

minutes

Audit and Risk Committee

MEETING HELD ON MONDAY 5 AUGUST 2024

Acknowledgement of Traditional Custodians

The City of Joondalup acknowledges the traditional custodians of the land, the Whadjuk people of the Noongar nation, and recognises the culture of the Noongar people and the unique contribution they make to the Joondalup region and Australia. The City of Joondalup pays its respects to their Elders past and present and extends that respect to all Aboriginal and Torres Strait Islander peoples.

This document is available in alternate formats upon request

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Note:

Clause 15.10 of the City's *Meeting Procedures Local Law 2013* states:

This local law applies generally to committee meetings except for clause 7.1 in respect of members seating and clause 7.8 in respect of limitation on members speaking.

CITY OF JOONDALUP

MINUTES OF THE AUDIT AND RISK COMMITTEE MEETING HELD IN CONFERENCE ROOM 1, JOONDALUP CIVIC CENTRE, BOAS AVENUE, JOONDALUP ON MONDAY 5 AUGUST 2024.

ATTENDANCE

Committee Members:

Cr John Raftis	<i>Presiding Member</i>	
Cr Lewis Hutton		<i>from 6.02pm</i>
Cr Daniel Kingston		
Cr John Chester	<i>Deputising for Cr O'Neill</i>	
Cr Christine Hamilton-Prime, JP		<i>absent from 6.37pm to 6.39pm</i> <i>absent from 6.48pm to 6.49pm</i>
Mr Mark Hall	<i>External Member</i>	

Observer:

Cr Phillip Vinciullo	<i>absent from 7.02pm to 7.19pm</i>
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Officers:

Mr James Pearson	Chief Executive Officer	
Mr Jamie Parry	Director Governance and Strategy	
Mr Mat Humfrey	Director Corporate Services	
Ms Christine Robinson	Manager Audit, Risk and Executive Services	
Mr Peter McGuckin	Internal Auditor	
Ms Samer Al Janabi	General Counsel	
Mrs Rebecca Maccario	Manager Strategic and Organisational Development	<i>to 7.40pm</i>
Ms Jackie Vernon	Manager Human Resources	<i>to 6.26pm</i>
Mrs Kylie Bergmann	Manager Governance	
Mrs Laura Napier	Acting Governance Officer	

1 DECLARATION OF OPENING

The Presiding Member declared the meeting open at 6.00pm.

2 DECLARATIONS OF FINANCIAL INTEREST / PROXIMITY INTEREST / INTEREST THAT MAY AFFECT IMPARTIALITY

Nil.

3 APOLOGIES AND LEAVE OF ABSENCE

3.1 LEAVE OF ABSENCE PREVIOUSLY APPROVED

Cr Rohan O'Neill	7 August to 14 August 2024 inclusive.
Cr Christine Hamilton-Prime, JP	14 August to 26 August 2024 inclusive.
Cr Lewis Hutton	15 August to 25 August 2024 inclusive.
Cr Christopher May, JP	29 August to 30 August 2024 inclusive.
Mayor Albert Jacob, JP	12 September to 2 October 2024 inclusive.

3.2 APOLOGIES

Mayor Albert Jacob, JP.
Cr Rebecca Pizzey.
Cr Rohan O'Neill.

4 CONFIRMATION OF MINUTES

4.1 MINUTES OF THE AUDIT AND RISK COMMITTEE HELD ON 20 MAY 2024

MOVED Cr Kingston, **SECONDED** Cr Raftis that the Minutes of the Audit and Risk Committee held on 20 May 2024 be **CONFIRMED** as a true and correct record.

The Motion was Put and

CARRIED (5/0)

In favour of the Motion: Cr Raftis, Cr Chester, Cr Hamilton-Prime, Cr Kingston and Mr Hall.
Against the Motion: Nil.

5 ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION

The Presiding Member congratulated the Western Australia Local Government Association (WALGA) Award winners.

Cr Hutton entered the Room at 6.02pm.

6 IDENTIFICATION OF MATTERS FOR WHICH THE MEETING MAY BE CLOSED TO THE PUBLIC

In accordance with Clause 5.2 of the City's *Meeting Procedures Local Law 2013*, this meeting is not open to the public.

7 PETITIONS AND DEPUTATIONS

Nil.

8 REPORTS

8.1 OFFICE OF THE AUDITOR GENERAL PERFORMANCE AUDIT – MANAGEMENT OF STAFF EXIT CONTROLS IN LOCAL GOVERNMENT ENTITIES (WARD - ALL)

WARD	All
RESPONSIBLE DIRECTOR	Mr James Pearson Chief Executive Officer
FILE NUMBER	106169, 101515
AUTHORITY / DISCRETION	Information – includes items provided to Council for information purposes only that do not require a decision of Council (that is for 'noting').

PURPOSE

For the Audit and Risk Committee to note the Office of the Auditor General performance audit report into the management of staff exit controls at large local government entities, forming Attachment 1 to this Report.

EXECUTIVE SUMMARY

On 19 February 2024, the City was advised that it had been selected for inclusion in a performance audit on staff exit controls in local government entities; with the finding of the audit tabled in a report to Parliament on 28 June 2024.

The objective of the audit is to assess if large local government entities effectively and efficiently manage the exit of staff to minimise security, asset and financial risks. The key questions are as follows:

- Do large local government entities have appropriate policies and procedures to effectively manage staff exits?
- Do large local government entities comply with staff exit policies and procedures?

Paxon Business and Financial Services Pty Ltd were engaged by the Office of the Auditor General to conduct the performance audit; with an audit entry meeting held on 20 March 2024, and audit exit meeting held on 19 April 2024.

It is therefore recommended that the Audit and Risk Committee NOTES:

- 1 the Office of the Auditor General performance audit report into the management of staff exit controls in local government entities, as tabled in Parliament on 28 June 2024, forming Attachment 1 to this Report;*
- 2 the City accepts all the recommendations made in the Report and will prioritise their implementation, to ensure they are completed by the timeframes included in the Report;*
- 3 status report/s on the implementation of the recommendations will be provided at future Audit and Risk Committee meetings.*

BACKGROUND

In October 2017, the *Local Government Amendment (Auditing) Act 2017* (the Act) was proclaimed, giving the Auditor General the mandate to audit Western Australian local governments and regional councils.

The Act allows the Auditor General to conduct performance audits, which assess the efficiency and effectiveness of public sector activities, services and programs. They can focus on compliance with legislation, policies and accepted good practice. These audits highlight issues surrounding regulatory, financial and administrative processes and can also highlight best practice approaches for all entities to consider implementing.

This is the third performance audit for the City since 2019; and provides an opportunity to be assessed by a third party, to demonstrate good practice, or to strengthen any weaknesses identified.

The first two performance audits related to:

- local government building approvals (tabled in Parliament in June 2019)
- regulation of air-handling and water systems (tabled in Parliament in April 2023).

DETAILS

The audit scope and focus – as outlined on page 22 and 23 of the Report is:

The audit assessed whether eight large metropolitan local government entities effectively and efficiently manage the exit of staff to minimise security, asset and financial risks.

The key criteria assessed were:

- Do large local government entities have appropriate policies and procedures to effectively manage staff exits?
- Do large local government entities comply with staff exit policies and procedures?

The audit included the following entities:

- City of Armadale
- City of Canning
- City of Gosnells
- City of Joondalup
- City of Rockingham
- City of Stirling
- City of Swan
- City of Wanneroo.

The audit covered the period 1 January 2023 to 31 December 2023.

In conducting the audit we performed the following:

- Held entrance meetings with the entities.
- Met with the Department of Local Government, Sport and Cultural Industries and local government sector bodies (Western Australian Local Government Association and Local Government Professionals).
- Reviewed policy and procedure documents and supporting templates.
- Held meetings with key staff from human resources, payroll, finance, IT and security to gain an understanding of processes and perform walkthroughs.
- Tested a sample of 15 exits at each entity to provide coverage of high level of responsibility positions or data access, field operatives and casual staff. This included 101, or 10% of, permanent staff and 19 casual staff.
- Sought evidence of exit processes:
 - termination checklists had been completed before or on the staff exit date and signed by the relevant authority
 - building access cards had been de-activated and/or keys had been collected prior to staff leaving
 - assets issued to staff (computers, tablets, mobile phones, vehicles) were returned
 - credit cards were returned and cancelled
 - access to the entity's IT systems was revoked within 24 hours of their departure
 - an exit interview was offered or conducted
 - final payments reviewed and money owed to the entity was identified and paid
 - at the time of leaving risks posed by departing staff and circumstances of their exit were assessed.
- Sought data on all exits to perform data analysis to assess the timeliness of the cancellation of IT and physical security access.

The Summary of Findings were provided to the City on 4 June 2024 to allow for procedural fairness on the content of the report relating to the City. These Findings were provided to the City confidentiality under section 46(4) of the *Auditor General Act 2006* and were not to be shared with any person, except to the extent necessary to provide a response to the Auditor General or to obtain legal advice.

It is pleasing to note that the City was one of two entities that did not receive any recommendations assessed as “not effective process in place”. This would require a report addressing the matter to be sent to the Minister for Local Government in accordance with section 7.12A of the *Local Government Act 1995*.

The following recommendations outlined below have been accepted by the City for implementation:

- 1 All entities should:
 - a Review and where required document end-to-end policies and procedures for employee terminations.
 - b Regularly review staff exit information allowing effective oversight and monitoring of end-to-end processes and ensure compliance with policies and procedures.
- 2 All entities should evaluate risk posed by different positions and termination types, develop and document procedures to manage the risks effectively and efficiently.
- 3 To minimise the risk of property and information loss all entities should:
 - a Ensure access to IT systems, buildings and banking delegations are removed or disabled within 24 hours of the exit date.
 - b Ensure all assets are returned on or prior to the day of exit.
 - c Put in place and complete a documented process for the allocation, return and transfer of identifiable assets between custodians to maintain a clear audit trail in asset registers.
 - d Amounts payable to entities by exiting employees should be settled during final payment or repayment plans should be put in place prior to employees exiting.
 - e Final payment calculations should be performed and reviewed timely, with evidence retained.
- 4 All entities should:
 - a offer interviews to and/or survey all exiting staff.
 - b assess exit survey feedback processes in an attempt to increase feedback received and perform analysis of feedback received to identify improvement opportunities.
 - c develop post-employment confidentiality requirement confirmation processes in-line with better practice.

Legislation / Strategic Community Plan / Policy implications

Legislation *Auditor General Act 2006.*
 Local Government Amendment (Auditing) Act 2017.

10-Year Strategic Community Plan

Key theme 5. Leadership.

Outcome 5-1 Capable and effective - you have an informed and capable Council backed by a highly-skilled workforce.

Policy Not applicable.

Risk management considerations

Involvement in performance audits undertaken by the Office of the Auditor General allows for City systems and processes to be assessed by third parties – to identify potential risks and implement recommendations as appropriate.

Positive findings of such audits provides evidence of the appropriateness and effectiveness of systems and procedures in regard to risk management, internal control and legislative compliance, as required by the *Local Government (Audit) Regulations 1996*.

Financial / budget implications

Involvement in, and implementation of relevant recommendations from, the performance audit is carried out using existing budgeted resources.

Regional significance

The delivery of services across the region serviced by the City of Joondalup is affected by the effectiveness of City controls.

Sustainability implications

The financial sustainability of the City's operations depends on effective controls, with the aim to decrease the risks of significant reputational damage and/or financial losses being incurred through error or fraudulent activity. Being responsible and financially sustainable is part of the goals of the City's Strategic Community Plan.

Consultation

Internal consultation with relevant officers occurred for this performance audit.

COMMENT

The following response was provided by the City for inclusion in the Report:

"The City of Joondalup appreciates the opportunity to participate in the Office of the Auditor General performance audit on staff exit controls within local government entities.

The City has a strong focus on strengthening integrity and conduct controls to assist in mitigating risk exposures including financial loss, breaches of legislation and law and significant reputational damage. The City takes both proactive and reactive measures as required to ensure systems of control are subject to regular review, with corrective action being taken, and control improvements made in a timely manner. Improvements relating to the area under audit have been implemented over the past 12 months.

The City accepts all the recommendations made and will prioritise their implementation, to ensure they are completed by the timeframes included in the report.”

VOTING REQUIREMENTS

Simple Majority.

OFFICER’S RECOMMENDATION MOVED Cr Chester, SECONDED Cr Hamilton-Prime
that the Audit and Risk Committee NOTES:

- 1 the Office of the Auditor General performance audit report into the management of staff exit controls in local government entities, as tabled in Parliament on 28 June 2024, forming Attachment 1 to this Report;
- 2 the City accepts all the recommendations made in the Report and will prioritise their implementation, to ensure they are completed by the timeframes included in the Report;
- 3 status report/s on the implementation of the recommendations will be provided at future Audit and Risk Committee meetings.

The Motion was Put and

LOST (1/5)

In favour of the Motion: Cr Hamilton-Prime.

Against the Motion: Cr Raftis, Cr Chester, Cr Hutton, Cr Kingston and Mr Hall.

