



AUDIT AND ORGANISATIONAL RISK COMMITTEE MEETING

MINUTES

**The Audit and Organisational Risk Committee Meeting
was held in Council Chambers,
Welcome Road, Karratha,
on Monday, 21 March 2016**

A handwritten signature in black ink, appearing to read "Chris Adams", is positioned above a horizontal line.

**CHRIS ADAMS
CHIEF EXECUTIVE OFFICER**



No responsibility whatsoever is implied or accepted by the City of Karratha for any act, omission or statement or intimation occurring during Council or Committee Meetings. The City of Karratha disclaims any liability for any loss whatsoever and howsoever caused arising out of reliance by any person or legal entity on any such act, omission or statement or intimation occurring during Council or Committee Meetings.

Any person or legal entity who acts or fails to act in reliance upon any statement, act or omission made in a Council or Committee Meeting does so at that persons or legal entity's own risk.

In particular and without derogating in any way from the broad disclaimer above, in any discussion regarding any planning application or application for a license, any statement or intimation of approval made by any member or Officer of the City of Karratha during the course of any meeting is not intended to be and is not taken as notice of approval from the City of Karratha.

The City of Karratha warns that anyone who has any application lodged with the City of Karratha must obtain and should only rely on

WRITTEN CONFIRMATION

of the outcome of the application, and any conditions attaching to the decision made by the City of Karratha in respect of the application.

Signed: _____
Chris Adams - Chief Executive Officer

DECLARATION OF INTERESTS (NOTES FOR YOUR GUIDANCE) (updated 13 March 2000)

A member who has a **Financial Interest** in any matter to be discussed at a Council or Committee Meeting, which will be attended by the member, must disclose the nature of the interest:

- (a) In a written notice given to the Chief Executive Officer before the Meeting or;
- (b) At the Meeting, immediately before the matter is discussed.

A member, who makes a disclosure in respect to an interest, must not:

- (c) Preside at the part of the Meeting, relating to the matter or;
- (d) Participate in, or be present during any discussion or decision-making procedure relative to the matter, unless to the extent that the disclosing member is allowed to do so under Section 5.68 or Section 5.69 of the Local Government Act 1995.

NOTES ON FINANCIAL INTEREST (FOR YOUR GUIDANCE)

The following notes are a basic guide for Councillors when they are considering whether they have a **Financial Interest** in a matter. I intend to include these notes in each agenda for the time being so that Councillors may refresh their memory.

1. A Financial Interest requiring disclosure occurs when a Council decision might advantageously or detrimentally affect the Councillor or a person closely associated with the Councillor and is capable of being measure in money terms. There are exceptions in the *Local Government Act 1995* but they should not be relied on without advice, unless the situation is very clear.
2. If a Councillor is a member of an Association (which is a Body Corporate) with not less than 10 members i.e. sporting, social, religious etc), and the Councillor is not a holder of office of profit or a guarantor, and has not leased land to or from the club, i.e., if the Councillor is an ordinary member of the Association, the Councillor has a common and not a financial interest in any matter to that Association.
3. If an interest is shared in common with a significant number of electors or ratepayers, then the obligation to disclose that interest does not arise. Each case needs to be considered.
4. If in doubt declare.
5. As stated in (b) above, if written notice disclosing the interest has not been given to the Chief Executive Officer before the meeting, then it **MUST** be given when the matter arises in the Agenda, and immediately before the matter is discussed.
6. Ordinarily the disclosing Councillor must leave the meeting room before discussion commences. The **only** exceptions are:
 - 6.1 Where the Councillor discloses the **extent** of the interest, and Council carries a motion under s.5.68(1)(b)(ii) or the Local Government Act; or
 - 6.2 Where the Minister allows the Councillor to participate under s5.69 (3) of the Local Government Act, with or without conditions.

INTERESTS AFFECTING IMPARTIALITY

DEFINITION: *An interest that would give rise to a reasonable belief that the impartiality of the person having the interest would be adversely affected, but does not include an interest as referred to in Section 5.60 of the 'Act'.*

A member who has an **Interest Affecting Impartiality** in any matter to be discussed at a Council or Committee Meeting, which will be attended by the member, must disclose the nature of the interest;

- (a) in a written notice given to the Chief Executive Officer before the Meeting; or
- (b) at the Meeting, immediately before the matter is discussed.

IMPACT OF AN IMPARTIALITY CLOSURE

There are very different outcomes resulting from disclosing an interest affecting impartiality compared to that of a financial interest. With the declaration of a financial interest, an elected member leaves the room and does not vote.

With the declaration of this new type of interest, the elected member stays in the room, participates in the debate and votes. In effect then, following disclosure of an interest affecting impartiality, the member's involvement in the Meeting continues as if no interest existed.

TABLE OF CONTENTS

ITEM	SUBJECT	PAGE NO
1	OFFICIAL OPENING	5
2	RECORD OF ATTENDANCES AND APOLOGIES	5
3	DECLARATIONS OF INTEREST	5
4	CONFIRMATION OF MINUTES AND BUSINESS ARISING FROM MINUTES OF PREVIOUS MEETINGS	5
5	ITEMS FOR DISCUSSION	7
5.1	COMPLIANCE AUDIT RETURN 2015.....	7
5.2	REQUEST FOR QUOTES – INDEPENDENT EXTERNAL AUDIT SERVICES.....	11
6	ITEMS FOR INFORMATION ONLY	15
6.1	BUSINESS IMPROVEMENT – PROGRESS REPORT	16
7	CLOSURE & DATE OF NEXT MEETING	21

AGENDA

1 OFFICIAL OPENING

The Meeting was officially opened at 2.02 pm.

2 RECORD OF ATTENDANCES AND APOLOGIES

Committee Members: Cr Evette Smeathers (Chairperson)
 Cr Peter Long
 Cr Grant Cucel
 Cr Daniel Scott

Staff:	Chris Adams	Chief Executive Officer
	Phillip Trestrail	Director Corporate Services
	Henry Eaton	Manager Governance & Organisational Strategy
	Linda Franssen	Minute Secretary

External: Nil

Apologies: Cr Fiona White-Hartig

3 DECLARATIONS OF INTEREST

Nil.

