be implemented:

- Consistent strategies across all departments of the City;
- Ensuring compliance with all legislative and regulatory requirements;
- Considering political, social and economic environments when employing asset management strategies;
- Ensuring asset planning and management has ongoing direct links to annual budgeting, long term financial planning and reporting processes;
- Making decisions for asset management based on service delivery needs, lifecycle of the asset, and assessment of the benefits and risks of the asset;
- Completing systematic and regular reviews of all assets and information reporting; and
- Ensuring Council members and staff with financial and asset responsibilities are appropriately briefed and trained in relevant financial management principles, practices and processes.

Asset management is an organisation's series of coordinated activities to realise the full value of assets in delivering service delivery objectives. It is an integrated process, bringing together skills, expertise, and activities of people, with information

about a community's physical assets and finances, so that informed decisions can be made, supporting sustainable service delivery.

The framework should form part of the suite of integrated planning documentation and enterprise systems. It informs (in particular):

- Long Term Financial Plan;
- Workforce Plan;
- Corporate Business Plan;
- Determination of operational priorities; and
- CAPEX and OPEX budget.

The City's assets include:

- Infrastructure
 - Roads
 - Pathways (Footpath, Multi use, Cycle path)
 - Drainage (incl. Stormwater)
 - Laneways
 - Parking
 - Street Lighting
 - Parks, Gardens and Reserves
 - Sporting Facilities
- Waste Management
 - Sewerage
 - Effluent
 - Landfill
- Airport
- Golf Course
- Oasis
- Property
 - Land - Freehold
 - Land - vested in and under the control of the City
 - Buildings - Specialised
 - Buildings - not-specialised
 - Buildings - historical
- Plant & Equipment
 - Major Plant & Equipment
 - Light Vehicles
 - Other Plant & Equipment
 - Leased Major Plant & Equipment
 - Leased Light Vehicles
 - Leased Other Plant & Equipment
- Furniture & Equipment
 - Office furniture
 - Computers and IT equipment
 - Other Furniture and equipment
 - Leased Office furniture
 - Leased Computers and IT equipment
 - Leased Other Furniture and equipment

Each of the items within these categories must be identified, valued, a service level defined and have a determined plan and budget allocation for maintenance and inevitable renewal.

Current identification of City assets

Currently the City's assets are identified and valued in the City's finance operating system, aligned with the Finance department's requirements. It should be noted that the Finance department needs and use of this information differs historically from that of best Asset Management practices – this means that although the City has the benefit of financial information being available, it is not necessarily readily usable for the City's asset management activities. In addition, the finance system does include information for any assets valued at less than \$5,000.

Development of Asset Management Framework

City officers will develop an Asset Management Framework for presentation to Council in due course, and a supporting internal Strategic Asset Management Plan.

The critical first steps to support the development of this framework are:

- Identify and implement an appropriate Enterprise Asset Management software program for all asset management purposes integrating and capturing all Asset Management related functions;
- Ensure sufficient allocation of staff and other resources to the Asset Management team;
- Streamline the currently used 25 asset classes to approximately 8 industry standard classes that are aligned with City needs (this will take some time to ensure alignment with current budget coding); and
- Ensure integrated planning documents are aligned with each other, and meet the needs of an Asset Management Framework (and bring to Council any identified amendments to any such corporate documents as may be required). (In particular, the Corporate Business Plan outlines delivery expectations for a number of projects that are not compatible with the current asset management strategy or priorities (including in relation to Civil Infrastructure (that is roads, pathways, drainage, laneways, parking, street lighting, parks, gardens & reserves, sporting facilities, sewerage, effluent, landfill, water conservation), Parks and Recreational Facilities (that would include Oasis), Golf Course and Heritage Buildings) and this be reviewed as part of the upcoming annual review of the Corporate Business Plan.)

Once these above actions have been progressed, and an Asset Management Framework has been developed, next steps will include:

- Assessment of organisational work flow to identify deficiencies or areas for improvement;
- Develop up-to-date and workable policies and procedure for organisation-wide operation; and
- Review whether the Asset Management team should be incorporated into any decision making for procurement in relation to acquisition of assets.