PROCEDURAL MOTION - THAT THE ITEM BE DEFERRED

MOVED Cr Kingston, SECONDED Cr Hutton that Item 8.1 Office of the Auditor General Performance Audit - Management of Staff Exit Controls in Local Government Entities, **BE DEFERRED** to the next Audit and Risk Committee Meeting to be held on 28 October 2024, as per clause 10.1(a) of the *City of Joondalup Meeting Procedures Local Law 2013*.

The Procedural Motion was Put and

CARRIED (6/0)

In favour of the Procedural Motion: Cr Raftis, Cr Chester, Cr Hamilton-Prime, Cr Hutton, Cr Kingston and Mr Hall.

Against the Procedural Motion: Nil.

ATTACHMENTS

1. Office of Auditor General Report 25 - 2023-24 (28 June 2024) [8.1.1 - 30 pages]

8.2 OFFICE OF THE AUDITOR GENERAL REPORT – INFORMATION SYSTEMS AUDIT (LOCAL GOVERNMENT 2022-23) (WARD - ALL)

WARD	All
RESPONSIBLE DIRECTOR	Mr James Pearson Chief Executive Officer
FILE NUMBER	106169, 101515
AUTHORITY / DISCRETION	Information – includes items provided to Council for information purposes only that do not require a decision of Council (that is for ‘noting’).

PURPOSE

To provide the Audit and Risk Committee with the details of the Western Australian Auditor General report titled *Information Systems Audit Report (Local Government 2022-23)*.

EXECUTIVE SUMMARY

The Western Australian Auditor General has released a report of the 2022-23 annual cycle of information systems audits; of which the City was one of 53 local government entities audited. Capability maturity assessments were also undertaken for 11 entities, which also included the City.

The audit and assessment focus on the following categories:

- Access management.
- Endpoint security.
- Human resource security.
- Network security.
- Information security framework.
- Business continuity.
- IT operations.
- Physical security.
- Change management.
- Risk management.

The Office of the Auditor General has conducted information systems audits at the City since 2018-19. The findings of the previous audit (2022-23) were presented to the Audit and Risk Committee at its meeting held on 22 May 2023.

It is therefore recommended that the Audit and Risk Committee NOTES the Western Australian Auditor General report titled Information Systems Audit Results (Local Government 2022-23) forming Attachment 1 to this Report.

BACKGROUND

The Introduction to the Western Australian Auditor General's report states:

"This is our fifth report on the findings from our audits of local government entities' information technology general computer controls (GCC) . GCC audits are an essential part of our audits of local government entities' financial statements and are a requirement of the Australian auditing standards. Our GCC audits determine if entities' information technology and related internal controls effectively support the integrity, availability and confidentiality of the information and systems used to prepare the financial statements.

The entities vary in the nature and complexity of the information technology they use to process and maintain their financial information. However, the ever-changing internal and external threat environment exposes all entities to the risk of compromise. Appropriate controls help entities to protect their information and systems.

In 2022-23, we reported GCC findings to 76 entities, compared to 53 entities last year. Eleven of these entities were provided with capability maturity assessments. These assessments look at how well-developed and capable entities' established IT controls are. This report summarises the results of our GCC findings and capability maturity assessments.

Our GCC audits incorporate recognised industry better practices and consider various factors, such as:

- business objectives of the entity*
- level of entity reliance on IT*
- technological sophistication of entity computer systems*
- significance of information managed by the entity."*

DETAILS

The Conclusion of the report states:

"In 2022-23, we reported 473 control weaknesses to 76 entities, compared to 324 weaknesses to 53 entities last year. The majority of these weaknesses were in categories that increase information and cyber security risks. Entities need to address these to protect their information and systems from security breaches.

While a number of entities addressed some prior year audit findings, most of the significant control weaknesses were not addressed. Entities should address these weaknesses as a priority and implement compensating controls while progressing long term plans, such as migration to new platforms. Unresolved weaknesses can seriously impact the overall integrity of entities' IT environments and operations.

Our capability maturity assessments at 11 entities show improvement since our first assessments in 2019-20, with more controls meeting the benchmark. The biggest improvements have been in the categories of risk and change management, but significant improvement is still needed in all other categories.

This year's assessments showed some improvement in one of the five categories related to information and cyber security (network security) but only three entities met the benchmark. Categories of highest concern were access management, endpoint security and human resource security with no entities meeting the benchmark.

There was no material change in four categories (information security framework, IT operations, change management and IT risk management) while business continuity and physical security declined slightly."

The City's findings from the 2022-23 audit included eight moderate ratings and seven minor ratings, with 12 matters listed as prior year findings. The implementation of the recommendations from the 2022-23 audit continue to be progressed.

The timing of the City's past four information systems audits are:

- 2019-20 – entrance meeting held in October 2020; findings received in March 2021
- 2020-21 – entrance meeting held in August 2021; findings received in January 2022
- 2021-22 – entrance meeting held in June 2022; findings received in December 2022
- 2022-23 – entrance meeting held in May 2023; findings received in November 2023.

Legislation / Strategic Community Plan / Policy implications

Legislation Not applicable.

10-Year Strategic Community Plan

Key theme 5. Leadership.

Outcome 5-1 Capable and effective - you have an informed and capable Council backed by a highly-skilled workforce.

Policy Not applicable.

Risk management considerations

These audits provide the City an opportunity to implement risk mitigation actions. Weaknesses identified from the information systems audits conducted are currently being progressed or have been implemented.

Financial / budget implications

Implementation of recommendations is carried out using existing budgeted resources.

Regional significance

The delivery of services, and the *Strategic Community Plan*, is affected by, the effectiveness of the City's controls over its general computing environment and key applications and has impact on, social, economic and environmental developments across the region serviced by the City of Joondalup.

Sustainability implications

The sustainability of the City's operations depends on effective controls over its general computing environment and key applications.

Consultation

Not applicable.

COMMENT

Not applicable.

VOTING REQUIREMENTS

Simple Majority.

OFFICER'S RECOMMENDATION MOVED Cr Raftis, SECONDED Cr Hamilton-Prime that the Audit and Risk Committee NOTES the Western Australian Auditor General report titled Information Systems Audit Report (Local Government 2021-23) forming Attachment 1 to this Report.

The Motion was Put and

CARRIED (6/0)

In favour of the Motion: Cr Raftis, Cr Chester, Cr Hamilton-Prime, Cr Hutton, Cr Kingston and Mr Hall.

Against the Motion: Nil.

ATTACHMENTS

1. Local Government 2022-23 Information Systems Audit Results [**8.2.1** - 30 pages]

8.3 INITIAL REVIEW - PREVIOUS COMPLIANCE AUDIT RETURN (WARD - ALL)

WARD	All
RESPONSIBLE DIRECTOR	Mr James Pearson Chief Executive Officer
FILE NUMBER	32481, 09492, 101515
AUTHORITY / DISCRETION	Executive - The substantial direction setting and oversight role of Council, such as adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.

PURPOSE

For the Audit and Risk Committee to note the initial review based on the previous Compliance Audit Return.

EXECUTIVE SUMMARY

At the Audit and Risk Committee meeting on 21 August 2023, Cr Fishwick requested that the Internal Auditor provide a quarterly report to the Committee on the Compliance Audit Return in accordance with the *Local Government (Audit) Regulations 1996*.

The only non-compliance identified in the period 1 January to 30 June 2024 is the City 's self-disclosed non-compliance with s5.33 of the *Local Government Act 1995* regarding when decisions made at electors' meetings are to be considered by Council. This is not covered by the most recent Compliance Audit Return.

It is therefore recommended that the Audit and Risk Committee:

- 1 *NOTES the initial review based on the 2023 Compliance Audit Return for the period January–June 2024;*
- 2 *NOTES that quarterly reports will be presented to the next ordinary meeting of the Audit and Risk Committee when non-compliance has been identified; based on the questions included in the previous year's Compliance Annual Return;*
- 3 *NOTES that self-disclosed non-compliance will be reported to the next ordinary meeting of the Audit and Risk Committee.*

BACKGROUND

Regulation 14 of the Local Government (Audit) Regulations 1996 requires a local government to carry out a compliance audit for 1 January to 31 December each year.

After carrying out a compliance audit the local government prepares a compliance audit Return in a form approved by the Minister. The Audit and Risk Committee is to review the Return before it is presented to Council for adoption.

Regulation 15 requires the Return to be certified by the Mayor and the Chief Executive Officer before being submitted to the Department, along with the relevant section of the minutes, by 31 March next following the period to which the Return relates.

The results of the City's Compliance Audit Returns for the past five years has shown:

- **2019** – two areas of non-compliance.

Disclosure of interest – Question 7

Was a primary return lodged by all newly designated employees within three months of their start day?

An oversight of the City's governance processes failed to identify two employees acting in designated positions which resulted in requests for the submission of a primary return being issued to them late. Therefore, the primary returns were not lodged by the two newly designated employees within three months of commencing in the position. The primary returns were subsequently lodged by both employees.

Local government employees – Question 2

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?

The designated senior employee position of Director Corporate Services was not advertised in a newspaper circulating throughout the State as required by Administration Regulation 18A. The position was advertised through electronic media.

- **2020** – two areas of non-compliance.

Optional questions – Question 8

Did the local government prepare and adopt (by absolute majority) a policy in relation to the continuing professional development of council members?

The City's current Elected Members' Entitlements Policy contains policy matters in relation to the continuing professional development of elected members. This policy was in place well before section 5.128(1) came into effect in 2019 (however was not adopted by Council during 2020). Council in accordance with this provision will be reviewing this policy prior to the 2021 local government elections.

Tenders for providing goods and services – Question 8

Did the information recorded in the local government's tender register comply with the requirements of F&G Reg 17 and did the CEO make the tenders register available for public inspection and publish it on the local government's official website?

The City complied with two areas covered by Regulation 17 by recording information in the tender register and making the tender register available for public inspection. The requirement to publish on the City's website was only enacted in November 2020 without prior advice or lead-in-time being provided. The City published the tender register on the website in March 2021.

- **2021** – two areas of non-compliance.

Disclosure of interest – Question 5

Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2021?

One employee failed to lodge an annual return by 31 August 2021. The employee was on extended personal leave since 31 August 2020 and during this time their position was made redundant. The employee ceased employment with the City on 22 July 2021.

Disclosure of interest – Question 22

Did the local government prepare and adopt, by absolute majority, a code of conduct to be observed by council members, committee members and candidates within 3 months of the prescribed model code of conduct coming into operation (3 February 2021)?

The draft Code of Conduct for council members, committee members and candidates was provided to Elected Members at Strategy Sessions on 2 March 2021 and 6 April 2021 for feedback; and adopted by Council on 18 May 2021 (CJ071-05/21 refers). This was not within three months of the prescribed model code of conduct coming into operation on 3 February 2021.

- **2022** – no areas of non-compliance.
- **2023** – two areas of non-compliance.

Delegation of power/duty – Question 12

Were all delegations made under Division 4 of the Act reviewed by the delegator at least once during the 2022/2023 financial year?

Council reviewed its delegations within the financial year at its meeting held on 27 June 2023 (CJ096-06/23 refers).

The Chief Executive Officer reviewed his delegations on 29 August 2023. The reason being, there was a major review undertaken of delegations, and there were significant changes; the Chief Executive Officer conducted a review after the Council had adopted its changes.

Disclosure of interest – Question 5

Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2023?

Four employees failed to lodge an annual return by 31 August 2023. Three employees were on leave during the period 1 July to 31 August 2023 and subsequently lodged late returns; and one was an administrative oversight due to the position being split between two employees.

The City has 150 relevant persons as part of its annual return process; to mitigate similar occurrences of late returns being lodged, Managers will be advised prior to 1 July each year of the requirement for returns to be lodged to ensure employees taking leave during the submission period submit the returns prior to their leave.

As required by section 28 of the *Corruption, Crime and Misconduct Act 2003*, the Chief Executive Officer made a notification of serious misconduct to the Corruption and Crime Commission. The Commission assessed the information provided and formed a suspicion of serious misconduct; however pursuant to section 33(1)(d) of the Act, decided to take no action. This is an option available to the Commission and is a decision that was made with consideration to section 18(3) of the Act.

DETAILS

Relevant Managers were requested by the Internal Auditor to identify any non-compliance matters – based on the 2023 Compliance Audit Return – for January to June 2024. No areas of non-compliance were identified.

A review of the City's *2024 Corporate Compliance Calendar* has also shown no areas of non-compliance.

The City's self-disclosure of non-compliance with s5.33 of the *Local Government Act 1995* – which is not an area covered by the most recent Compliance Audit Return – was made to the Department of Local Government, Sport and Cultural Industries on 15 March 2024.

This related to the decisions from the Annual Electors Meeting not being presented to the March Ordinary Council Meeting (26 March 2024), or the following meeting (23 April 2024). Reasons were provided as to why the decisions from the Annual Electors Meeting were not able to be presented to the March or April Ordinary Council Meetings.

A copy of the City's letter, and the Department's response are included as Attachment 1 and 2.

Issues and options considered

Given the low numbers of non-compliance with Compliance Audit Returns since 2019 it is recommended that quarterly reports only be presented to the Audit and Risk Committee when non-compliance, based on the previous year's Compliance Annual Return, has been identified.