4 CONFIRMATION OF MINUTES AND BUSINESS ARISING FROM MINUTES OF PREVIOUS MEETINGS

OFFICER'S RECOMMENDATION / COMMITTEE RESOLUTION

Res No : AOR34
 MOVED : Cr Long
 SECONDED : Cr Scott

That the Minutes of the Audit and Organisational Risk Committee Meeting held on Thursday, 12 November 2015, be confirmed as a true and correct record of proceedings.

CARRIED

FOR : Cr Smeathers, Cr Cucel, Cr Long, Cr Scott
 AGAINST : Nil

5 ITEMS FOR DISCUSSION

5.1 COMPLIANCE AUDIT RETURN 2015

File No:	FM.12
Responsible Executive Officer:	Director Corporate Services
Reporting Author:	Corporate Compliance Officer
Date of Report:	4 March 2016
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s)	Compliance Audit Return - 2015

PURPOSE

To consider the review of the City's level of compliance with legislation to inform the 2015 Compliance Audit Return (CAR).

BACKGROUND

Each local government is required to carry out a compliance audit in relation to the period 1 January 2015 to 31 December 2015 against the requirements set out in the 2015 CAR.

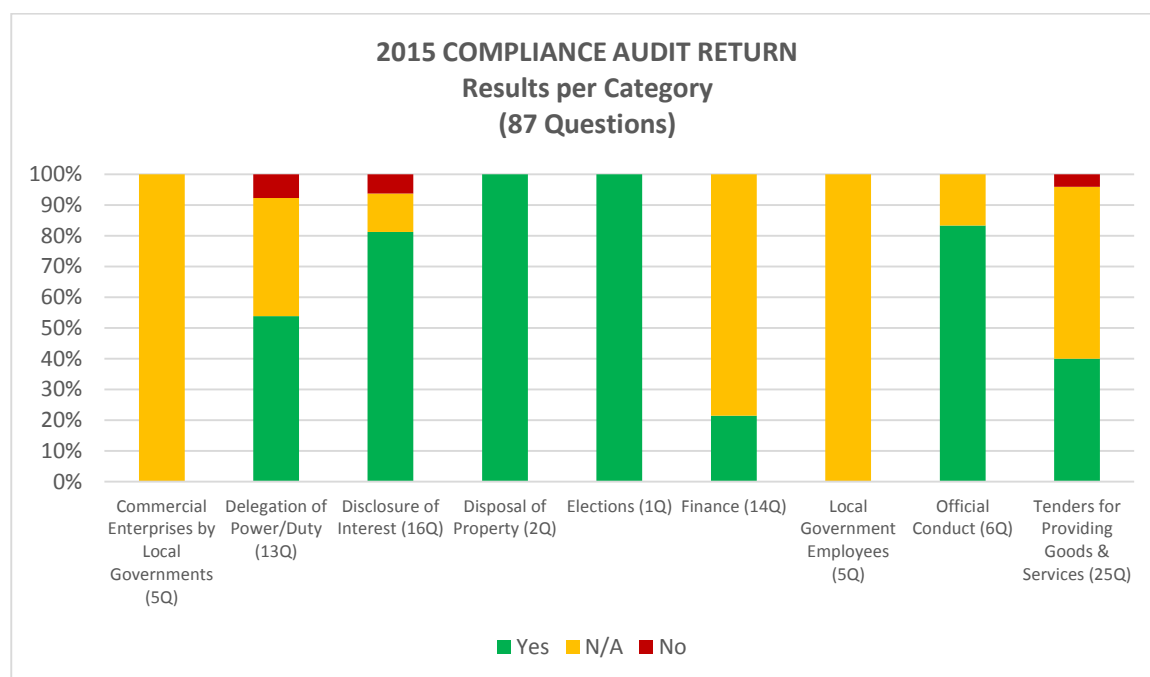
The Audit & Organisational Risk Committee is required to review the completed CAR and report the results to Council. After the CAR has been reviewed by the Audit & Organisational Risk Committee and a report presented to Council, a certified copy of the CAR is to be submitted to the Director General of the Department of Local Government and Communities by 31 March 2016.

The CAR requires local governments to carry out an audit of compliance with statutory requirements in the areas of:

- a) Commercial Enterprises by local governments;
- b) Delegation of Power/Duty;
- c) Disclosure of Interest;
- d) Disposal of Property;
- e) Elections;
- f) Finance;
- g) Local Government Employees;
- h) Official Conduct; and
- i) Tenders for Providing Goods and Services.

The 2015 CAR includes an additional 9 questions compared to last year's return. Out of the 87 questions in this year's return, 2 instances of non-compliances have been noted resulting in a 97.7% compliance rate.

Continual improvements are made each year to ensure staff are educated on their regulatory obligations and repeat breaches are minimised. Following is a summary of the results per category:



The two instances of non-compliance are detailed below:

Category	Legislative Reference	Question	Comments
Disclosure of Interest	S5.75(1) Admin Reg 22 Form 2	Was a primary return lodged by all newly designated employees within three months of their start date?	There were three instances as a result of an administrative oversight that these officers were not informed of their requirement to complete the primary return. Upon undertaking this review, officers have now been requested to complete a primary return.
Tenders for providing goods and services	F&G Reg 19	Was each tenderer sent written notice advising particulars of the successful tender or advising that no tender was accepted?	33 tenders closed in 2015. For one tender there is no evidence of signed successful or unsuccessful letters. There are electronic copies of the draft letters. Officers have confirmed that such letters were sent to all parties.

As reported in previous years, in relation to delegation of power/duty, officers are confident that internal procedures in this area are robust and that compliance is high, however documentary evidence has not been sighted to confirm with 100% certainty that a written record has been kept on all occasions. Inductions provided to staff incorporate advice to the staff member of the requirements to keep related records. Officers sign off the induction indicating that they understand their obligations.