Current focus areas

Asset management is currently being approached at the City on an "as needs" basis. The first area that was reviewed by the asset management team was the golf course, being a project that was identified in the Corporate Business Plan and which provides a good cross section of City assets to review. Roads and Footpaths have also been a priority focus area, and the next project area will be the Oasis.

In addition, the asset management team is also currently working with the IT department to identify software options. Once that decision has been made and procurement processes completed, focus will shift to also setting up the register within that application, which will include:

- Exportation of data from Finance system into Asset Management system; and
- As the register is built, develop asset management plans for each asset (preventative maintenance plan, renewal forecasting and collecting performance data to improve asset-focused decision making).

Next steps

Once the strategic documents (Asset Management Framework and Asset Management Plan) have been developed and software development has been completed, individual management plans for particular focus areas will be developed.

City officers expect that realistically it will take between 5 – 7 years for the asset management system to be fully operational and reliable for management and strategic planning purposes. However, financial gains have already been achieved and are expected to improve as the Asset Management Framework matures within the City.

COMMUNITY ENGAGEMENT CONSULTATION

No community consultation was considered necessary in relation to the recommendations of the report.

BUDGET IMPLICATIONS

There are no financial implications resulting from the recommendations of this report.

STATUTORY IMPLICATIONS

There are no statutory implications resulting from the recommendations of this report.

POLICY IMPLICATIONS

There are no policy implications resulting from the recommendations of this report.

COMMUNITY STRATEGIC PLAN LINKS

This report links to the Strategic Community Plan through the following Guiding Theme/s:

CONNECTED: We provide public spaces that facilitate a diverse range of activities and strengthen social bonds within the community.

EMPOWERED: We ensure considered decision making based on collaborative, transparent and accountable leadership.

CAPABLE: We will have the resources to contribute to our community and economy.

OFFICER/ COMMITTEE RECOMMENDATION

Moved By: Deputy Mayor Kirsty Dellar

Seconded By: Natasha Holderness

That the Committee recommend Council receive the update in relation to the City's Asset Management Framework project.

**CARRIED
(4 / 0)**

7.1.9 Swimming Pool and Safety Barriers Legislative Reform - internal audit project update

Responsible Officer:	Alex Wiese Director Development and Growth
Responsible Business Unit:	Development and Growth
Disclosure of Interest:	Nil
Voting Requirements:	Simple
Nature of Council's Role in Decision-Making:	Review
Attachments:	1. CONFIDENTIAL - Department of Energy, Mines, Industry Regulation and Safety Fact Sheet [7.1.9.1 - 6 pages]

SUMMARY STATEMENT

Council is asked to receive this report in relation to an update on the City's progress on the internal audit project relating to swimming pool barrier inspections and compliance matters, and to advise Council on the implications of the new *Building Amendment Regulations 2023*.

REPORT

Background

State review

In 2018 the Department of Energy, Mines, Industry Regulations and Safety - Building and Energy (the Department) commenced a significant regulatory review of swimming pool barrier regulations in Western Australia (WA) in response to a report tabled in State Parliament by the Ombudsman Western Australia. The report "*Investigation into ways to prevent or reduce deaths of children by drowning*" was tabled in the WA State Parliament in 2017.

The review was finalised in April 2021 with the public release of the "*Swimming Pool and Safety Barrier Control – Decision Paper*", which in turn resulted in the publication of the *Building Amendment Regulations 2023* (the Regulations) which introduced new laws relating to requirements for private swimming pool safety barriers.