It is also recommended that all self-disclosed non-compliance – regardless of whether it is included or not by the most recent Compliance Audit Return – is reported to the next ordinary meeting of the Audit and Risk Committee.

Legislation / Strategic Community Plan / Policy implications

Legislation *Local Government (Audit) Regulations 1996.*

10-Year Strategic Community Plan

Key theme 5. Leadership.

Outcome 5-1 Capable and effective - you have an informed and capable Council backed by a highly-skilled workforce.

Policy Not applicable.

Risk management considerations

The risks associated with failing to comply with any legislative requirement can be caused by ineffective workforce and/or program/activity planning; this can result in financial and/or reputational damage. A robust risk management function provides for the identification and assessment of risks and causes, and mitigation measures to reduce the likelihood and consequence of a risk event.

Financial / budget implications

Completing the annual compliance audit and/or ongoing reviews are carried out using existing budgeted resources.

Regional significance

Ensuring compliance with legislative requirements provides oversight which enhances the City's capability to deliver services to the district, and beyond, as relevant.

Sustainability implications

The financial, environmental and social sustainability of the City's operations depends on complying with legislation and ensuring effective procedures are implemented for this to occur. Being accountable and transparent is part of the goals of the City's *Strategic Community Plan*.

Consultation

Internal consultation with relevant Managers and their Directors occurs for each annual compliance audit.

COMMENT

Not applicable.

VOTING REQUIREMENTS

Simple Majority.

The Manager of Human Resources left the Room at 6.26pm.

OFFICER'S RECOMMENDATION MOVED Cr Hamilton-Prime, SECONDED Cr Raftis that the Audit and Risk Committee:

- 1 NOTES the initial review based on the 2023 Compliance Audit Return for the period January–June 2024;**
- 2 NOTES that quarterly reports will be presented to the next ordinary meeting of the Audit and Risk Committee when non-compliance has been identified; based on the questions included in the previous year's Compliance Annual Return;**
- 3 NOTES that self-disclosed non-compliance will be reported to the next ordinary meeting of the Audit and Risk Committee.**

The Motion was Put and

CARRIED (6/0)

In favour of the Motion: Cr Raftis, Cr Chester, Cr Hamilton-Prime, Cr Hutton, Cr Kingston and Mr Hall.

Against the Motion: Nil.

ATTACHMENTS

1. City of Joondalup Letter - S5.33 of Local Government Act 1995 – Compliance (15 March 2024) [8.3.1 - 2 pages]
2. Department of Local Government Sport and Cultural Industries Letter - S5.33 of Local Government Act 1995 – Compliance (22 April 2024) [8.3.2 - 1 page]

8.4 THREE YEAR INTERNAL AUDIT PLAN (WARD - ALL)

WARD	All
RESPONSIBLE DIRECTOR	Mr James Pearson Chief Executive Officer
FILE NUMBER	49586, 101515
AUTHORITY / DISCRETION	Information – includes items provided to Council for information purposes only that do not require a decision of Council (that is for 'noting').

PURPOSE

For the Audit and Risk Committee to note the *Three Year Internal Audit Plan* for the years 2024-25 to 2026-27.

EXECUTIVE SUMMARY

At the Audit and Risk Committee meeting held on 9 August 2021 a report was requested in relation to the Internal Audit Program outlining all the activities that could be covered as part of the Internal Audit Program, along with when they were last reviewed.

The first *Three Year Internal Audit Plan* was presented to the Audit and Risk Committee at its meeting held on 15 December 2021, and continues to be updated on an annual basis.

It is therefore recommended that the Audit and Risk Committee NOTES the Three Year Internal Audit Plan for the years 2024-25 to 2026-27 forming Attachment 1 to this Report.

BACKGROUND

Internal audit planning is important as it aligns internal audit activity with organisational objectives and the key risk areas to ensure that internal audit resources are targeted in an efficient manner.

The WA Auditor General recognises that there are four lines of defence which underpin a strong governance framework, of which internal audit is the third line of defence:

- First line of defence – internal control measures.
- Second line of defence – internal oversight, monitoring and reporting.
- Third line of defence – internal audit and review.
- Fourth line of defence – external audit, investigations and reviews.

The *Three Year Internal Audit Plan* (the Plan) is designed to bring a systematic methodology that contributes to the overall assurance provided to the Chief Executive Officer and the Audit and Risk Committee of the City's systems of internal controls, legislative compliance and risk management processes.

DETAILS

The Plan is reviewed and updated following an assessment of the City's audit needs which includes, but is not limited to the following:

- Legislative audits, reviews and reporting requirements.
- Previous internal audit reports.
- Organisational risk registers.
- Review and analysis of external audit reports including the Corruption and Crime Commission, Office of the Auditor General and the Department of Local Government, Sport and Cultural Industries.
- External misconduct referrals, public interest disclosures and whistleblowing allegations.
- Chief Executive Officer, Management and Audit and Risk Committee requests.
- Fraud, corruption and misconduct risks using live data analytics program.
- New and emerging risks.
- New corporate systems and services.

The Plan identifies the proposed activity, reason for inclusion, the year for inclusion (covering three financial years), the financial year last reviewed, the date the audit was reported to the Audit and Risk Committee, and when the next report is scheduled.

Detailed scopes for each new internal audit are developed for management agreement and sign-off before the audit begins. Action plans are developed for the implementation of agreed audit recommendations which include implementation dates and responsibility for implementation.

The Internal Auditor is supported by the following employees to progress the activities:

- Manager Audit, Risk and Executive Services.
- Integrity Officer.
- Risk and Business Continuity Advisor.

2024-25 Internal Audit Plan

The Plan has 25 activities proposed. Priorities are set according to importance, timing of completion of active audits, and when the audit area was last reviewed. The Plan is subject to modification during the year on the authorisation of the Chief Executive Officer.

The following audit areas and individual audits have been added to the rolling three-year plan:

- Responses to internal requests and complaints.
- Procurement activities in targeted business units.
- Compliance Audit Return. Quarterly reporting was requested at the Audit and Risk Committee meeting on 21 August 2023.
- Follow up on implementation of recommendations from the Office of the Auditor General performance audit into staff exit controls. The City was included in this performance audit which was completed in April 2024.

The reporting of the outcomes of the following audits – which are currently being progressed – are prioritised to be reported to the Audit and Risk Committee in October 2024:

- Recruitment (internally advertised positions).
- Recruitment (casual appointments).
- Inappropriate relationships (employee to supplier).
- Inappropriate relationships (supplier to supplier).
- Changes to bank details.
- Potential false invoices.
- Review of payments made to supplier (Council Resolution CJ121-02/24).

The following audits have been carried forward from 2023-24:

Priority 1

- Debt collection for long service leave liabilities.
- Employees acting in positions over 12 months (claim for permanent position).
- Leave calculations (public holidays).

Priority 3

- Span of control per supervisor.
- Due diligence of new business partners, contractors, suppliers, consultants and outsourced service providers.
- Monitoring of employees' and elected members' gift registers.

2023-24 Internal Audit Plan

The outcomes of the following audits completed in 2023-24 were, or will be, reported to the Audit and Risk Committee:

21 August 2023

- Chief Executive Officer's three yearly review – risk management, internal control and legislative compliance.
- Chief Executive Officer's three yearly review – financial management.
- Integrity and Conduct Annual Collection (submitted to the Public Sector Commission).
- Employee use of fleet vehicles.
- Payments made after employee termination (ghost employees).

30 January 2024

- 2022-23 Office of the Auditor General information systems audit.

11 March 2024

- 2023 Compliance Audit Return.
- Tender evaluation processes.
- Performance of contractor (graffiti removal).

20 May 2024

- Potential conflicts of interest via inappropriate relationships (employee to employee).
- Potential payments made to ghost employees (employee validity).

5 August 2024

- Compliance Audit Return (quarterly reporting).

Legislation / Strategic Community Plan / Policy implications

Legislation *Local Government (Audit) Regulations 1996.*
 Local Government (Financial Management) Regulations 1996
 Local Government Act 1995.

10-Year Strategic Community Plan

Key theme 5. Leadership.

Outcome 5-1 Capable and effective - you have an informed and capable Council backed by a highly-skilled workforce.

Policy Not applicable.

Risk management considerations

Internal audit is an independent and objective appraisal service designed to add value and assist an organisation achieve its objectives through a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, internal control and governance processes.

The positive findings of such audits provide evidence of the appropriateness and effectiveness of systems and procedures regarding risk management, internal control and legislative compliance, as required by the *Local Government (Audit) Regulations 1996*.

The Office of the Auditor General places reliance on internal audit activities when conducting their annual financial audit of the City.

Financial / budget implications

Completing the activities included in the Plan is carried out using existing budgeted resources.

Regional significance

Ensuring compliance with legislative requirements and strong internal controls provides oversight which enhances the City's capability to deliver services to the district, and beyond, as relevant.

Sustainability implications

The financial, environmental and social sustainability of the City's operations depends on complying with legislation and ensuring effective controls and procedures are implemented for this to occur. Being accountable and transparent is part of the goals of the City's *Strategic Community Plan*.

Consultation

Internal consultation – where relevant – occurs with Managers and Directors for each activity within the Plan.

COMMENT

The development of a three-year Plan assists in directing internal audit resources more efficiently to provide sufficient assurance that key risks are identified, assessed and controlled effectively. The Plan is subject to change during the year as the Internal Auditor may need to undertake other matters such as referrals from external oversight agencies and requests for independent reviews from the Chief Executive Officer or senior management.

Most referrals from external oversight agencies are because of the evidence discovered from the work of the Internal Auditor.

VOTING REQUIREMENTS

Simple Majority.

Cr Hamilton-Prime left the Room at 6.37pm and returned at 6.39pm.

Cr Hamilton-Prime left the Room at 6.48pm and returned at 6.49pm.

OFFICER'S RECOMMENDATION MOVED Cr Kingston, SECONDED Cr Chester that the Audit and Risk Committee NOTES the *Three Year Internal Audit Plan* for the years 2024-25 to 2026-27 forming Attachment 1 to this Report.

The Motion was Put and

CARRIED (6/0)

In favour of the Motion: Cr Raftis, Cr Chester, Cr Hamilton-Prime, Cr Hutton, Cr Kingston and Mr Hall.

Against the Motion: Nil.

ATTACHMENTS

1. Three Year Internal Audit Plan [8.4.1 - 2 pages]

8.5 ANNUAL CORPORATE COMPLIANCE CALENDAR (WARD – ALL)

WARD	All
RESPONSIBLE DIRECTOR	Mr Jamie Parry Director Governance and Strategy
FILE NUMBER	110921, 101515
AUTHORITY / DISCRETION	Information – includes items provided to Council for information purposes only that do not require a decision of Council (that is for ‘noting’).

PURPOSE

For the Audit and Risk Committee to note the updated Annual Corporate Compliance Calendar.

EXECUTIVE SUMMARY

Local government operations and day-to-day business are governed and regulated by a vast array of legislation. The broad nature of this legislation requires the City to maintain a high degree of monitoring and oversight to ensure the City is complying with its legislative responsibilities and reporting requirements. As part of the City’s corporate risk oversight, the City’s Corporate Compliance Calendar was developed and endorsed in 2014 as a mechanism to monitor the City’s legislative reporting and compliance regime.

The Corporate Compliance Calendar (Attachment 1 refers) has been reviewed through an assessment of the legislative responsibilities affecting local governments, against the Western Australian Local Government Association (WALGA) template, and in consultation with Business Unit Managers and Directors. The calendar is not a static tool and can be added to or changed, as and when the need arises.

It is therefore recommended that the Audit and Risk Committee notes the updated Annual Corporate Compliance Calendar as provided in Attachment 1 to this Report.

BACKGROUND

At its meeting held on 24 September 2013 (CJ190-09/13 refers), Council adopted a *Risk Management Policy* and endorsed the City’s *Risk Management Framework* as a mechanism to raise the profile of risk, improve the City’s approach to risk and embed risk management across all the City’s systems and processes.

As part of the framework’s implementation, a Corporate Risk Register was developed which included the identification of a number of actions to monitor and minimise risk across a range of the City’s organisational activities. One control action was the need to develop a Corporate Compliance Calendar to monitor the City’s compliance with legislative obligations and respond to new legislation that places obligations on the City.

At the Executive Leadership Team (ELT) meeting held on 28 July 2014, the Chief Executive Officer (CEO) endorsed the City's inaugural Corporate Compliance Calendar.

As part of the CEO's three yearly review of risk management, internal control and legislative compliance, the City's Auditor has recommended that the City updates and actively uses the Annual Corporate Compliance Calendar to ensure that compliance with legislative requirements are met in a timely manner.

The Corporate Compliance Calendar (Attachment 1 refers) has been reviewed through an assessment of the legislative responsibilities affecting local governments, against the WALGA template, and in consultation with Business Unit Managers and Directors. The calendar is not a static tool and can be added to, as and when the need arises.

The calendar is updated on a monthly basis and reported through to the CEO on a monthly basis to monitor the City's legislative obligations as well as to identify areas of upcoming legislative responsibility that may need to commence.