LEVEL OF SIGNIFICANCE

In accordance with Council Policy CG-8 Significant Decision Making Policy, this matter is considered to be of moderate significance in terms of Council's ability to perform its role.

COUNCILLOR/OFFICER CONSULTATION

Consultation has taken place with relevant Officers in preparing the response and compiling an evidence folder.

COMMUNITY CONSULTATION

No community consultation is required.

STATUTORY IMPLICATIONS

Section 7.13(1)(i) of the *Local Government Act 1995* and Regulations 13-15 of the *Local Government (Audit) Regulations 1996* provide for compliance audits.

POLICY IMPLICATIONS

There are no policy implications.

FINANCIAL IMPLICATIONS

There are no financial implications.

STRATEGIC IMPLICATIONS

This item is relevant to the Council's approved Strategic Community Plan 2012-2022 and Corporate Business Plan 2012-2016. In particular the Operational Plan 2015-2016 provided for this activity:

Our Program:	4.c.1.1	Provide assistance to all departments across the City in complying with the legislative and statutory requirements.
Our Services:	4.c.1.1.1	Compile and coordinate the annual Compliance Audit Return.

RISK MANAGEMENT CONSIDERATIONS

The level of risk is considered to be high to the City in terms of compliance.

IMPACT ON CAPACITY

There is no impact on capacity or resourcing to carry out the Officer's recommendation.

RELEVANT PRECEDENTS

A compliance rate of 92.3% (6 non-compliances) was recorded in the 2013 CAR and a 91.0% (7 non-compliances) for the 2014 CAR.

VOTING REQUIREMENTS

Simple Majority.

OPTIONS:Option 1

As per Officer's recommendation.

Option 2

That the Audit & Organisational Risk Committee by SIMPLE Majority pursuant to Section 7.13 of the *Local Government Act 1995* and Regulation 14 of the *Local Government (Audit) Regulations 1996* RESOLVES to DEFER consideration of the 2015 Compliance Audit Return pending further review.

CONCLUSION

Each local government is required to carry out an annual Compliance Audit Return in relation to the calendar year period from 1 January 2015 to 31 December 2015. Overall, the audit indicates a compliance rate of 97.7%. Internal controls continue to be monitored to identify and address those non-compliance issues which have previously been identified in the Compliance Audit Return reflecting the high level of compliance.

OFFICER'S RECOMMENDATION / COMMITTEE RESOLUTION

Res No : **AOR35**
MOVED : **Cr Long**
SECONDED : **Cr Cucel**

That the Audit and Organisational Risk Committee by SIMPLE Majority pursuant to Section 7.13 of the *Local Government Act 1995* and Regulation 14 of the *Local Government (Audit) Regulations 1996* RESOLVES to:

- 1. RECEIVE the 2015 Compliance Audit Return;**
- 2. NOTE the actions taken to address non-compliances; and**
- 3. PRESENT the 2015 Compliance Audit Return to Council for adoption prior to submission to the Department of Local Government and Communities.**

CARRIED

FOR : **Cr Smeathers, Cr Cucel, Cr Long, Cr Scott**
AGAINST : **Nil**

City of Karratha – Compliance Audit Return 2015

Commercial Enterprises by Local Governments

No	Reference	Question	Response	Comments	Respondent
1	s3.59(2)(a)(b)(c) F&G Reg 7,9	Has the local government prepared a business plan for each major trading undertaking in 2015	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	There were no major trading undertakings in 2015.	Finance
2	s3.59(2)(a)(b)(c) F&G Reg 7,10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2015	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	Council commenced in 2013 the development phase of a Major Land Transaction associated with the Lazy Lands initiative for future residential infill development within the Karratha townsite. This transaction was reported in the 2013 Compliance Audit Return. No new major transactions have occurred in 2015	Finance
3	s3.59(2)(a)(b)(c) F&G Reg 7,10	Has the local government prepared a business plan before entering into each land transaction that was preparatory to entry into a major land transaction in 2015	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	N/A	Finance
4	s3.59(4)	Has the local government given Statewide public notice of each proposal to commence a major trading undertaking or enter into a major land transaction for 2015	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	N/A	Finance
5	s3.59(5)	Did the Council, during 2015, resolve to proceed with each major land transaction or trading undertaking by absolute majority	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	N/A	Finance

Delegation of Power / Duty

No	Reference	Question	Response	Comments	Respondent
1	s5.16, 5.17, 5.18	Were all delegations to committees resolved by absolute majority	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	N/A – Delegated authority has not been issued to any committees	Corporate Compliance
2	s5.16, 5.17, 5.18	Were all delegations to committees in writing	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	N/A – Delegated authority has not been issued to any committees	Corporate Compliance
3	s5.16, 5.17, 5.18	Were all delegations to committees within the limits specified in section 5.17	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	N/A – Delegated authority has not been issued to any committees	Corporate Compliance