City of Kalgoorlie-Boulder

On 15 March 2024 the Audit and Risk Committee endorsed a recommendation to Council to undertake the following regarding swimming pool barrier compliance; the recommendations were endorsed by Council on 25 March 2024:

That the Committee recommend that Council endorse:

1. *The proposal to delay commencement of the 2023/24 internal audit plan projects (Trading Undertaking and Land Transaction Contract Review and Approval and Information Systems and Cyber Security); and*
2. *The development of an internal audit project plan for 2024/25 to include WHS Systems, Pool Inspection and Compliance and Asset Management Framework;*
3. *Request the CEO to obtain quotes for external review of the City's contract management systems (with initial focus areas being the process for entry into contracts, record keeping, contract oversight and execution of contracts).*

On the matter of pool inspections and compliance it was noted:

Recent legislative changes combined with a number of years of staff challenges in relation to pool compliance have resulted in the City identifying pool compliance as an area for review.

More information about the proposed scope of this internal audit and timeframes for the same will be provided at the June Audit and Risk Committee meeting.

The purpose of this report is to summarise the amendments to the Regulations; provide an update on the status of the City's internal audit project in relation to its pool inspections and compliance functions (and to outline the next steps for the project); and provide to Council statistics regarding pool and safety barrier inspections and compliance.

Officer comment

Building Amendment Regulations 2023

The Regulations were published on 20 December 2023, however the bulk of the amendments commenced operation on 21 June 2024. The Regulation amendments are summarised in a Department of Energy, Mines, Industry Regulation and Safety fact sheet (Attachment 15.2.3.1).

The amendments that came into effect on 20 December 2023 include:

- Amending the definition of 'private swimming pool' to put beyond doubt that spa-pools are specifically included in the definition and are subject to swimming pool and safety barrier regulatory requirements;
- Modifying the building standards to provide an alternative compliance pathway for boundary barriers;
- Aligning the technical compliance requirements applicable to swimming pool safety barriers with the Building Code of Australia;
- Amending the way compliance of safety barriers for new swimming pools is controlled;
- Clarifying authorised person provisions for contractors; and
- Clarifying the issuing and use of identity cards.

The amendments that will come into effect on 21 June 2024 include:

- Introducing mandatory re-inspection requirements for non-compliant safety barriers within a maximum timeframe of 60 days;
- Safety barriers for new pools must be inspected within 30 days of the City being notified or becoming aware of the construction of a new pool;
- Introducing an increased fee of up to \$312 for an initial inspection of swimming pool safety barriers for new pools, and any required re-inspections;

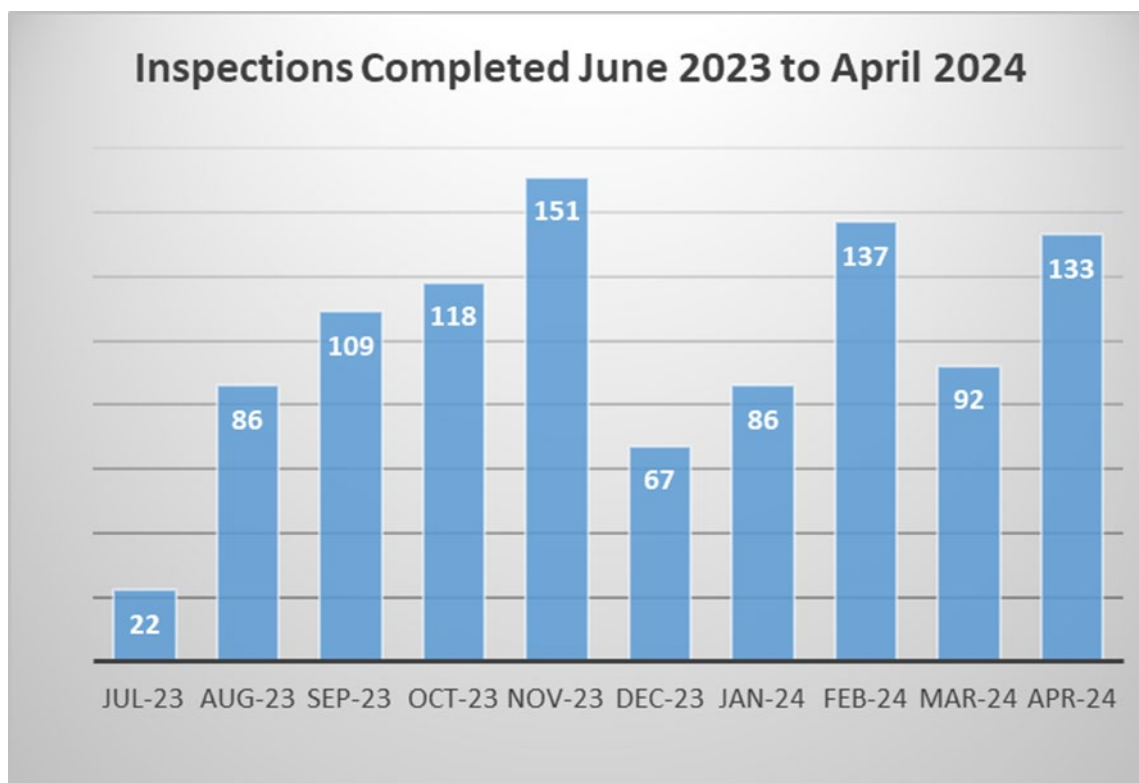
- Clarifying owner and builder responsibilities for safety barriers;
- Clarifying the responsibilities of the builder during the construction stage of the private swimming pool;
- Modifying building permit exemptions;
- Introducing a mandatory requirement for Local Government Authorities to provide data annually to the Building Commissioner on the progress of their four-yearly safety barrier inspection program.