DETAILS

At its meeting held on 19 September 2023 (CJ186-09/23 refers), Council resolved, in part, to:

"2.3 present the updated Risk Registers and Corporate Compliance Calendar to a future Audit and Risk Committee meeting, prior to the end of 2023, for consideration."

At the Audit and Risk Committee meeting held on 13 November 2023, the Committee resolved as follows:

"That the Audit and Risk Committee:

- 1 NOTES the Annual Corporate Compliance Calendar as provided in Attachment 1 to this Report;*
- 2 RECEIVES the updated Annual Corporate Compliance Calendar at each Ordinary Committee meeting, for noting."*

This report is presented to the Audit and Risk Committee in accordance with the Committee's decision of 13 November 2023.

Issues and options considered

The Council may choose to:

- note the Corporate Compliance Calendar
- accept the Corporate Compliance Calendar on an annual basis for noting
or
- accept the Corporate Compliance Calendar on a quarterly basis for noting.

Legislation / Strategic Community Plan / Policy implications

Legislation *Local Government Act 1995.*

10-Year Strategic Community Plan

Key theme 5. Leadership.

Outcome 5-1 Capable and effective - you have an informed and capable Council backed by a highly-skilled workforce.

Policy Not applicable.

Risk management considerations

The Corporate Compliance Calendar is a useful tool to ensure that the City's legislative responsibilities are being met.

Financial / budget implications

Not applicable.

Regional significance

Not applicable.

Sustainability implications

Not applicable.

Consultation

The revised Corporate Compliance Calendar was developed in consultation with all Directors and Business Unit Managers, as well as using the WALGA template and other resources as a guide.

COMMENT

The Corporate Compliance Calendar offers a simple but effective way for the City and the CEO to monitor a local government's legislative reporting responsibilities. Items in the Corporate Compliance Calendar can be added to as and when the need arises and will require the cooperation of Business Units to ensure that accurate information is recorded.

VOTING REQUIREMENTS

Simple Majority.

OFFICER'S RECOMMENDATION MOVED Cr Raftis, SECONDED Cr Hamilton-Prime that the Audit and Risk Committee NOTES the Annual Corporate Compliance Calendar as provided in Attachment 1 to this Report.

The Motion was Put and

CARRIED (6/0)

In favour of the Motion: Cr Raftis, Cr Chester, Cr Hamilton-Prime, Cr Hutton, Cr Kingston and Mr Hall.

Against the Motion: Nil.

ATTACHMENTS

1. 2024 Corporate Compliance Calendar [8.5.1 - 24 pages]

8.6 CUSTOMER COMPLAINTS - QUARTER 4 - 2023/24 (WARD - ALL)

WARD	All
RESPONSIBLE DIRECTOR	Mr Jamie Parry Director Governance and Strategy
FILE NUMBER	48420,101515
AUTHORITY / DISCRETION	Information – includes items provided to Council for information purposes only that do not require a decision of Council (that is for 'noting').

PURPOSE

To provide the Audit and Risk Committee a summary of compliments and complaints received by the City for the period April to June 2024 (Quarter 4).

EXECUTIVE SUMMARY

At the Ordinary Council Meeting held on 28 November 2023 (CJ227-11/23 refers), Council approved the proposed structure, scope, and timelines for a quarterly report. This ongoing report will be provided to the Audit and Risk Committee and will include information and analysis of customer complaints and feedback, highlighting any perceived trending issues within the community or City organisation.

Complaints related matters are shared as part of operational service delivery and are also reported in monthly business unit reports.

The focus will be on identifying common themes, patterns, and trends to provide an accurate representation of the overall sentiment of feedback received.

In Quarter 4 of 2023-24, the City received 12,050 customer requests of which 45 were complaints and 71 were compliments.

It is important to note that complaints and feedback reported in this document have been extracted from one data source only (Customer Relationship Management system). At times, a representative sample of relevant and significant feedback will be included, ensuring the issue is represented.

It is therefore recommended that the Audit and Risk Committee NOTES the report on customer compliments, complaints and feedback for Quarter 4, 2023-24.

BACKGROUND

The City regards the management of complaints as a crucial and integral component of its service, program, and project delivery. In any organisation, errors, misunderstandings, customer dissatisfaction and unforeseen challenges are bound to arise. Thus, effective complaint handling serves as a vital mechanism for addressing issues proactively and preventing their escalation.

Well-defined procedures and guidelines are in place to ensure the appropriate handling of complaints. The guidelines are in accordance with the Australian Standards on complaint handling (AS/NZS 10002:2014; AS ISO 10002-2006) and align with the requirements set forth by the Ombudsman of Western Australia.

The City's *Customer Service Charter* promotes the standards of service that customers can expect. While the City consistently strives to meet these standards, it is reasonable to acknowledge that, on occasion, the City may not meet the expectations of all residents.

Where possible, complaints are handled by staff at the point of service delivery. Complaints that cannot be resolved by front-line staff are referred to the Customer Relations Advocate to coordinate an investigation and provide a response to the customer.

Currently, all complaints directed to, or received by the Customer Relations Advocate are recorded in the City's customer database and its record management system which serves as a data source for reporting obligations.

Definition and characterisation of complaints

Complaint	<p>An expression of dissatisfaction with the quality of services or products of the City and its contractors, or with actions of employees or contractors in the provision of those services, when legally and legislatively required.</p> <p>A complaint is not:</p> <p>A request for service; or A complaint against another resident, business or group.</p>
Compliment	An expression of praise, gratitude or congratulations.

DETAILS

Compliments and Complaints – Quarter 4

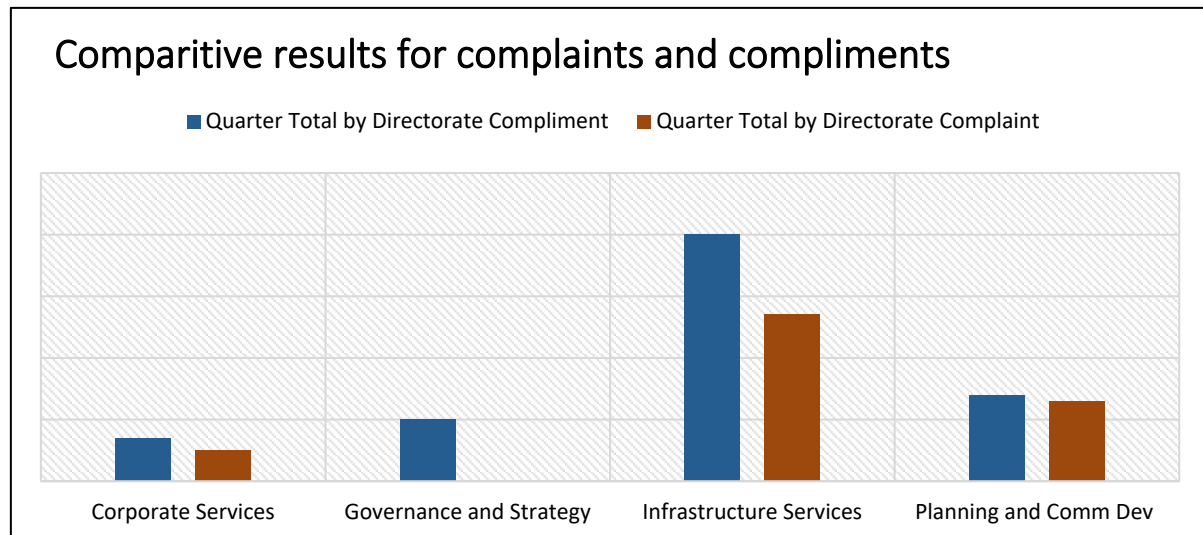
	April 2024	May 2024	June 2024	Total Qtr4
Compliments	27	28	16	71
Complaints	26	14	5	45

Breakdown by Directorate

Directorate	April 2024		May 2024		June 2024		Quarter Total by Directorate	
	Compliment	Complaint	Compliment	Complaint	Compliment	Complaint	Compliment	Complaint
Corporate Services	5	3	1	1	1	1	7	5
Governance and Strategy	4	0	5	0	1	0	10	0
Infrastructure Services	16	16	15	9	9	2	40	27
Planning and Community Development	2	7	7	4	5	2	14	13
TOTAL	27	26	28	14	16	5	71	45

Complaints

45 complaints were recorded in Quarter 4.



Complaints in April 2024 were heavily impacted by a resourcing issue being experienced by the City's waste services contractor. This issue is now resolved.

No other areas for concern or trends were identified.

Category	April 2024	May 2024	June 2024
City contractors	10	1	1
City services	6	2	0
Policy or procedure	2	4	1
Conduct of staff	2	2	1
Delay in correspondence	2	1	0
Level of customer service	0	2	0
Complaint about City facility or asset	1	0	0
Driving of city vehicles	1	0	0
Other complaints	1	2	1
Ombudsman enquiries	1	0	1

Mediation

Five referrals were forwarded to the Citizens Advice Bureau during Quarter 4, 2023-24. All five matters related to boundary disputes being experienced between City residents.

Ombudsman Western Australia

Two enquiries were received from the office of the Western Australia Ombudsman in Quarter 4. Nil ongoing.

- 1 Enquiry relates to complaint from resident that the City had not taken reasonable action in response to concerns raised relating to a newly erected boundary fence between himself and his neighbour.

Outcome - no further action required by the City. Ombudsman has closed the investigation.

- 2 Enquiry relates to the process followed by the City when issuing an infringement for a non-compliant firebreak on a vacant block.

Outcome - no further action required by the City. Ombudsman has closed the investigation.

Compliments

71 compliments were recorded in Quarter 4. Breakdown of compliments provided below, with 56% praising City staff and customer service, and 22% relating to the City's service offering.

Category	April 2024	May 2024	June 2024
Compliments towards staff	15	15	10
Compliments about services	4	8	3
City contractors	3	4	0
General compliment	5	1	1
Compliments about facilities	0	0	2

Legislation / Strategic Community Plan / Policy implications

Legislation Not applicable.

10-Year Strategic Community Plan

Key theme 5. Leadership.

Outcome 5-1 Capable and effective - you have an informed and capable Council backed by a highly skilled workforce.

Policy Not applicable.

Risk management considerations

By developing a quarterly report to Audit and Risk Committee on customer complaints and feedback the City can identify trends and implement corrective actions as required.

Financial / budget implications

Not applicable.

Regional significance

Not applicable.

Sustainability implications

Not applicable.

Consultation

Not applicable.

COMMENT

Identifying and analysing trends in complaints helps to address systemic issues, while root cause analysis provides insights for long-term solutions. Balancing these factors, along with compliance, fairness, and actionable recommendations, forms the foundation for effective complaint management and organisational improvement.

Customer compliments significantly outnumber complaints each month. While factors such as resourcing, capital works and project works can influence these numbers at times, Quarter 4 has not revealed any issues that require immediate attention.

VOTING REQUIREMENTS

Simple Majority.

Cr Vinciullo left the Room at 7.02pm and returned at 7.19pm.

OFFICER'S RECOMMENDATION MOVED Cr Hamilton-Prime, SECONDED Cr Chester that the Audit and Risk Committee NOTES the report on customer compliments, complaints and feedback for Quarter 4, 2023-24.

The Motion was Put and

CARRIED (6/0)

In favour of the Motion: Cr Raftis, Cr Chester, Cr Hamilton-Prime, Cr Hutton, Cr Kingston and Mr Hall.

Against the Motion: Nil.

ATTACHMENTS

Nil

8.7 BENEFITS REALISATION FRAMEWORK IMPLEMENTATION QUARTER 1 2024-25 (WARD – ALL)

WARD	All
RESPONSIBLE DIRECTOR	Mr Jamie Parry Director Governance and Strategy
FILE NUMBER	111020, 101515
AUTHORITY / DISCRETION	Information – includes items provided to Council for information purposes only that do not require a decision of Council (that is for ‘noting’).

PURPOSE

To provide an update to the Audit and Risk Committee on the implementation of the *Benefits Realisation Framework*.

EXECUTIVE SUMMARY

Following a review of the City’s Benefits Management Program, a *Benefits Realisation Framework* was developed to articulate best practice principles and processes for reporting the value of internal business improvement activities.

The Audit and Risk Committee noted the City’s new *Benefits Realisation Framework*, included as Attachment 1, at the August 2023 meeting.

Following endorsement of the Framework by the Chief Executive Officer implementation is currently in progress. The initial focus is to ensure City staff have access to the knowledge, tools, and support to effectively identify, measure and report on benefits arising from internal improvement activities.

An update on the implementation of the *Benefits Realisation Framework* was provided to the Audit and Risk Committee at the May 2024 meeting. At this meeting a further report was requested to demonstrate the application of the Framework. Additional information, including case studies will be presented to the August Audit and Risk Committee.

BACKGROUND

The former *Benefits Management Program* was initiated in August 2019 (referred to as *Service Efficiency and Effectiveness Review Program* prior to this date). The intent was to monitor and report on financial benefits resulting from operational improvements. An annual report was presented to the Audit and Risk Committee which outlined benefits from changes in organisational services, activities and programs in the financial year. Non-financial benefits were generally not reported.