No	Reference	Question	Response	Comments	Respondent
4	s5.16, 5.17, 5.18	Were all delegations to committees recorded in a register of delegations	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	N/A – Delegated authority has not been issued to any committees	Corporate Compliance
5	s5.18	Has Council reviewed delegations to its committees in the 2014/2015 financial year	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	N/A – Delegated authority has not been issued to any committees	Corporate Compliance
6	<u>s5.42(1), 5.43</u> <u>Admin Reg 18G</u>	Did the powers and duties of the Council delegated to the CEO exclude those as listed in <u>section 5.43 of the Act</u>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		Corporate Compliance
7	<u>s5.42(1)(2)</u> <u>Admin Reg 18G</u>	Were all delegations to the CEO resolved by an absolute majority	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	There were 16 delegations to the CEO. Of those there was one occasion where the terminology in the resolution in the Minutes noted simple resolution (resolution 153086, Council Meeting held 16/03/2015), however the Agenda Item was actually passed 9/1 with absolute majority.	Corporate Compliance
8	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO in writing	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		Corporate Compliance
9	s5.44(2)	Were all delegations by the CEO to any employee in writing	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Written notification was provided to each individual employee, directing the employee to review the particulars of their delegation(s) in the Delegations and Authorisations Register. The employee signs an acknowledgement of receipt of this written notification. One-on-one delegation inductions are conducted with all employees receiving delegations for the first time.	Corporate Compliance
10	s5.45(1)(b)	Were all decisions by the Council to amend or revoke a delegation made by absolute majority	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Amendments to Authorisation 9 appointing Registration Officers under the Dog Act 1976 and Authorisation 21 appointing Registration Officers under the Cat Act 2011 were noted in the Minutes (Resolution 153195) as being passed by simple majority, however the item was actually passed 9-0 with absolute majority.	Corporate Compliance
11	s5.46(1)	Has the CEO kept a register of all delegations made under the Act to him and to other employees	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		Corporate Compliance
12	s5.46(2)	Were all delegations made under Division 4 of Part 5 of the Act reviewed by the delegator at least once during the 2014/2015 financial year	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	A full review of the Register involving stakeholder consultation and Council review is conducted on an Annual basis, in addition to minor amendments being reviewed on an as-needs basis throughout the year. In 2015 the full review of the Register was conducted at the June OCM.	Corporate Compliance

No	Reference	Question	Response	Comments	Respondent
13	s5.46(3) Admin Reg 19	Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record as required	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	One-on-one delegation inductions are run with all officers when issuing them with their written notice of holding a delegation. During the course of that induction the relevant sections of the Delegations and Authorisations Register is reviewed and the related record keeping requirements are discussed. The officers sign an acknowledgement indicating that they understand the responsibilities relating to their delegations.	Corporate Compliance

Disclosure of Interest

No	Reference	Question	Response	Comments	Respondent
1	s5.67	If a member disclosed an interest, did he/she ensure that they did not remain present to participate in any discussion or decision-making procedure relating to the matter in which the interest was disclosed (not including participation approvals granted under s5.68)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		DAO Corporate Services
2	s5.68(2)	Were all decisions made under section 5.68(1), and the extent of participation allowed, recorded in the minutes of Council and Committee meetings	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	There were no instances where a Councillor remained in the room following declaring a proximity or financial interest.	DAO Corporate Services
3	s5.73	Were disclosures under section 5.65 or 5.70 recorded in the minutes of the meeting at which the disclosure was made	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		DAO Corporate Services
4	s5.75(1) Admin Reg 22 Form 2	Was a primary return lodged by all newly elected members within three months of their start day	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		Corporate Compliance
5	s5.75(1) Admin Reg 22 Form 2	Was a primary return lodged by all newly designated employees within three months of their start day	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A	There were 3 instances where designated employees did not lodge a primary return within three months of their start date. This was due to an administration error, the officers were not requested to submit a return or informed of the requirement to do so.	Corporate Compliance
6	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all continuing elected members by 31 August 2015	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		Corporate Compliance

No	Reference	Question	Response	Comments	Respondent
7	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all designated employees by 31 August 2015	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		Corporate Compliance
8	s5.77	On receipt of a primary or annual return, did the CEO, (or the Mayor/ President in the case of the CEO's return) on all occasions, give written acknowledgment of having received the return	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		Corporate Compliance
9	s5.88(1)(2) Admin Reg 28	Did the CEO keep a register of financial interests which contained the returns lodged under section 5.75 and 5.76	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		Corporate Compliance
10	s5.88(1)(2) Admin Reg 28	Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70 and 5.71, in the form prescribed in Administration Regulation 28	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		DAO Corporate Services
11	s5.88 (3)	Has the CEO removed all returns from the register when a person ceased to be a person required to lodge a return under section 5.75 or 5.76.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		Corporate Compliance
12	s5.88(4)	Have all returns lodged under section 5.75 or 5.76 and removed from the register, been kept for a period of at least five years, after the person who lodged the return ceased to be a council member or designated employee	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		Corporate Compliance
13	s5.103 Admin Reg 34C & Rules of Conduct Reg 11	Where an elected member or an employee disclosed an interest in a matter discussed at a Council or committee meeting where there was a reasonable belief that the impartiality of the person having the interest would be adversely affected, was it recorded in the minutes	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		DAO Corporate Services
14	s5.70(2)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to the Council or a Committee, did that person disclose the nature of that interest when giving the advice or report.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		DAO Corporate Services
15	s5.70(3)	Where an employee disclosed an interest under s5.70(2), did that person also disclose the extent of that interest when required to do so by the Council or a Committee.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	There were no instances where an Employee was requested by Council / Committee to provide details of the extent of their interest.	DAO Corporate Services

No	Reference	Question	Response	Comments	Respondent
16	s5.103(3) Admin Reg 34B	Has the CEO kept a register of all notifiable gifts received by Council members and employees	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		Corporate Compliance

Disposal of Property

No	Reference	Question	Response	Comments	Respondent
1	s3.58(3)	Was local public notice given prior to disposal for any property not disposed of by public auction or tender (except where excluded by Section 3.58(5))	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		Corporate Compliance
2	s3.58(4)	Where the local government disposed of property under section 3.58(3), did it provide details, as prescribed by section 3.58(4), in the required local public notice for each disposal of property	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		Corporate Compliance

Elections

No	Reference	Question	Response	Comments	Respondent
1	Elect Reg 30G (1)	Did the CEO establish and maintain an electoral gift register and ensure that all 'disclosure of gifts' forms completed by candidates and received by the CEO were placed on the electoral gift register at the time of receipt by the CEO and in a manner that clearly identifies and distinguishes the candidates	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		Corporate Compliance