The data to be reported is unchanged from the voluntary arrangements, being:

- The total number of swimming pools located in the district that are subject to the private swimming pool safety barrier requirements of Part 8 Division 2 of the Regulations;
- The number of swimming pools referred to above that were inspected during the preceding financial year; and
- The number of swimming pools that were not inspected within four years of a previous inspection at the end of the reporting period.

Project Status

The pool barrier inspection program statistics are as follows:



As of 1 July 2023, the City had 656 overdue pool barrier inspections. Since May 2023 the City has been achieving its target of inspecting an average minimum of 90 pool barriers per month. The City has completed 783 inspections since 1 July 2023 and is on track to have all outstanding pool barriers inspected by the end of 2024.

The City is working towards restructuring the inspection frequency so that pools are inspected on average every three years. Digital field inspection reporting has also been introduced, along with automated data entry, additional administrative support, and after-hours inspections (by request), to mitigate the risk of the program not meeting legislative requirements.

COMMUNITY ENGAGEMENT CONSULTATION

No community consultation was considered necessary in relation to the recommendations of the report.

BUDGET IMPLICATIONS

There are no financial implications resulting from the recommendations of this report.

STATUTORY IMPLICATIONS

There are no statutory implications resulting from the recommendations of this report.

POLICY IMPLICATIONS

There are no policy implications resulting from the recommendations of this report.

COMMUNITY STRATEGIC PLAN LINKS

This report links to the Strategic Community Plan through the following Guiding Theme/s:

SAFE: We support families and youth.

CAPABLE: We are continuing to undertake the appropriate risk management and assessment strategies.

OFFICER/ COMMITTEE RECOMMENDATION

Moved By: Deputy Mayor Kirsty Dellar

Seconded By: Natasha Holderness

That Council receive the update on the *Building Amendment Regulations 2023*, and note the statistics on current pool barrier inspections, and the proposed improvements to the City's compliance inspection role.

CARRIED
(4 / 0)

7.1.10 Integrity self-assessment

Responsible Officer:	Andrew Brien Chief Executive Officer Frances Liston Executive Manager Governance and Risk Services
Responsible Business Unit:	Office of the CEO Governance
Disclosure of Interest:	Nil
Voting Requirements:	Simple
Nature of Council's Role in Decision-Making:	Review
Attachments:	1. CONFIDENTIAL - Integrity Snapshot Tool [7.1.10.1 - 18 pages] 2. CONFIDENTIAL - Integrity Framework [7.1.10.2 - 24 pages]

SUMMARY STATEMENT

The Committee is asked to receive and review the attached Integrity Snapshot Tool and note the actions taken and intended to be taken in relation to the City's integrity measures.