In June 2022 a review of the *Benefits Management Program* was recommended following concerns regarding the lack of clarity on the definition of benefits and how benefits were reported within the program. Following the review, an updated *Benefits Realisation Framework* was developed and presented to the Audit and Risk Committee at the August 2023 meeting.

The *Benefits Realisation Framework* and associated processes are intended to capture benefits arising from internal business improvement activities undertaken in line with the City's continuous improvement culture.

The Framework is not intended to measure benefits from external projects such as Capital Works Program construction projects or infrastructure upgrades, although this may be considered in scope in the future.

The two overarching objectives of the *Benefits Realisation Framework* are:

- To embed the principles of benefits realisation across the organisation, including outlining the value of monitoring and reporting on benefits.
- To implement a clear and consistent process for the identification, categorisation, measurement, and reporting of the benefits arising from internal business improvement activities.

The implementation of the Framework will produce the following deliverables:

- Documented processes to guide City staff.
- Training and guidance materials.
- Templates for monitoring and reporting of benefits.

DETAILS

As part of the implementation of the *Benefits Realisation Framework* progress reporting is being provided to:

- CEO Performance and Review Committee (quarterly)
- Audit and Risk Committee (twice yearly)

At the 20 May 2024 Audit and Risk Committee meeting further information regarding the timeline for implementation and application of the *Benefits Realisation Framework*, was requested. The two projects are provided as case studies below.

Project 1 – Doc Assembler implementation

The City's Governance support team implemented the cloud-based agenda and minutes software, Doc Assembler, in July 2023. The software is used to develop all reports to Council/Committee and Strategy Sessions.

One-year post-implementation, the streamlined processes for preparing Council/Committee and Strategy Session agenda, minutes and reports using Doc Assembler have resulted in a tangible (i.e. measurable) benefit, being a reduction in staff time, and a soft cost saving.

To measure the benefit, Governance Officers collected data on the time taken to complete tasks such as preparing reports for Agenda Settlement, building the Council Agenda, and preparing and finalising Council Minutes. This established baseline data, which is critical to measuring the benefit of a project.

12 months after Doc Assembler was implemented, the Governance team again measured the time taken to complete the same tasks. Comparing this data with the baseline data demonstrated a time saving of approximately 325 officer hours per annum, representing a soft cost saving to the organisation of approx. \$19,000 a year. It should be noted, that the Governance Team have certainly noticed the benefits and time savings with regard to the report approval processes, and building of agendas. However, with regard to the minutes, the Governance Team have experienced some issues and on average, it is taking longer than before to compile the minutes document. The Governance Team are continuing to work with Harbour Software to resolve these issues and reduce the time taken to compile the minutes document.

In addition, it should be noted that the quantification of benefits to date includes the Governance Team only and there are wider organisational benefits resulting from the implementation of Doc Assembler which have not yet been quantified.

Six months post-implementation a staff opinion survey was conducted canvassing users of Doc Assembler. More than two thirds of respondents, (or 29 staff), either agreed, or strongly agreed with the statement 'Doc Assembler saves me time'.

Additional benefits from the implementation of Doc Assembler include the development of:

- A status of Council decisions register submitted to Council every month.
- A Council resolutions register, now available on the City's website.

Project 2 – Elected Member Portal upgrade

Following a review, the Elected Member Portal was enhanced to improve engagement and communication with Elected Members by increasing usability and access to information.

Improvements included a redesign of the layout and document libraries, inclusion of links to relevant documents and other information, a new Elected Member data dashboard and an integrated Elected member request application.

The new Portal went live Monday 24 June 2024, and the enhancements will provide intangible benefits such as improved communication, increased transparency and better decision making resulting from the increased access to information.

Further details of the implementation of the *Benefits Realisation Framework*, including these two projects and associated benefits, will be provided to the Audit and Risk Committee via a presentation at the August meeting.

Legislation / Strategic Community Plan / Policy implications

Legislation Not applicable.

10-Year Strategic Community Plan

Key theme 5. Leadership.

Outcome 5-1 Capable and effective - you have an informed and capable Council backed by a highly-skilled workforce.
5-4 Responsible and financially sustainable - you are provided with a range of City services which are delivered in a financially responsible manner.

Policy Not applicable.

Risk management considerations

A *Benefits Realisation Framework* provides a mechanism for monitoring and reporting on benefits of improvement projects and initiatives and provides greater transparency of organisational performance. A consistent approach and auditing of data and information on benefits captured will provide greater rigour and accountability.

Financial / budget implications

Not applicable.

Regional significance

Not applicable.

Sustainability implications

Not applicable.

Consultation

Not applicable.

COMMENT

Substantial progress has been made in the implementation of the *Benefits Realisation Framework* including the development of processes, tools, templates and testing of business improvement activities.

As a newly developed framework, it is expected that implementation will also include refinements over time as the processes are tested and the City's knowledge and expertise in the practice of measuring and reporting benefits matures.

Implementation of the Framework aligns with the *Australian Business Excellence Framework* and ISO 9001:2015, which the City use to monitor and drive continuous improvement.

A further report on the progress of the implementation of the *Benefits Realisation Framework* will be provided to the Audit and Risk Committee in Q2, 2024/25.

VOTING REQUIREMENTS

Simple Majority.

OFFICER'S RECOMMENDATION MOVED Cr Hamilton-Prime, **SECONDED** Cr Raftis that the Audit and Risk Committee **NOTES** the progress made in implementing the City's revised approach to benefits management and reporting through the *Benefits Realisation Framework*.

The Motion was Put and

CARRIED (6/0)

In favour of the Motion: Cr Raftis, Cr Chester, Cr Hamilton-Prime, Cr Hutton, Cr Kingston and Mr Hall.

Against the Motion: Nil.

ATTACHMENTS

1. Benefits Realisation Framework [8.7.1 - 5 pages]

8.8 ELECTED MEMBER DINNER REPORT QUARTER 4 - APRIL - JUNE 2024 (WARD - ALL)

WARD	All
RESPONSIBLE DIRECTOR	Mr Jamie Parry Director Governance and Strategy
FILE NUMBER	110756, 101515
AUTHORITY / DISCRETION	Information – includes items provided to Council for information purposes only that do not require a decision of Council (that is for ‘noting’).

PURPOSE

For the Audit and Risk Committee to note attendees to Elected Member Dinners as per Clause 10 of the *Elected Members’ Entitlements Policy*, which provides that *details of invited guests that attend elected member dinners are to be reported to the Audit and Risk Committee on a quarterly basis*.

EXECUTIVE SUMMARY

Elected Members are entitled under the *Elected Members’ Entitlement Policy* (the Policy) to host up to six dinners per financial year and invite up to nine guests to each dinner.

Clause 10 of the *Elected Members’ Entitlements Policy* provides that *details of invited guests that attend elected member dinners are to be reported to the Audit and Risk Committee on a quarterly basis*.

For an Elected Member Dinner to occur a quota of three Councillors are required to host tables.

It is recommended that the Audit and Risk Committee NOTES one Elected Member Dinner was held in Quarter 4 on Friday 26 April 2024.

BACKGROUND

Elected Member dinners are a provision within the *Elected Members’ Entitlement Policy*. At its meeting held on 18 May 2021 (CJ072-05/21 refers), Council reviewed and endorsed the policy with clause 10.1 identifying the parameters relating to elected member dinners as follows:

- “a To provide an avenue to facilitate networking possibilities and for elected members to undertake discussions with various representatives of the community, the Council has agreed to host Elected Member dinners.
- b The Mayor is entitled to host six dinners per calendar year, and each Ward a total of 12 each year, based on six dinners per Ward Councillor.

- c *Each table will allow for the Elected Member as host, plus up to a maximum of nine guests. Except for the Elected Member's spouse or partner, all guests invited are to have a relationship with the City or be a stakeholder of the City. Prior to an Elected Member dinner, Elected Members are to advise the City the details of their invited guests and their relationship with the City. Details of invited guests that attend elected member dinners are to be reported to the Audit and Risk Committee on a quarterly basis."*

DETAILS

Elected Members are entitled, under the *Elected Members' Entitlement Policy* (the Policy), to host up to six dinners per financial year and invite up to nine guests to each dinner.

Clause 10 of the *Elected Members' Entitlements Policy* provides that "details of invited guests that attend elected member dinners are to be reported to the Audit and Risk Committee on a quarterly basis."

Issues and options considered

The Committee may accept the report as presented or request further information.

Legislation / Strategic Community Plan / Policy implications

Legislation *Local Government Act 1995.*

10-Year Strategic Community Plan

Key theme 5. Leadership.

Outcome 5-2 Proactive and represented- you are confident that the City is advocating on your behalf for initiatives that benefit the community.

Policy *Elected Members' Entitlements Council Policy.*

Risk management considerations

Not applicable.

Financial / budget implications

The 2023-24 budget for elected member dinners is \$10,000 (excluding staffing costs).

All amounts quoted in this report are exclusive of GST.

Regional significance

Not applicable.

Sustainability implications

Not applicable.

Consultation

Not applicable.

COMMENT

Elected Members are entitled, under the *Elected Members' Entitlement Policy*, to host up to six dinners per financial year and invite up to nine guests to each dinner.

Clause 10 of the *Elected Members' Entitlements Policy* provides that *details of invited guests that attend elected member dinners are to be reported to the Audit and Risk Committee on a quarterly basis.*

One Elected Member Dinner was held in quarter 4 on Friday 26 April 2024.

VOTING REQUIREMENTS

Simple Majority.

The Manager Strategic and Organisational Development left the Room at 7.40pm.

OFFICER'S RECOMMENDATION MOVED Cr Kingston, SECONDED Cr Chester that the Audit and Risk Committee NOTES one Elected Member Dinner was held in Quarter 4 on Friday 26 April 2024.

The Motion was Put and

CARRIED (6/0)

In favour of the Motion: Cr Raftis, Cr Chester, Cr Hamilton-Prime, Cr Hutton, Cr Kingston and Mr Hall.

Against the Motion: Nil.

ATTACHMENTS

1. CONFIDENTIAL REDACTED - RSVP List Elected Member Dinner - 26 April 2024
[8.8.1 - 1 page]

8.9 HALF YEARLY REPORT - WRITE-OFF OF MONIES – 1 JANUARY 2024 - 30 JUNE 2024 (WARD - ALL)

WARD	All
RESPONSIBLE DIRECTOR	Mr Mat Humfrey Director Corporate Services
FILE NUMBER	07032, 101515
AUTHORITY / DISCRETION	Information – includes items provided to Council for information purposes only that do not require a decision of Council (that is for 'noting').

PURPOSE

For the Audit and Risk Committee to note the amounts of monies written off under delegated authority.

EXECUTIVE SUMMARY

The total amount written off under delegated authority during the six months ended 30 June 2024 was \$5,463. This amount consisted of 4,856 small unpaid rate amounts and four unpaid debtor items totaling \$1,189 that were above the reportable limit.

It is therefore recommended that the Audit and Risk Committee RECEIVES the report of amounts written off under delegated authority for the period 1 January 2024 to 30 June 2024.

BACKGROUND

Section 6.12(1)(c) of the *Local Government Act 1995* gives Council the power to write off any amount of money owing to the City.

At its meeting held on 6 June 2006 (CJ079-06/06 refers), Council approved to delegate to the Chief Executive Officer the authority to write off monies owed to the City, subject to a report being provided to the Audit and Risk Committee on a six-monthly basis on the exercise of this delegation for amounts between \$100 and \$20,000. The Chief Executive Officer under section 5.44 has delegated his authority to nominated employees, up to the limits provided in the instrument of delegation.

DETAILS

During the six months ended 30 June 2024 a total amount of \$5,463 was written off as unrecoverable. This amount includes the following:

- 4,856 unpaid rates balances below the reportable limit totaling \$4,274 representing in the main rounding decimals or other minor miscellaneous charges for which the cost of collection was, for all practical purposes, uneconomical.

- Four reportable debtor items totaling \$1,189, three for fire-break clearing costs and one for after-hours motor vehicle release from the Multi-Storey Car Park. With multiple debt recovery attempts through monthly and final demands being unsuccessful and, due to the value and age of the debt as well as limited prospects of success, these were not considered suitable for continued action.

Issues and options considered

Not applicable.

Legislation / Strategic Community Plan / Policy implications

Legislation Section 6.12(1)(c) of the *Local Government Act 1995*.
 Section 5.42 of the *Local Government Act 1995*.
 Section 5.44 of the *Local Government Act 1995*.

10-Year Strategic Community Plan

Key theme 5. Leadership.

Outcome 5-4 Responsible and financially sustainable - you are provided with a range of City services which are delivered in a financially responsible manner.

Policy Not applicable.

Risk management considerations

The amounts written off are either unrecoverable or uneconomical to recover, none of which represent a material financial risk to the City.

Financial / budget implications

Account No	3256
Budget Item	Bad Debts Written off
Annual Budget	\$ 13,500
Year to Date Budget	\$ 13,500
Year to Date Actual	\$ 15,986
Year to Date Variance	\$ (2,486)

All amounts quoted in this report are exclusive of GST.

Regional significance

Not applicable.

Sustainability implications

Not applicable.