Finance

No	Reference	Question	Response	Comments	Respondent
1	s7.1A	Has the local government established an audit committee and appointed members by absolute majority in accordance with section 7.1A of the Act	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Appointments made on 26 October 2015 by absolute majority Resolution 153278.	Manager Governance & Organisational Strategy
2	s7.1B	Where a local government determined to delegate to its audit committee any powers or duties under Part 7 of the Act, did it do so by absolute majority	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	No powers or duties granted.	Manager Governance & Organisational Strategy
3	s7.3	Was the person(s) appointed by the local government to be its auditor, a registered company auditor	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	For current CAR period, no new appointments of auditor. Audit appointment last conducted in 2013 for a three year period and was compliant with sections.	Manager Governance & Organisational Strategy
4	s7.3, 7.6(3)	Was the person or persons appointed by the local government to be its auditor, appointed by an absolute majority decision of Council	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	For current CAR period, no new appointments of auditor. Audit appointment last conducted in 2013 for a three year period and was compliant with sections.	Manager Governance & Organisational Strategy
5	Audit Reg 10	Was the Auditor's report for the financial year ended 30 June 2015 received by the local government within 30 days of completion of the audit	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	The report was received by the City on 9 th November 2015. It was received by the Audit and Organisational Risk Committee on 12 th November 2015, and received by Council on 16 th November 2015.	Manager Governance & Organisational Strategy
6	s7.9(1)	Was the Auditor's report for 2014/2015 received by the local government by 31 December 2015	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	The Auditor's report for 2014/2015 was received on Monday 9 th November 2015	Finance
7	S7.12A(3)	Where the local government determined that matters raised in the auditor's report prepared under s7.9 (1) of the Act required action to be taken by the local government, was that action undertaken	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	No action was required	Finance
8	S7.12A (4)	Where the local government determined that matters raised in the auditor's report (prepared under s7.9 (1) of the Act) required action to be taken by the local government, was a report prepared on any actions undertaken	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	No action was required	Finance
9	S7.12A (4)	Where the local government determined that matters raised in the auditor's report (prepared under s7.9 (1) of the Act) required action to be taken by the local government, was a copy of the report forwarded to the Minister by the end of the financial year or 6 months after the last report prepared under s7.9 was received by the local government whichever was the latest in time	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A		Finance

No	Reference	Question	Response	Comments	Respondent
10	Audit Reg 7	Did the agreement between the local government and its auditor include the objectives of the audit	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	For current CAR period, no new appointments of auditor. Audit appointment last conducted in 2013 for a three year period. Audit reg 7 complied in 2013.	Manager Governance & Organisational Strategy
11	Audit Reg 7	Did the agreement between the local government and its auditor include the scope of the audit	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	For current CAR period, no new appointments of auditor. Audit appointment last conducted in 2013 for a three year period. Audit reg 7 complied in 2013.	Manager Governance & Organisational Strategy
12	Audit Reg 7	Did the agreement between the local government and its auditor include a plan for the audit	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	For current CAR period, no new appointments of auditor. Audit appointment last conducted in 2013 for a three year period. Audit reg 7 complied in 2013.	Manager Governance & Organisational Strategy
13	Audit Reg 7	Did the agreement between the local government and its auditor include details of the remuneration and expenses to be paid to the auditor	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	For current CAR period, no new appointments of auditor. Audit appointment last conducted in 2013 for a three year period. Audit reg 7 complied in 2013.	Manager Governance & Organisational Strategy
14	Audit Reg 7	Did the agreement between the local government and its auditor include the method to be used by the local government to communicate with, and supply information to, the auditor	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	For current CAR period, no new appointments of auditor. Audit appointment last conducted in 2013 for a three year period. Audit reg 7 complied in 2013.	Manager Governance & Organisational Strategy

Local Government Employees

No	Reference	Question	Response	Comments	Respondent
1	Admin Reg 18C	Did the local government approve the process to be used for the selection and appointment of the CEO before the position of CEO was advertised.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	No CEO recruitment took place	HR
2	s5.36(4) s5.37(3), Admin Reg 18A	Were all vacancies for the position of CEO and other designated senior employees advertised and did the advertising comply with s.5.36(4), 5.37(3) and Admin Reg 18A	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	No CEO recruitment took place	HR
3	Admin Reg 18F	Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position of CEO under section 5.36(4)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	No CEO recruitment took place	HR
4	Admin Regs 18E	Did the local government ensure checks were carried out to confirm that the information in an application for employment was true (applicable to CEO only)	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	No CEO recruitment took place	HR
5	s5.37(2)	Did the CEO inform council of each proposal to employ or dismiss a designated senior employee	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	No appointments or terminations at designated senior employee level	HR

Official Conduct

No	Reference	Question	Response	Comments	Respondent
1	s5.120	Where the CEO is not the complaints officer, has the local government designated a senior employee, as defined under s5.37, to be its complaints officer	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	CEO is complaints officer	Corporate Compliance
2	s5.121(1)	Has the complaints officer for the local government maintained a register of complaints which records all complaints that result in action under s5.110(6)(b) or (c)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		Corporate Compliance
3	s5.121(2)(a)	Does the complaints register maintained by the complaints officer include provision for recording of the name of the council member about whom the complaint is made	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		Corporate Compliance
4	s5.121(2)(b)	Does the complaints register maintained by the complaints officer include provision for recording the name of the person who makes the complaint	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		Corporate Compliance
5	s5.121(2)(c)	Does the complaints register maintained by the complaints officer include provision for recording a description of the minor breach that the standards panel finds has occurred	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		Corporate Compliance
6	s5.121(2)(d)	Does the complaints register maintained by the complaints officer include the provision to record details of the action taken under s5.110(6)(b) or (c)	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		Corporate Compliance