REPORT

Background

In August 2021, the Audit and Risk Committee recommended that Council:

1. *Receive the Integrity Strategy for WA Public Authorities 2020-2023; and*
2. *Advise the CEO to complete the Integrity Snapshot Tool to help identify any areas for development or more focus that should be included in the City's Risk Register.*

The City considers the ongoing focus and improvement of its integrity is critical to:

1. Attracting and retaining high quality staff;
2. Building and retaining the trust of the Kalgoorlie-Boulder community; and
3. Achieving high standards of governance through transparency, consistency, accountability and fairness in its decision-making processes and actions.

The City is committed to continuous self-assessment and improvement in relation to its strategies for integrity in all of its functions.

2023 and 2024 assessment

In May 2023 and again in May 2024, the Chief Executive Officer (CEO) and Executive Manager Governance and Risk Services (EMGRS) undertook an assessment of the City's integrity systems and practices using the Public Sector Commission's Integrity Snapshot Tool. Attachment 1 shows both assessments for

the sake of comparison, and identification of progress areas in the past twelve months.

Some actions that were implemented by City officers from June 2023 include:

1. Endorsement by the CEO of an organisational Integrity Framework (attachment 2);
2. Inclusion of “Integrity” as a agenda item for Executive Leadership Team meetings to discuss and consider compliance and integrity matters arising around the organisation;
3. Increasing the content provided to new starters during the initial induction and onboarding process to provide greater level of understanding about “what integrity means” and the City’s expectations in that regard;
4. Development of “Governance Induction Pack” which includes a number of handouts and materials regarding integrity, misconduct and other governance requirements and will be provided to new starters and existing staff; and
5. Development of posters for noticeboards in relation to integrity and misconduct.

Work is continuing to be done in relation to:

1. Expanding content provided or communicated with candidates for employment to include a greater focus on integrity matters during the recruitment process;
6. Introducing requirements for more detailed reference and background checks for candidates for employment;
7. Create operational guidelines to better define roles and responsibilities, systems and reporting mechanisms in relation to management of integrity issues, misconduct and serious misconduct;
8. Create “integrity” focussed content that can be used in staff newsletters, and on the staff intranet page; and
9. Develop and implement a program for internal training and “refreshers” on critical integrity documents and systems, including the Code of Conduct and policies and procedures for complaint handling.

The new Risk Management Framework, Risk Management Strategy (and action plan) and implementation of Pulse as a risk management tool will also improve the identification of integrity related risks, as well as embedding an improved risk management culture in relation to identification and implementation of controls to mitigate or prevent integrity risks.

COMMUNITY ENGAGEMENT CONSULTATION

No community consultation was considered necessary in relation to the recommendations of the report.

BUDGET IMPLICATIONS

There are no financial implications resulting from the recommendations of this report.

STATUTORY IMPLICATIONS

There are no statutory implications resulting from the recommendations of this report.

POLICY IMPLICATIONS

There are no policy implications resulting from the recommendations of this report.

COMMUNITY STRATEGIC PLAN LINKS

This report links to the Strategic Community Plan through the following Guiding Theme/s:

EMPOWERED: We ensure considered decision making based on collaborative, transparent and accountable leadership.

EMPOWERED: We are utilising diverse points of view to inform decision making and actions taken for the City.

OFFICER/ COMMITTEE RECOMMENDATION

Moved By: Deputy Mayor Kirsty Dellar

Seconded By: Natasha Holderness

That the Committee recommend Council:

1. Endorse the attached Integrity Snapshot Tool;
2. Note the outcomes and actions set out in this report; and
3. Request the CEO to undertake a further self-assessment of the City's integrity systems in approximately 12 months, with a view to providing an update to the Audit and Risk Committee in or about June 2025.