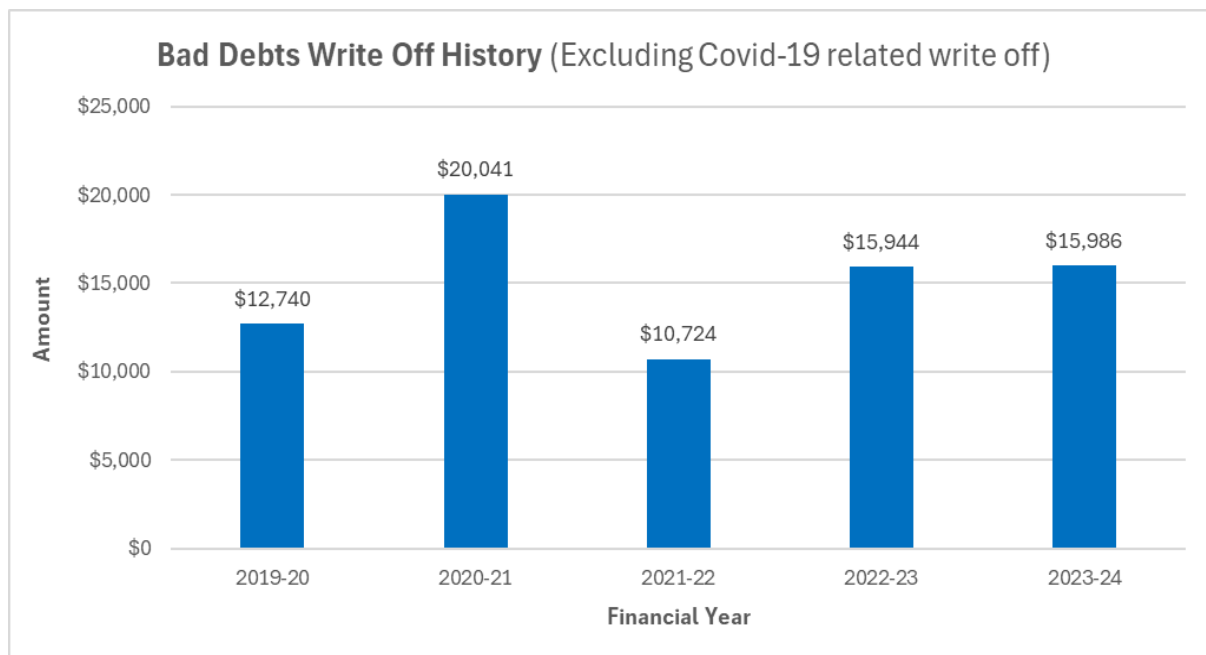
Consultation

Not applicable.

COMMENT

Monies written off under delegation comprised 4,856 small items of unpaid rates totaling \$4,274 as described in the report, as well as four reportable unpaid debtor items totaling \$1,189 that were written off due to unsuccessful debt recovery action which was deemed uneconomical to continue.

History of bad debts written off over the past five financial years is below:



VOTING REQUIREMENTS

Simple Majority.

OFFICER'S RECOMMENDATION MOVED Cr Raftis, SECONDED Cr Hamilton-Prime that the Audit and Risk Committee RECEIVES the report of monies written off under delegated authority for the period 1 January 2024 to 30 June 2024.

The Motion was Put and

CARRIED (6/0)

In favour of the Motion: Cr Raftis, Cr Chester, Cr Hamilton-Prime, Cr Hutton, Cr Kingston and Mr Hall.

Against the Motion: Nil.

ATTACHMENTS

Nil

8.10 APPLICABILITY OF WA PROCUREMENT RULES 2021 TO CITY OF JOONDALUP PROCUREMENT ACTIVITY (WARD - ALL)

WARD	All
RESPONSIBLE DIRECTOR	Mr Mat Humfrey Director Corporate Services
FILE NUMBER	59174, 101515
AUTHORITY / DISCRETION	Information – includes items provided to Council for information purposes only that do not require a decision of Council (that is for ‘noting’).

PURPOSE

For the Audit and Risk Committee to note the consideration of the WA State Government Procurement Rules 2021 and their applicability to the City of Joondalup.

EXECUTIVE SUMMARY

At its meeting on 21 August 2023, the Audit and Risk Committee considered the three-yearly review of financial systems at the City. Following reference in the meeting to the WA Procurement Rules 2021 (“Rules”) that are applicable to Western Australian State Government departments and agencies, the Committee requested that an assessment be undertaken of the applicability of the Rules to the City’s procurement.

BACKGROUND

The City of Joondalup, as a local government, is governed by the *Local Government Act 1995* and related regulations, including the *Local Government (Functions and General) Regulations 1996* that makes various prescriptions regarding procurement activity. The City is not subject to the procurement legislation, policies or procedures applied by the WA State to State Government departments, agencies and entities.

The Rules (Attachment 1 refers) comprise certain key principles that direct State Government procurement in Western Australia, although there are several exceptions provided for that may apply at any given time with various State agencies enjoying considerable leeway to depart from these Rules, subject to due process as prescribed.

The key principles may be summarised as follows¹:

- 1
- Value for Money:** Procurement decisions should maximize value for money by considering both cost and quality. This involves assessing the total cost of ownership, including ongoing maintenance and operational costs.

¹ Generative AI (Microsoft Copilot) was used in preparing this summary of the Rules’ key principles.

- 2 **Open and Effective Competition:** The Rules emphasize fair competition among suppliers. Agencies must use competitive processes (such as open tenders or requests for quotes) to ensure transparency and encourage participation from a wide range of suppliers.
- 3 **Ethical Behavior:** Procurement activities must adhere to high ethical standards. This includes avoiding conflicts of interest, treating suppliers fairly, and maintaining confidentiality.
- 4 **Sustainable Procurement:** Agencies should consider environmental, social, and economic sustainability factors when making procurement decisions. This involves assessing the impact of goods, services, or works on the environment and society.
- 5 **Risk Management:** Agencies must assess and manage risks associated with procurement. This includes identifying risks related to supplier performance, financial stability, and project delivery.
- 6 **Accountability and Transparency:** The Rules promote accountability by requiring agencies to document procurement decisions and provide clear justifications for their choices. Transparency ensures that stakeholders can understand the decision-making process.

DETAILS

The City's *Purchasing Council Policy* and associated protocols, which operate subject to the *Local Government Act 1995* and associated regulations including the *Local Government (Functions and General) Regulations 1996*, govern the manner in which the City undertakes procurement activities.

The key principles articulated in the Rules are compared to those set out in the City's *Purchasing Council Policy*, which is included as Attachment 2 to this Report.

The application of these key principles that is articulated in the Rules does vary from the City's practices, mostly as a function of quantity, rather than quality. For example, the Rules prescribe that State Government departments and agencies may undertake direct purchases (such as no minimum quotes required) for procurement values up to \$50,000. The City's *Purchasing Council Policy* permits direct purchase up to \$5,000. It is not considered appropriate, for the City's scale compared to the WA State, that direct purchases be permitted to \$50,000.

The table below assesses the various principles outlined in the Rules and compares the City's procurement policy/protocols to these.

The City's *Purchasing Council Policy* incorporates the key principles outlined in the Rules. The *Policy* is subject to regular review and is due to be reviewed and presented to the Policy Committee for consideration later in 2024. In its present iteration, it is considered fit-for-purpose and suitable for the City's operations as a local government to both comply with legislation and drive value for money from the City's procurement activities.

The Rules	Key Details	CoJ Purchasing Policy/Protocols compared
A. Achieve Value for Money	Agencies <u>must</u> seek the best value for money outcomes	<i>Purchasing Council Policy</i> states that value for money underlies all procurement activities
B. Act Ethically – With Integrity and Accountability	Officers must: <ul style="list-style-type: none"> a. Act Ethically and with integrity b. Declare and manage conflicts of interest c. Keep adequate records 	<i>Purchasing Council Policy</i> outlines procurement principles which stipulate that: <ul style="list-style-type: none"> - Officers to observe highest standards of ethics and integrity - Conflicts of interest to be avoided or disclosed/managed as required - Purchasing decisions to be free from bias - All decisions to be fully documented and to be recorded and stored as per requirements
C. Procurement Planning	Involve Department of Finance in all procurement (value > \$250,000 in the case of goods/services), subject to exception provisions; Contract terms not to exceed 5 years, except where determined otherwise by an agency Authorised Officer; Purchasing must be from Common Use Arrangements (CUA) or agency Standing Officers, except if procuring from a Disability Enterprise or Aboriginal Business or if otherwise approved by Authorised Officer Procurement planning required for procurements with total estimated value of \$5 million or more, incl procurement plan, project plan, etc as prescribed;	<i>Local Government (Functions and General) Regulations 1996</i> prescribes that procurement in excess of \$250,000 value must go to public tender, subject to exceptions, including where procurement is undertaken via the State Government CUA or WALGA panels. <i>Purchasing Council Policy</i> outlines purchasing thresholds as follows: Direct purchase (no quotes) – up to \$5,000 Verbal quotations (min 2) – \$5,001 to \$10,000 Written quotations (min 2) - \$10,001 to \$50,000 Written quotations (min 3) - \$50,001 to \$250,000 Public tender - \$250,001 and above

The Rules	Key Details	CoJ Purchasing Policy/Protocols compared
	<p>Direct sourcing (no quotes) – up to \$50,000 Limited sourcing (more than one quote) – between \$50,000 and \$250,000 Open advertisement (public quote/tender) - \$250,000 and above</p> <p>Procurement is excepted from the above thresholds where:</p> <ul style="list-style-type: none"> ➤ Using a CUA or Standing Offer; ➤ Buying from an Aboriginal Business or Disability Enterprise ➤ Otherwise exempted by Dept of Finance or agency Authorised Officer 	<p>CoJ does not require procurement plans to be prepared. Procurement that forms part of a major project is informed by a business case that Council approves before procurement activity can commence. There is no value threshold applied to this, i.e. major projects can be well below the \$5m threshold used in the Rules.</p> <p>Exceptions permitted under the <i>Regulations</i> include:</p> <ul style="list-style-type: none"> ➤ Purchasing from state govt CUA ➤ Purchasing from WALGA panels ➤ Purchasing from/through a commonwealth or state government entity or local government ➤ Purchasing from a unique supplier ➤ Purchasing from an Aboriginal business as prescribed; ➤ Purchasing from an Australian Disability Enterprise
D. Request Development and Contract Formation	<p>Up to \$50,000 – verbal quotations >\$50,000 – written (RFQ, tenders, EOIs)</p> <p>Requests must promote open and fair competition. As far as possible, specifications must be framed in terms of performance and functional requirements, as opposed to design or descriptive features.</p> <p>All open advertisements must use the TendersWA portal.</p>	<p>Under <i>Regulations</i>, public tenders to be open for at least 14 days and must be published in at least 4 of the following ways:</p> <ul style="list-style-type: none"> ➤ On the CoJ website (mandatory) ➤ In a statewide newspaper ➤ In one or more newsletters circulating in the CoJ district ➤ On a CoJ social media account ➤ On a notice board at CoJ offices and libraries

The Rules	Key Details	CoJ Purchasing Policy/Protocols compared
	<p>Offers must be evaluated in accordance with the evaluation criteria and process stated in the request</p> <p>Negotiations may be undertaken during evaluation of offers only if right to negotiate is included in the request, or otherwise if no offer represents value for money and the request does not preclude negotiations.</p> <p>If negotiations involve any new or revised information required, all respondents must be given the same opportunity to provide this information.</p> <p>Evaluation reports must be prepared for all procurement \$50,000 and over, with the extent of detail commensurate with value, risk, and complexity</p> <p>For procurement \$5 million or over, additional assurance and review of the procurement evaluation must be undertaken by a Review Committee or other approved mechanism</p> <p>All contract awards for procurement \$50,000 or more must be published on TendersWA no more than 30 days after award, except where this is deemed a significant operational risk by the Authorised Officer.</p> <p>Open advertisement requests must be advertised for at least 25 days, or 14 days if an early tender advice has been published on TendersWA. For other procurement methods, suppliers must be given sufficient time to respond.</p>	<p>CoJ tenders are evaluated according to the criteria determined before the RFT was issued.</p> <p>CoJ does not undertake negotiation during the evaluation process, except to clarify any information submitted by a respondent. Negotiations, if required, are undertaken only with the successful respondent, after Council has decided on the tender outcome.</p> <p>Evaluation reports are prepared for all CoJ tender processes, as the immediate outcome of the evaluation panel's deliberations. A separate recommendation report is then prepared for Council inclusive of all relevant information necessary to make a decision, but does not include sensitive or commercial-in-confidence information that should not be in the public domain. For procurement that falls below the tender value threshold, the <i>Purchasing Council Policy</i> requires that appropriate quote recommendations be prepared for a decision-maker to review before a supplier is selected.</p> <p>All tenders are published in a tender register on the CoJ website, including the awardee and contract value.</p>