Tenders for Providing Goods and Services

No	Reference	Question	Response	Comments	Respondent
1	s3.57 F&G Reg 11	Did the local government invite tenders on all occasions (before entering into contracts for the supply of goods or services) where the consideration under the contract was, or was expected to be, worth more than the consideration stated in Regulation 11(1) of the Local Government (Functions & General) Regulations (Subject to Functions and General Regulation 11(2))	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	There are no known instances where the tender process was avoided	Corporate Compliance
2	F&G Reg 12	Did the local government comply with F&G Reg 12 when deciding to enter into multiple contracts rather than inviting tenders for a single contract	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A		Corporate Compliance
3	F&G Reg 14(1) & (3)	Did the local government invite tenders via Statewide public notice	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		Corporate Compliance
4	F&G Reg 14 & 15	Did the local government's advertising and tender documentation comply with F&G Regs 14, 15 & 16	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		Corporate Compliance
5	F&G Reg 14(5)	If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents or each acceptable tenderer, notice of the variation	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Addendums are issued via Tenderlink to all who have sought copies of tender documents	Corporate Compliance
6	F&G Reg 16	Did the local government's procedure for receiving and opening tenders comply with the requirements of F&G Reg 16	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		Corporate Compliance
7	F&G Reg 18(1)	Did the local government reject the tenders that were not submitted at the place, and within the time specified in the invitation to tender	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		Corporate Compliance
8	F&G Reg 18 (4)	In relation to the tenders that were not rejected, did the local government assess which tender to accept and which tender was most advantageous to the local government to accept, by means of written evaluation criteria	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		Corporate Compliance

No	Reference	Question	Response	Comments	Respondent
9	F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of F&G Reg 17	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		Corporate Compliance
10	F&G Reg 19	Was each tenderer sent written notice advising particulars of the successful tender or advising that no tender was accepted	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> N/A	33 tenders closed in 2015. For one tender there is no evidence of signed successful or unsuccessful letters. There are electronic copies of the draft letters. Officers have confirmed that such letters were sent to all parties.	Corporate Compliance
11	F&G Reg 21 & 22	Did the local governments's advertising and expression of interest documentation comply with the requirements of F&G Regs 21 and 22	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A	Standardised internal processes and templates ensure compliance	Corporate Compliance
12	F&G Reg 23(1)	Did the local government reject the expressions of interest that were not submitted at the place and within the time specified in the notice	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	No expressions of interest	Corporate Compliance
13	F&G Reg 23(4)	After the local government considered expressions of interest, did the CEO list each person considered capable of satisfactorily supplying goods or services	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	No expressions of interest	Corporate Compliance
14	F&G Reg 24	Was each person who submitted an expression of interest, given a notice in writing in accordance with Functions & General Regulation 24	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	No expressions of interest	Corporate Compliance
15	F&G Reg 24AD(2)	Did the local government invite applicants for a panel of pre-qualified suppliers via Statewide public notice	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	No panels established in 2015	Corporate Compliance
16	F&G Reg 24AD(4) & 24AE	Did the local government's advertising and panel documentation comply with F&G Regs 24AD(4) & 24AE	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	No panels established in 2015	Corporate Compliance
17	F&G Reg 24AF	Did the local government's procedure for receiving and opening applications to join a panel of pre-qualified suppliers comply with the requirements of F&G Reg 16 as if the reference in that regulation to a tender were a reference to a panel application	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	No panels established in 2015	Corporate Compliance
18	F&G Reg 24AD(6)	If the local government sought to vary the information supplied to the panel, was every reasonable step taken to give each person who sought detailed information about the proposed panel or each person who submitted an application, notice of the variation	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	No panels established in 2015	Corporate Compliance

No	Reference	Question	Response	Comments	Respondent
19	F&G Reg 24AH(1)	Did the local government reject the applications to join a panel of pre-qualified suppliers that were not submitted at the place, and within the time specified in the invitation for applications	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	No panels established in 2015	Corporate Compliance
20	F&G Reg 24AH(3)	In relation to the applications that were not rejected, did the local government assess which application(s) to accept and which application(s) were most advantageous to the local government to accept, by means of written evaluation criteria	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	No panels established in 2015	Corporate Compliance
21	F&G Reg 24AG	Did the information recorded in the local government's tender register about panels of pre-qualified suppliers, comply with the requirements of F&G Reg 24AG.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	No panels established in 2015	Corporate Compliance
22	F&G Reg 24AI	Did the local government send each person who submitted an application, written notice advising if the person's application was accepted and they are to be part of a panel of pre-qualified suppliers, or, that the application was not accepted.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	No panels established in 2015	Corporate Compliance
23	F&G Reg 24E	Where the local government gave a regional price preference in relation to a tender process, did the local government comply with the requirements of F&G Reg 24E in relation to the preparation of a regional price preference policy (only if a policy had not been previously adopted by Council).	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	Regional Price Preference Policy was adopted prior to 2015	Corporate Compliance
24	F&G Reg 24F	Did the local government comply with the requirements of F&G Reg 24F in relation to an adopted regional price preference policy.	<input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	A Regional Price Preference Policy was adopted prior to 2015	Corporate Compliance
25	F&G Reg 11A	Does the local government have a current purchasing policy in relation to contracts for other persons to supply goods or services where the consideration under the contract is, or is expected to be, \$150,000 or less	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A		Corporate Compliance

This page is intentionally blank.

5.2 REQUEST FOR QUOTES – INDEPENDENT EXTERNAL AUDIT SERVICES

File No:	FM.1
Responsible Executive Officer:	Director Corporate Services
Reporting Author:	Manager Governance & Organisational Strategy
Date of Report:	2 March 2016
Applicant/Proponent:	Nil
Disclosure of Interest:	Nil
Attachment(s):	Evaluation Report (available at the Meeting)

PURPOSE

To consider the appointment of a suitable auditor to examine the City's financial and operational activities for the triennium reporting period 2015/16 – 2017/18.

BACKGROUND

The City's contract with Grant Thornton Audit Services Pty Ltd expired upon the completion of the 2014/15 financial year audit.

Officers utilised the WALGA e-Quotes system to select suitable auditors from a list of eight (8) local government accredited providers. Quotes were invited on 29 January 2016 with a submission deadline of 12noon on 8 February 2016.

Three (3) responses were received prior to the deadline and one was received after the deadline and not accepted.

The three valid submissions were received from AMD Chartered Accountants, Moore Stephens and PKF Audit (WA) Pty Ltd.