CARRIED
(4 / 0)

7.1.11 ICT Compliance Update

Responsible Officer:	Glenda Abraham Director of Corporate and Commercial
Responsible Business Unit:	Corporate and Commercial
Disclosure of Interest:	Nil
Voting Requirements:	Simple
Attachments:	Nil

SUMMARY STATEMENT

The Audit and Risk Committee is asked to note the work being conducted by the City in relation to Cybersecurity and progress to achieve Maturity Level One of the Essential Eight in line with Office of the Auditor General (OAG).

REPORT

Background

The Essential Eight is a set of cybersecurity mitigation strategies recommended by the Australian Cyber Security Centre (ACSC), developed by Australian Signals Directorate's (ASD) and required by the WA Government Cyber Security Policy to protect against various cyber threats. There are four maturity levels:

- Maturity Level Zero: Limited alignment with the intent of the mitigation strategy,
- Maturity Level One: Partly aligned with the intent of the mitigation strategy,
- Maturity Level Two: Mostly aligned with the intent of the mitigation strategy, and
- Maturity Level Three: Fully aligned with the intent of the mitigation strategy

The City has a robust project plan which will achieve Maturity Level One by December 2024 and will be complimented through an audit on maturity level qualification by the Office of the Auditor General.

Risk Register

As part of the Essential Eight project, the Information and Communication Technology (ICT) team have developed a draft interim Risk Framework and Risk Management Policy in relation to IT focussed risk and risk management. This will assist in meeting the Maturity Level One criterion by end of calendar year. This work will be reviewed and finalised before migrating into the Corporate Risk Register and utilise the Pulse Risk Management System to support the new corporate risk posture.

Policies and Procedures

A comprehensive review of the ICT Policies and procedures has been conducted, this review highlighted several areas for improvement, including:

- Consolidation of various internal policies,
- Establishing an overarching governing policy, followed by detailed procedures that align with relevant OAG standards,
- Policies and procedures requiring legal compliance with applicable local, state, and federal legislation need a formal program to be identified and updated accordingly,
- Improved stakeholder engagement to gather information and feedback by all users within the City and accommodating nuisances within the policies, systems and frameworks,
- Implementing training sessions and awareness programs to educate staff about the new policies and procedures, ensuring they understand their roles and responsibilities,
- Continuous improvement via ongoing review and improvement of policies and procedures to adapt to new legal requirements and technological advancements, and
- Enhancing risk management processes to identify and mitigate potential compliance and security risks associated with IT usage.

Cybersecurity

The Office of the Australian Information Commissioner (OAIC) publish twice-yearly reports on notifications received under the Notifiable Data Breaches (NDB) scheme to track the leading sources of data breaches and highlight emerging issues and areas for regulated entities. OAIC data in December 2023 highlighted an uplift of 19% in reportable breaches on previous half year results, with 30% of total reportable breaches being human error.

To help mitigate human error, the City has integrated Cyber Security and Induction Training into the onboarding process for all new employees. A targeted monthly cycle for existing staff in testing their awareness of cybersecurity has been deployed through various City initiated phishing exercises. Below are the results of recent phishing campaigns and training outcomes:

MONTH	REACH	USER WHO CLICKED	USERS WHO REPORTED	REMARKS ON EXERCISE ACTIVITY	TRAINING COMPLETED
March	165	45 (27%)	12 (5.41%)	A simulated email notifying the end users to see if they could view a new website.	45 (100%)
April	232	20 (8.62%)	2 (0.86%)	An email encouraging users to click through an O365 notification and provide their CoKB Login Credentials which compromises network status	20 (100%)

In addition to education, the City has a robust system of defence, these have recently been upgraded to support the progress to Maturity Level One, including:

- Crowd Strike EDR (endpoint detection & response) - installed on all CKB computers (laptops and desktops) to detect malware,
- Microsoft Defender and Forcepoint email gateway - used to detect and quarantine suspicious or malicious emails,
- Firewalls are implemented at each site with internet access to prevent unauthorised access to and from the City’s IT infrastructure,
- Administrative rights are disabled for users to prevent unauthorised changes on endpoint devices, and
- Change requests - only authorised and approved changes are made to the IT systems.