The Rules	Key Details	CoJ Purchasing Policy/Protocols compared
E. Contract Management	<p>Contract management or project management plans required for procurements with total estimated value of \$5 million or more, except for non-high risk procurement that may be exempted by an Authorised Officer in the prescribed manner</p> <p>Contract variations must be approved by an Authorised Officer.</p> <p>Contract variations must be documented and recorded appropriately.</p> <p>For procurements that involved the Department of Finance, the latter must be approach for written advice where variations to the contract are individually or cumulatively \$250,000 or more, or will extend the contract by 6 months or more Contract variations must be published on Tenders WA as prescribed; the number and value of variations to a contract within 2 months from the anniversary of contract commencement.</p>	<p>Separate contract management plans are not currently prepared; however, projects are documented and recorded in accordance with the City's <i>Project Management Framework</i>. In the case of major projects, this includes business cases that Council considers and determines before work, including procurement activity, progresses.</p> <p>Contract variations are required to be approved by an appropriate Delegated Officer. The value threshold is the total contract value <u>after</u> the variation is applied.</p> <p>Contract extensions as the result of the City exercising an extension option provided for in the original contract are approved by the CEO under delegation, subject to these being reported to the Audit & Risk Committee on a 6-monthly basis.</p>
F. Agency Obligations	<p>Agencies must maintain internal processes and procedures to support compliance with Procurement Rules</p> <ul style="list-style-type: none"> ➤ Delegation and authorisation register ➤ Contracts register for contracts \$50,000 or more (including GST) ➤ Strategic forward procurement planning for two years inclusive of procurements \$250,000 or more <p>Works/construction procurements \$1.5m or more require project bank account (i.e., trust account) arrangements</p>	<p>Currently no contract register requirement</p> <p>CoJ utilises the 10 Year SFP and the 5 Year CWP to inform annual budget-setting and project deliberations.</p> <p>LG legislation does not accommodate separate project bank account arrangements in the manner permitted in the State Government sector.</p>

The Rules	Key Details	CoJ Purchasing Policy/Protocols compared
	Agencies must assign responsibility for procurement and contract management activities to officers with commensurate skills	CoJ has a dedicated contracts and purchasing area that coordinates the procurement function
	Agency's Accountable Authority must establish a register of position titles and/or classifications authorised or delegated with authority to make procurement decisions on behalf of the Accountable Authority; the register must include details as prescribed	CoJ Delegated Authority manual
	Agencies must establish and maintain an exemption register, where exemptions to these rules that have been applied are documented as prescribed	CoJ is required to follow the requirements of the LG legislation and <i>Purchasing Council Policy</i> for all procurement.
	Agency's Accountable Authority must ensure a contract register is maintained, in a searchable electronic format <ul style="list-style-type: none"> ➤ Contracts for values \$50,000 or more to be recorded within 30 days of award ➤ A contract in the register may not be archived until at least 12 months after its completion ➤ Contract details in the register as prescribed 	
	Agencies must undertake strategic forward procurement planning annually, recording relevant information in a strategic forward procurement plan. Plans must:	<p>Procurement that forms part of a major project is informed by a business case that Council approves before procurement activity can commence. There is no value threshold applied to this.</p> <p>CoJ utilises the 10 Year SFP and the 5 Year CWP, which are updated each year, to inform annual budget-setting and project deliberations.</p>

The Rules	Key Details	CoJ Purchasing Policy/Protocols compared
	<ul style="list-style-type: none"> ➤ Be based on the next two financial periods; ➤ List anticipated upcoming procurements over the next two years valued at \$250,000 or more ➤ Identify procurements that may be classified as Strategic Projects, which require early consultation with the Department of Jobs, Tourism, Science and Innovation ➤ Be approved by the Accountable Authority; and ➤ Submitted to the Department of Finance by the prescribed date, as notified ➤ Include other details as prescribed 	
	Agencies can apply to the relevant Review Committee for exemption from specific requirements for low risk and routine procurements	Not applicable. Exceptions are provided for in the <i>Regulations</i> that apply to all local governments. Local governments cannot deviate further from these.
	Agencies that procure works without the involvement of the Department of Finance and without their own assurance and review measures may request such assurance and review be undertaken by a relevant Review Committee, subject to approval by Finance	Not applicable. Local governments are not required to seek Department of Finance involvement in procurement.
	Works procurement exceeding \$1.5 million and where one or more sub-contractors will be engaged requires agencies to establish project bank account arrangements, except where:	Not applicable. No such requirement exists for local government. Current local government legislation may not support establishment of project bank accounts in this manner – this has not, however, been considered or tested in the local government sector yet. In the 2024/2025 budget, reserves for specific major projects have been established.

The Rules	Key Details	CoJ Purchasing Policy/Protocols compared
	<ul style="list-style-type: none"> ➤ The agency pays sub-contractors directly, or ➤ The agency is exempted from this requirement by written authorisation of the Deputy Director General ➤ Advisory Services, Dept of Finance Agencies must ensure appropriate complaint handling processes in place, including complaints received about procurement or procurement activities 	CoJ Complaint Handling Guidelines are supported by the Complaint Handling Management Protocol
	Agencies must implement measures to ensure that contracts are managed according to contract management or project management plans, which are to be kept current	The City' Project Management Framework prescribes project management plans required for projects, which informs subsequent procurement and contract management.
	Agencies that are part of agency groupings may utilise a centralised procurement function, subject to approval of Finance	Not applicable. Local governments can procure goods/services jointly with other local governments where appropriate, subject to local government legislation. Each local government is independent of other local governments, and no groupings exist in the same way as in State Government.

Legislation / Strategic Community Plan / Policy implications

Legislation Not applicable.

10-Year Strategic Community Plan

Key theme 5. Leadership.

Outcome 5-4 Responsible and financially sustainable - you are provided with a range of City services which are delivered in a financially responsible manner.

Policy *Purchasing Council Policy.*

Risk management considerations

Not applicable.

Financial / budget implications

Not applicable

Regional significance

Not applicable.

Sustainability implications

Not applicable.

Consultation

Not applicable.

COMMENT

The *WA Procurement Rules 2021* are designed for Western Australian State Government departments and agencies to harmonise the State's approach to procurement in order to achieve certain key objectives. The Rules are underpinned by key principles. This report compares these principles to those articulated in the City's *Purchasing Council Policy* which informs the City's procurement activity, subject to the *Local Government Act 1995* and related regulations.

The scale and breadth of the Rules are designed to achieve State goals related to procurement while still providing significant scope to departmental or agency authorised officers to deviate from the Rules, subject to appropriate justification as prescribed. The Rules are structured in this manner to allow the State to best harmonise its overall procurement activities while still recognising the diversity in scale, size, and purpose of its various agencies, some of which are considerably different to each other.

The City, as a local government, exists and operates within a fairly narrow frame of reference. Within these parameters, the City is an entity independent of other local governments and at a scale significantly below the procurement activity of the State.

The City's *Purchasing Council Policy* is considered appropriate and adequate for the City's operations as a local government to drive value from procurement activities.

VOTING REQUIREMENTS

Simple Majority.

OFFICER'S RECOMMENDATION MOVED Cr Hamilton-Prime, SECONDED Cr Raftis that the Audit and Risk Committee NOTES the consideration of the WA Procurement Rules 2021 and applicability to the City's procurement.

The Motion was Put and

CARRIED (6/0)

In favour of the Motion: Cr Raftis, Cr Chester, Cr Hamilton-Prime, Cr Hutton, Cr Kingston and Mr Hall.

Against the Motion: Nil.

ATTACHMENTS

1. Western Australian Procurement Rules Procurement Direction 2021/02 [**8.10.1** - 51 pages]
2. Purchasing Council Policy [**8.10.2** - 5 pages]

8.11 CONFIDENTIAL - CORPORATE CREDIT CARD STATEMENTS (WARD - ALL)

WARD	All
RESPONSIBLE DIRECTOR	Mr Mat Humfrey Director Corporate Services
FILE NUMBER	18049
AUTHORITY / DISCRETION	Information – includes items provided to Council for information purposes only that do not require a decision of Council (that is for 'noting').

This report is confidential in accordance with section 5.23(2) of the *Local Government Act 1995*, which permits the meeting to be closed to the public for business relating to the following:

(a) *a matter affecting an employee or employees.*

A full report was provided to elected members under separate cover. The report is not for publication.

OFFICER'S RECOMMENDATION MOVED Cr Kingston, SECONDED Cr Raftis that the Audit and Risk Committee NOTES the copies of corporate credit card statements for April 2024 to June 2024.

The Motion was Put and

CARRIED (6/0)

In favour of the Motion: Cr Raftis, Cr Chester, Cr Hamilton-Prime, Cr Hutton, Cr Kingston and Mr Hall.
Against the Motion: Nil.

9 URGENT BUSINESS

Nil.

10 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil.

11 REQUESTS FOR REPORTS FOR FUTURE CONSIDERATION

Nil.

12 CLOSURE

There being no further business, the Presiding Member declared the meeting closed at 8.11pm the following Committee Members being present at that time:

CR JOHN RAFTIS
CR LEWIS HUTTON
CR DANIEL KINGSTON
CR JOHN CHESTER
CR CHRISTINE HAMILTON-PRIME, JP
MR MARK HALL

5 AUGUST 2024 - AUDIT AND RISK COMMITTEE - MINUTES ATTACHMENTS

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Report 25: 2023-24 | 28 June 2024

PERFORMANCE AUDIT

Staff Exit Controls at Large Local Government Entities



**Office of the Auditor General
for Western Australia**

Audit team:

This audit was conducted by Paxon Group engaged under section 29 of the *Auditor General Act 2006*.

The audit was conducted under the direction of Nayna Raniga and Andrew Harris.

National Relay Service TTY: 133 677
(to assist people with hearing and voice impairment)

We can deliver this report in an alternative format for those with visual impairment.

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The Office of the Auditor General acknowledges the traditional custodians throughout Western Australia and their continuing connection to the land, waters and community. We pay our respects to all members of the Aboriginal communities and their cultures, and to Elders both past and present.

WESTERN AUSTRALIAN AUDITOR GENERAL'S REPORT

Staff Exit Controls at Large Local Government Entities

Report 25: 2023-24
28 June 2024

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**THE PRESIDENT
LEGISLATIVE COUNCIL**

**THE SPEAKER
LEGISLATIVE ASSEMBLY**

STAFF EXIT CONTROLS AT LARGE LOCAL GOVERNMENT ENTITIES

This report has been prepared for submission to Parliament under the provisions of sections 24 and 25 of the *Auditor General Act 2006*.

Performance audits are an integral part of my Office's overall program of audit and assurance for Parliament. They seek to provide Parliament and the people of WA with assessments of the effectiveness and efficiency of public sector programs and activities, and identify opportunities for improved performance.

This audit assessed whether eight large metropolitan local government entities effectively and efficiently manage the exit of staff to minimise security, asset and financial risks.

I wish to acknowledge the entities' staff for their cooperation with this audit.

A handwritten signature in black ink, appearing to be 'C Spencer'.

Caroline Spencer
Auditor General
28 June 2024

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Auditor General's overview

This audit assessed the effectiveness of staff exit controls at eight large metropolitan local government entities. It follows similar audits in both State government entities and government trading enterprises (GTE). The eight entities employ a large number of staff, often across multiple locations, many of whom are casual and temporary employees. In our audit period they also incurred significant staff turnover.



Overall we found that payroll and finance controls were largely effective, but physical security and information technology risks were not always minimised and there were gaps in the documentation of the return of assets. Although this exposes the entities to increased risk, I am pleased that we did not find any instances where information systems had been accessed inappropriately or where assets had been lost or stolen.

All the entities had processes in place for staff exits but their maturity and design varied. Similar to State government entities and GTEs we found that they did not effectively document the assessment of risk and adjust controls to take account of staff leaving high integrity positions.

The risks and challenges identified in my report are not confined to the eight entities we audited. I encourage all public sector entities to look at the findings and recommendations in this report, and draw on the better practice guidance provided in Appendix 1. These should be applied by entities to meet their operational requirements to ensure they have effective staff exit controls in place.

Executive summary

Introduction

Our Office regularly conducts audits to ensure that controls are effective and working as intended. Our recent audits of staff exit controls in State government entities and government trading enterprises (GTE) found access to work premises and information technology (IT) were not consistently cancelled immediately, and exit controls were not assessed for risk and were not adjusted for high integrity positions.

This audit assessed whether eight large metropolitan local government entities (entities) effectively and efficiently manage the exit of staff to minimise security, asset and financial risks. We considered if these entities have appropriate policies and procedures, and whether these are complied with to effectively manage staff exits. This report names local government entities in highlighting good practice and areas to improve. These learnings can be applied more broadly across local government entities and the public sector. Entities have not been named where financial controls are applicable.

Background

The risks relating to staff exits are common to all public sector entities. The local government sector is no exception. It employs a large number of staff, often across multiple locations, many of whom are casual and temporary employees. Entities often see large movements in staff. Our audit covered staff exits during the period 1 January 2023 to 31 December 2023 (Table 1).

City	Headcount	Total staff exits	Casual and temporary staff exits	Permanent staff exits
Armadale	701	213	100	113
Canning	813	270	125	145
Gosnells	671	112	47	65
Joondalup	1,014	207	134	73
Rockingham	725	194	88	106
Stirling	1,490	289	169	120
Swan	1,118	235	67	168
Wanneroo	957	187	43	144
Total	7,489	1,707	773	934

Source: OAG using audited entity information

Table 1: Headcount and the number of staff exits at the eight local government entities in 2023

Entities need to ensure when a staff member leaves that premises and information are protected, and all public assets recovered. Ineffective controls increase the risk of security breaches and the loss of information, physical assets and public money.