An evaluation was undertaken by three Council officers and the most advantageous submission to the City was determined to be that received from AMD Chartered Accountants.

LEVEL OF SIGNIFICANCE

In accordance with Council Policy *CG-8 Significant Decision Making Policy*, this matter is considered to be of high significance in terms of Council's ability to perform its role.

COUNCILLOR/OFFICER CONSULTATION

Consultation has taken place between the Compliance team, Manager Financial Services/CFO, Financial Accountant and the Director Corporate Services.

COMMUNITY CONSULTATION

WALGA's e-Quote system has been the vehicle used to seek quotes from practitioners who specialise and are accredited in local government auditing. This is permitted under the local government regulations.

STATUTORY IMPLICATIONS

Part 7 Division 2 of the *Local Government Act 1995* makes provision for the appointment of auditors. The Audit Committee is required to make a recommendation to Council on the appointment.

The procurement of a suitable auditor using WALGA's e-Quotes system complies with section 3.57 of the *Local Government Act 1995* as it is a permitted exemption under regulation 11(2)(b) of the *Local Government (Functions and General) Regulations 1996*.

POLICY IMPLICATIONS

There are no policy implications.

FINANCIAL IMPLICATIONS

The 2015/16 budget includes \$37,000 for audit costs and associated ancillary expenses. The total cost of the annual financial audit over the life of the contract will be \$119,346 (ex GST).

STRATEGIC IMPLICATIONS

This item is relevant to the Council's approved Strategic Community Plan 2012-2022 and Corporate Business Plan 2012-2016. In particular the Operational Plan 2015-2016 provided for this activity:

Our Program: 4.d.1.3 Provide transparent and accountable financial information.

Our Services: 4.d.1.3.1 Prepare the annual financial statements and reports to Council.

RISK MANAGEMENT CONSIDERATIONS

The level of risk is considered to be high to the City in terms of financial impacts, reputation and compliance. It is necessary for the Council to appoint an approved auditor to mitigate any serious risks.

IMPACT ON CAPACITY

There is no impact on capacity or resourcing to carry out the Officer's recommendation.

RELEVANT PRECEDENTS

The past two audit contracts have been with Grant Thornton Audit for a two and three year period respectively.

VOTING REQUIREMENTS

Absolute Majority.

OPTIONS:Option 1

As per Officer's recommendation.

Option 2

That the Audit & Organisational Risk Committee by ABSOLUTE Majority pursuant to Section 7.3(1) of the *Local Government Act 1995* RESOLVES to NOT RECOMMEND to Council the appointment of AMD Chartered Accountants and instead to recommend the appointment of _____ to conduct the audit of financial affairs for the City of Karratha for the periods 2015/16, 2016/17 and 2017/18.

Option 3

That the Audit and Organisational Risk Committee defer the appointment of auditor pending further assessment of the submissions.

CONCLUSION

All submissions were competitive and each firm was considered capable of undertaking the scope of works. Price was a determining factor between all submissions and one submission had limited local government experience which assisted with the determination of AMD Chartered Accountants as the preferred auditor.

OFFICER'S RECOMMENDATION / COMMITTEE RESOLUTION

Res No : **AOR36**
MOVED : **Cr Long**
SECONDED : **Cr Cucel**

That the Audit & Organisational Risk Committee by ABSOLUTE Majority pursuant to Section 7.3(1) of the *Local Government Act 1995* RESOLVES to RECOMMEND to Council the appointment of AMD Chartered Accountants as the City's Auditor for the 2015/16, 2016/17 and 2017/18 financial years.

CARRIED

FOR : **Cr Smeathers, Cr Cucel, Cr Long, Cr Scott**
AGAINST : **Nil**

6 ITEMS FOR INFORMATION ONLY

Responsible Officer: Director Corporate Services

Reporting Author: Minute Secretary

Disclosure of Interest: Nil

PURPOSE

To advise the Audit and Organisational Risk Committee of the information items for period ending February 2016.

OFFICER'S RECOMMENDATION / COMMITTEE RESOLUTION

Res No : AOR37

MOVED : Cr Scott

SECONDED : Cr Cucel

That the Audit and Organisational Risk Committee note the following information item:

- 6.1 Business Improvement – Progress Report

CARRIED

FOR : Cr Smeathers, Cr Cucel, Cr Long, Cr Scott
AGAINST : Nil

6.1 BUSINESS IMPROVEMENT – PROGRESS REPORT**File No:** FM.3**Responsible Executive Officer:** Director Corporate Services**Reporting Author:** Manager Governance and Organisational Strategy**Date of Report:** 4 March 2016**Disclosure of Interest:** Nil**Attachment(s)** Nil**PURPOSE**

To provide the Audit & Organisational Risk Committee with a progress update on Business Improvement.

Focus Areas	Brief Description	Indicative Activities/Outputs	Current and Future Status	Review Date
1. Strategic Community Plan 2016-2026	Outlines the outcomes expressed by our communities and our response as an organisation in achieving those agreed outcomes in the next 10 years.	<ul style="list-style-type: none"> • Vision • Strategies • Community Engagement • Resources and Commitments 	<ul style="list-style-type: none"> • Review undertaken by Councillors and staff in Q2 and Q3 of 2105/16 • Community consultation to be undertaken in Q3/Q4 of 2015/16 prior to finalising report. 	• To be completed June 2016
2. Corporate Business Plan 2016-2020	Outlines what the organisation needs to deliver in the next five years. Has been extensively reworked internally over the past 4-6 weeks with a focus on consistency and measurability of KPI's.	<ul style="list-style-type: none"> • Activates Strategic Community Plan • Progress Measures to achieve delivery of outcomes • Budget information for five years 	• Review undertaken by staff and Councillors in Q3 of 2015/16.	• To be completed June 2016
3. Operational Plan 2016-2017	Annual slice and dice of Corporate Business Plan. Has been extensively reworked internally to ensure consistency and compliance.	<ul style="list-style-type: none"> • Annual Budget. • Annual Projects and Services 	• Awaiting finalisation of SCP and CBP prior to preparing the Operational Plan for the new financial year.	• To be completed June 2016