The below table highlights the automated monitoring for Cybersecurity within the City's network over the past three months:

MONTH	EMAILS RECEIVED	SPAM	PHISHING	VIRUS	OTHER
March	97,403	8433	341	44	266
April	90,404	9093	219	77	396
May	80,988	8,415	268	50	293

Notes: Other category includes system errors, masked attachment extensions, blocked attachments and Threat Seeker issues.

The project plan for achieving Maturity level One also includes the following enhancements to systems and processes:

- Intune project - for application control and application whitelisting,
- SIEM - for the collection, management, and triage of critical system logs,
- NDR (Network detection & response) - to detect network-related malicious activities,
- DLP (data loss prevention) - to detect and protect City data,
- URL defence - an additional layer of email protection to scan URLs in emails at the user end, and
- Vulnerability Management - to detect existing IT vulnerabilities in the City IT infrastructure.

CCTV

The City currently has 238 CCTV cameras in both public spaces and private facilities. An additional 15 CCTV cameras are scheduled for installation in the next two months (12 at Oasis and 3 Digger Daws Oval).

As at the 31 May 2024, the City has 224 active cameras, or 94% of the network operational. The 17 CCTV cameras reported offline were located within City facilities, all public space CCTV cameras are operational.

The average turnaround time to reinstate operational CCTV cameras is five weeks. The team are working on reducing this time through some of the actions noted in the CCTV network audit.

A recent audit of the CCTV network highlighted areas for improvement:

- Allocate a dedicated responsible person to actively monitor CCTV performance. The existing Asset Officer was identified as the most suitable role to monitor CCTV. The role scope has been aligned to actively monitor the network, escalate the offline CCTV cameras to third party vendor, and track work progress until online status reinstated;
- The need to define a suitable timeframe and incorporate a new Service Level Agreement with the third-party vendor on existing CCTV and Managed Service Contract to prioritise fixes on CCTV cameras. This is scheduled for July 2024;
- In May 2024 a 'CCTV Awareness Program' was launched within the City to ensure job critical staff are aware of their legal and internal regulatory requirements. Further generic training sessions are scheduled for the broader City staff in June 2024. This will be complemented by an annual refresher course aligning to any legislated changes; and

- Increase signage, provide appropriate verbal notification, and access to CCTV systems for role critical staff as part of the WA Surveillance Devices Act.

Cybersecurity risks

Confidential Attachment 1 outlines two recent cybersecurity incidents, which are confidential due to the sensitivity of both matters.

COMMUNITY ENGAGEMENT CONSULTATION

No community consultation was considered necessary in relation to the recommendations of the report.

BUDGET IMPLICATIONS

There are no financial implications resulting from the recommendations of this report.

STATUTORY IMPLICATIONS

There are no statutory implications resulting from the recommendations of this report.

POLICY IMPLICATIONS

There are no policy implications resulting from the recommendations of this report.

COMMUNITY STRATEGIC PLAN LINKS

This report links to the Strategic Community Plan through the following Guiding Theme/s:

FUTURISTIC: We plan for the future proofing of our City by being a thinking and innovative society.

OFFICER/ COMMITTEE RECOMMENDATION

Moved By: Natasha Holderness
Seconded By: Deputy Mayor Kirsty Dellar

That the Committee recommend Council receive this report.

CARRIED
(4 / 0)

Mia Hicks left the room at 11:00 AM.

7.1.12 Workplace Health and Safety

Responsible Officer:	Andrew Brien Chief Executive Officer Paul Barrett Executive Manager People and Culture
Responsible Business Unit:	Office of the CEO People & Culture
Disclosure of Interest:	Nil
Voting Requirements:	Simple
Nature of Council's Role in Decision-Making:	Review
Attachments:	1. CONFIDENTIAL - WHS April 2024 Report [7.1.12.1 - 4 pages]

SUMMARY STATEMENT

The Committee is asked to receive the report in relation to the City's Work Health and Safety incidents for April 2024.

REPORT

Background

The City manages Work Health and Safety (WHS) through the following mechanisms:

1. The Work Health and Safety Co-ordinator, supported by the Officer Work Health and Safety, re part of the People and Culture team, who:
 - a. Provide, advice and guidance in relation to WHS, injury management and wellbeing initiatives;
 - b. Are responsible for the day-to-day delivery of the City's 2024 WHS strategic plan (which currently has two key priorities: preparing for the LGIS audit in August 2024 and building awareness within the City of a psychological safe work environment);
 - c. Manage open worker's compensation claims, helping injured workers back to work, reducing lost time injury (LTI) and closing claims;
 - d. Manage the City's Employee Assistance Programme (EAP), relationship with LGIS and insurance scheme funding, rehab providers, and manage the salary continuance scheme;
 - e. Oversee the operation of the Drugs and Alcohol procedure and testing of employees either for cause or randomly;
 - f. Ensure that a range of wellness initiatives are delivered throughout the year (such as flu jabs, skin cancer checks, health assessments, exercise physiology, and recognising relevant health and well being related national events. eg RUOK day);

- g. Facilitate all pre-employment medicals for new recruits reviewed by WHS (150 plus per year) and lodging of independent medical evaluations.
2. Work Health and Safety Committee, which consists of employee elected and management representatives from across the City. The Committee meets bimonthly and reviews WHS reports, the City's preparation for the LGIS Audit, WHS training requests, progress on the People at Work Project, workplace incidents and any matters raised by the Committee. An ongoing action list is reviewed and updated by the Committee as actions are completed.
3. Incident reporting through the Sky trust software platform, which allows individuals to directly report Work Health and Safety incidents and forms the data for WHS reporting. The WHS Co-ordinator follows up with employees that have lodged an incident report to assess whether ongoing support is required.
4. Ongoing training and education for all staff.
5. Providing adhoc advice and guidance on any emerging WHS issue and updates on any changes to WHS or workers compensation legislation.

Monthly, the People and Culture team provides a WHS Report to the Executive Leadership Team and management team. Through this reporting process, the People and Culture team identify:

1. Progress made on the WHS Strategic plan.
2. Provides insights on the incidents, hazards and inspections that have occurred over the last month.
3. Provides an update on any changes to WHS or workers compensation legislation (if appropriate).
4. Highlights any events in the next calendar quarter, including training activity.

The City intends to provide quarterly reports to the Audit and Risk Committee in relation to Work Health and Safety incidents, and related risk. This is the first of these monthly reports and contains relevant data for April 2024 although in future will present quarterly data.

WHS Report for April 2024

The WHS April 2024 Report (Attachment 1) is the City's Work Health and Safety report for the month of April 2024.

The majority of incidents for April were reported at the creche.

There is no identifiable trend to explain these incidents.

COMMUNITY ENGAGEMENT CONSULTATION

No community consultation was considered necessary in relation to the recommendations of the report.

BUDGET IMPLICATIONS

There are no financial implications resulting from the recommendations of this report.

STATUTORY IMPLICATIONS

There are no statutory implications resulting from the recommendations of this report.

POLICY IMPLICATIONS

There are no policy implications resulting from the recommendations of this report.

COMMUNITY STRATEGIC PLAN LINKS

This report links to the Strategic Community Plan through the following Guiding Theme/s:

SAFE: We will be safe and free from harm and crime.

OFFICER/ COMMITTEE RECOMMENDATION

Moved By: Deputy Mayor Kirsty Dellar

Seconded By: Natasha Holderness

That the Committee receive the Work Health and Safety update set out in this report and April 2024 WHS Report.

CARRIED
(4 / 0)

8 DATE OF NEXT MEETING

The next Audit and Risk Committee Meeting will be held on 12 September 2024.

9 CLOSURE

There being no further business, the Chairperson thanked those present for their attendance and declared the meeting closed at 11:05 AM.