4. Asset Management Plan	What Assets are required at what service level to deliver the services expressed by our communities?	<ul style="list-style-type: none"> • Asset Conditions & Ratings • Levels of Service, operational, technical and community • Financial information for maintenance of assets at an agreed level of service • Asset Disposal Strategy and Lifecycle Costing. • Action Plans 	<ul style="list-style-type: none"> • Approved by Council in June 2013. • Asset Management Policy to be submitted to Council by mid-2016 for consideration. 	<ul style="list-style-type: none"> • To be completed by June 2016
5. Long Term Financial Plan	Informs the Strategic Community Plan and Corporate Business Plan. CEO has reviewed with EMT. Staff believe that assumptions that inform the financial modelling need review prior to Council adoption.	<ul style="list-style-type: none"> • Sensitivity Analysis • Long Term Financial Sustainability • Capital Works Program for next 10 years • Financial Modelling • Assumptions and Scenarios 	<ul style="list-style-type: none"> • Submitted to the Department of Local Government in June 2013. • Key assumptions and 10 year Capital Works Plan reviewed by Council in June 2015. • Annual review of assumptions and capex to be completed with Council in April 2016. 	<ul style="list-style-type: none"> • To be completed by June 2016 to submit to DLGC
6. Workforce Plan 2013-2018	Development of an all-encompassing strategy which addresses staff turnover rates and an appreciation of the full number of staff required to deliver City business now and into the future.	<ul style="list-style-type: none"> • Structural Review • Performance Measurement Systems • Performance Appraisal System • Retention • Recruitment • Succession Planning • Development and training • Staff housing & accommodation • Indigenous engagement policy 	<ul style="list-style-type: none"> • Approved by Council in August 2013. • Annual review has been completed and incorporated in the LTFP assumptions. 	<ul style="list-style-type: none"> • Annual
7. Housing Strategy	Development of a strategy to address the housing and accommodation needs of the City from retention	<ul style="list-style-type: none"> • Short term review and modifications undertaken. • Options for staff housing to be developed 	<ul style="list-style-type: none"> • Report currently under review. 	<ul style="list-style-type: none"> • To be completed June 2016

	and recruitment perspective.	(ownership vs leasing vs paying allowances)		
8. Corporate Performance Management System	A tool to integrate all operations including projects and services delivered by the organisation and report on the individual status and financials.	<ul style="list-style-type: none"> • Ability for all reporting teams to update their quarterly performances 	<ul style="list-style-type: none"> • Contract awarded to Civica Pty Ltd. • KPIs in system for 2015/16 and quarterly performance reporting. • Upon completion of the SCP and BCP, KPIs will be determined for the 2016/17 year 	<ul style="list-style-type: none"> • To be completed June 2016
9. Procurement and Tendering	Given the large growth and volume of projects that the City is accountable for, there needs to be a review of the way procurement and tendering occurs to ensure a more centralised approach is adopted which is connected across the various directorates within the organisation.	<ul style="list-style-type: none"> • Centralise and streamline the approach to procurement and tendering • Create knowledge management and succession planning of procurement and tendering through the organisation 	<ul style="list-style-type: none"> • Induction and awareness training commenced June 2014. • Internal audit conducted on tenders and contract management • eQuotes for local suppliers introduced in November 2015. Traction in using product has been slow because of limited number of local suppliers registered. 	<ul style="list-style-type: none"> • Ongoing
10. Functional Processes	A review of the key processes that link how things are done within the organisation and examine the need to streamline and avoid duplication of activity that further create efficiencies in time and cost on how activities are undertaken.	<ul style="list-style-type: none"> • Define what a process is and how these will be recorded. • Conduct a review of current functional processes across the organisation • Define what functional processes are needed, how they will be recorded, understood and applied consistently throughout the organisation. 	<ul style="list-style-type: none"> • Policies adopted. • Current practices are being process mapped as an internal resource and guide to all staff. • 643 processes have been developed with 63% published for organisation to use. • Service reviews have commenced across organisation. 49 service areas to be reviewed over 18 month period. • Into the fourth Tranche of reviews. 	<ul style="list-style-type: none"> • Service reviews to be completed January 2017

11. Risk Management Review	Review of existing policies, procedures and supporting documentation. Development of Risk Management Framework.	<ul style="list-style-type: none"> • Common, contemporary, compliant framework to be developed and utilised by four (4) Pilbara LGA's. 	<ul style="list-style-type: none"> • PRC Document has been produced and presented to Council. • Implementation of report recommendations being progressively undertaken by Corporate Compliance team in collaboration with other staff. • Risk Framework identified. • Risk Register prepared. • Risk plan and policies approved by Council in June 2014. • Risk report presented to Council in September 2015. 	<ul style="list-style-type: none"> • Next risk report due in September 2016
12. Business Continuity Management Project	A project funded by the PRC to assist Pilbara councils to establish a business continuity framework for their local authorities.	<ul style="list-style-type: none"> • Business Continuity Management Policy • Business Continuity Management Plan • BCM Governance Framework • Exercise Maintenance and Awareness Plan 	<ul style="list-style-type: none"> • Draft documents prepared and being reviewed by the City. • Training undertaken by PRC with Critical Response Team in November 2015. 	<ul style="list-style-type: none"> • Next review of BCMP due in 2018

7 CLOSURE & DATE OF NEXT MEETING

The meeting closed at 2.22 pm.

The date of the next meeting is to be held on Tuesday, 31 May 2016 at 10:00 am at Meeting Room 4 - Welcome Road, Karratha.

I, Cr Evette Smeathers, Chairperson for the Audit & Organisational Risk Committee of the City of Karratha, hereby declare on behalf of the Committee that the enclosed Minutes are a true and accurate record of the Audit & Organisational Risk Committee Meeting held on Monday 21 March 2016.

..... Date ____/____/____