When staff leave by resignation, retirement, end of contract or through dismissal the entity should:

- immediately cancel access to information systems, premises and confidential information

- revoke all physical controls such as identity cards, security access passes (fobs or cards) and keys
- collect all entity owned property
- offer exit interviews
- issue a reminder of the individual's ongoing obligations not to disclose entity information.

Entities should also consider and assess risks presented by staff leaving high integrity positions, or are terminated for misconduct or other adverse reasons. Risk assessments help entities to identify and understand security implications and reduce risks to information, assets and finances. Information to assist entities to manage these risks is included in Appendix 1.

Risk assessments are better managed by adopting a systematic approach that is documented in exit procedures and checklists used by entities. This includes considering post-employment integrity risks and making clear the ongoing requirement for staff to maintain security of information and return all IT assets when the person's employment ends.¹

To manage staff exits effectively entities require policies and procedures that coordinate activities across multiple business units (these can include human resources, payroll, finance, security, IT and fleet). Entities also need to monitor staff exits to ensure compliance with their policies and procedures, and reduce risk.



Source: OAG using audited entity process maps and information

Note: The business unit names and configurations may vary at different entities.

Figure 1: Five key business units generally involved in the staff exit management process

¹ Office of the Auditor General, [Local Government 2022-23 – Information Systems Audit Results](#), OAG, 27 May 2024.

Conclusion

The entities we audited were partly effective in managing staff exits to minimise security, asset and financial risks. Payroll and finance controls in all eight entities were largely effective, but physical security and IT risks were not always minimised and there were gaps in the documentation of the return of assets. Although this exposes the entities to increased risk, we did not find any instances where information systems had been accessed inappropriately or where assets had been lost or stolen.

All the entities had processes in place for staff exits but their maturity and design varied. Entities' monitoring and oversight of the completion and effectiveness of exit controls was limited. Documentation of end-to-end processes varied across the eight entities, and only two entities had processes in place which enabled them to monitor that all exit activities have been completed. Data to check whether IT and security access had been cancelled was inadequate in most entities, mainly because the ageing systems in use at these entities lacked effective reporting functionality.

Similar to State government entities and GTEs, local government entities are not yet mature in assessing risk and adjusting staff exit controls to take account of high integrity positions. Factors such as access to confidential information and/or critical systems are not subject to risk assessment and exit controls are not adjusted accordingly. Although exit interviews or surveys were offered, completion rates were low restricting analysis of results. We did find some entities do not review outcomes of exit interviews and surveys. This reduces opportunities to improve business processes and staff retention, which is a key challenge for many entities.

Findings

Access to buildings and IT was not consistently removed on a timely basis when staff left

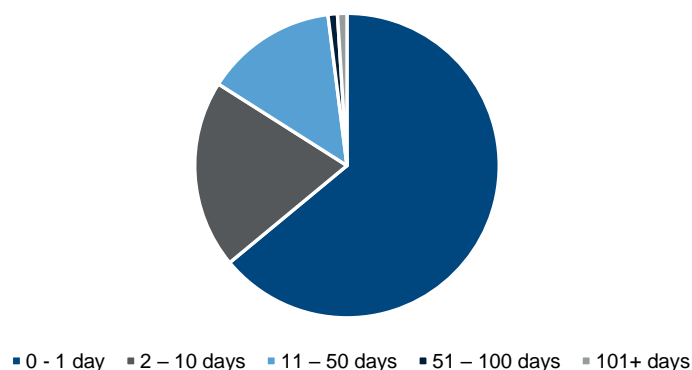
Cancelling access to buildings often took more than a day risking unauthorised access to premises

Physical access cancellation at all eight entities was not always performed on a timely basis, specifically within a day of the employee exit. This exposes the entities to increased risk in terms of unauthorised access to buildings, misappropriation of assets and possible damage to premises.

Almost one third of the staff exits we examined showed access was not cancelled within a day after the employee's last day of employment. We tested 15 exits at each entity.

Across the three entities where data analysis could be performed for the population of exits (Table 2), access was cancelled on a timely basis in 65% of cases, with 35% between two and 101 plus days (Figure 2).

0-1 day	2-10 days	11-50 days	51-100 days	101+ days
65%	20%	13%	1%	1%



Source: OAG based on exit data provided by three local government entities

Figure 2: Days taken to remove physical access

We were able to determine from our sample exits that security cards had been disabled. Processes were also in place for the return of security access cards but we were unable to evidence the return or destruction of these at all eight entities.

In addition to building access cards, some employees also received staff identify cards. At most entities, it was not possible to determine the date of return of identity cards as the cards are destroyed and no documentation is kept. Identity cards allow the holder to exercise powers, such as performing inspections and if they have not been returned and destroyed it increases the risk of them being used inappropriately after someone leaves. This risk is relatively low as there are processes in place to prompt the return of identity cards on staff exit.

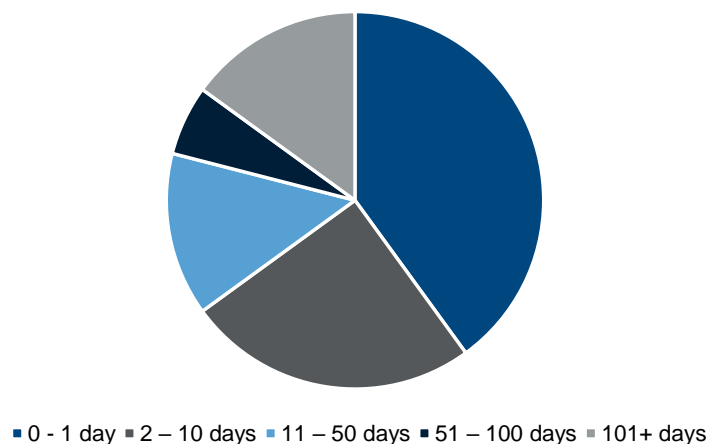
Access to IT was not always cancelled within 24 hours

IT access cancellation was not performed on a timely basis at seven of the eight entities, with 38% of the samples tested not cancelled within 24 hours of staff exit. This increases the risk of inappropriate or unauthorised access being obtained to the entity's information and data. The City of Wanneroo was the only entity where all the exits we tested showed timely cancellation of less than one day.

There were no instances of unauthorised access by an employee after their exit date. We found a very low number of instances of activity on user accounts after exits, but this was approved IT department activity, rather than inappropriate user activity.

Across the six entities where the data allowed us to perform analysis (Table 2), 43% of the total number of exits were timely cancellations but 57% were not, with 4% over 101 days (Figure 3).

0-1 day	2-10 days	11-50 days	51-100 days	101+ days
43%	34%	16%	3%	4%



Source: OAG based on exit data provided by six local government entities

Figure 3: Days taken to remove IT access

Of the eight entities only the City of Rockingham had defined target timeframes for the cancellation of access to IT and security access cards. It also performed significantly better than the other entities where we were able to analyse the data across the entire population of staff exits.

The return of assets was not always actioned or documented effectively

The return of assets was not always effectively documented

While we did not find any instances where assets had been lost or stolen, it was not possible to confirm that assets allocated to exiting staff were returned at the point of exit.

Although all eight entities have processes to administer the return of assets we found that forms were not always in place or completed to identify which assets had been allocated to which staff, and when they were returned.

IT assets issued to staff are generally not physically returned to IT centrally but provided directly to the replacing employee or to the line manager. IT asset registers were either in place or in development at all eight entities, but there is no clear audit trail of the details of assets being allocated, transferred and returned at most entities leaving uncertainty as to who has the asset at any point in time.

There were instances where exited employees were still included as the custodians of assets within the registers. Where this did occur, entities were able to demonstrate assets had been returned and were still being used within the respective entity.

Although fleet assets could be evidenced as returned at six entities, fleet asset documentation was not always completed for the return of vehicles and related assets such as fuel cards. Limited documentation was available at the cities of Gosnells and Armadale, as vehicle return forms are not used by these entities. The return of vehicles and the related fuel card was identified through the allocation of the vehicle to a different employee, but due to the absence or lack of completed forms we could not always determine the timeliness of their return.

Controls over final payments need to be consistently implemented at two entities

Although most entities had effective controls over financial payments, we found:

- at one entity the final payment for 10 exits, considered to be standard exits, was calculated by the system with no further checks occurring
- one person within our sample owed money to an entity, but the value was not established until after they had exited and the final salary payment had been made. This exposes the entity to an increased risk of non-payment, though in this instance the value was not considered high.

Entities need to ensure that their controls over final payments to exiting employees are consistently implemented. Making errors in final payments risks either underpaying exiting employees which is not acceptable or overpaying and then having to recover funds from staff who have left the entity.

Processes for monitoring the timely completion of exit activities vary in their effectiveness

There are gaps in entities' monitoring of whether exit processes have been completed

Exit controls work across multiple business units that don't always interact on a regular basis. Because of this, entities need to have processes in place to make sure these controls are performed. We found limited monitoring had been performed by the entities to confirm all exit activities had been completed contributing to the findings within this report.

At six entities processes were in place to initiate the required exit activities and notify the relevant business unit of the exit of an employee, but there was no reporting of completed actions by the relevant business unit:

- at the cities of Swan and Canning there were no exit checklists to confirm the completion of exit activities by the line manager
- at four other entities checklists were used and completed by the line manager of the exiting member of staff but testing identified that they were not always fully completed. At the City of Armadale use of the checklist was noted as being optional. The City of

Rockingham was the only entity able to demonstrate completion of exit checklists for all exiting staff tested

- only two entities, the cities of Joondalup and Gosnells, had the capability to monitor the completion of all exit activities (Case study 1). However, this is limited to statements of completion that could not always be evidenced.

Case study 1: Effectively designed exit processes

On notification and acceptance of a staff exit, an entry is created in a database containing the employee's details, last day of employment and through a workflow system, tasks are assigned to the different business units involved in performing exit activities. The process to this point is common for all eight entities.

At the cities of Joondalup and Gosnells, these tasks remain open until they are noted in the database as completed, along with a comment to identify the action taken. Human resources can monitor these responses. Any actions that have not yet been performed can be clearly identified to help assess the timeliness and completeness of exit activity. The other entities do not have this degree of confirmation and accountability.

There is also a step related to post-exit confidentiality with the departing employee informed or required to formally acknowledge these requirements.

These entities with better designed processes may require less effort to ensure that their controls are operating effectively due to the effort already expended on their design.

Entities' data for monitoring exit controls was limited

As part of the audit we compared the date of exit to the IT and physical security access cancellation data for all exits in our audit period. However, limitations in entities systems and reporting capabilities meant that we could not do this for all the entities (Table 2). The lack of data and reporting, often due to a lack of functionality in the systems used, limits the entities' ability to effectively monitor the operation of exit processes.

The lack of timely cancellation of IT and security access increases the risk of unauthorised access to premises and information post-employment or provides a loophole for others to exploit.

City	Security access data analysis	IT access data analysis
Armadale	Data not available	Performed
Canning	Data not available	Data not available
Gosnells	Data not available	Performed
Joondalup	Data not available	Performed
Rockingham	Performed	Performed
Stirling	Performed	Performed
Swan	Performed	Performed
Wanneroo	Data not available	Data not available

Source: OAG based on entity data

Table 2: Summary of data analysis performed

Security access cancellation dates were not available for the total number of exits as information is administered in basic systems with limited reporting functionality. Only three entities could provide this information.

Information relating to security cancellation for individuals was available, however at the City of Canning it was not possible to obtain complete information on individual exit security cancellation dates as they were manually recorded on spreadsheets or information was missing.

At two entities IT access cancellation dates were only available by individual and not for all exits due to system reporting limitations. Improvements in the availability of this data would enable entities to implement more effective oversight of these areas and perform comparison of the cancellation dates to assess their completeness and timeliness.

Exit controls are not responsive to the risks with exits from high integrity positions and are not effectively documented

Exit controls are not adjusted to reflect high integrity positions and are not effectively documented

None of the entities had a documented process for assessing risk when someone is leaving a high integrity position or could demonstrate additional measures that might be required to manage their exit. For example, controls may need to be adjusted to manage risks or security concerns of staff who are in high integrity positions where they have access to things like confidential information or payroll systems or bank accounts. Measures were in place for higher risk exits where there were performance or disciplinary issues.

Risks are most effectively identified and managed with a systematic approach to assessing them. Risk assessments assist entities to identify security implications and tailor approaches to minimise risks to information, assets and finances. An understanding of the risks and having documented procedures to mitigate them allows adjustments of controls to be made in the staff exit process to match the circumstances. High integrity positions are not always senior positions and risk assessments need to take account of access to information, systems and resources.

At one entity an employee who left was not removed from the bank authorised signatory listing until 105 days after exiting, which increases the risk of unauthorised transactions or access occurring. This may have been mitigated if the increased risk had been considered. In this instance there were mitigating controls with dual signatories required for all administrative changes to bank accounts and the employee did not have access to the banks online system to make transactions. However, this type of delay greatly increases the risk to the entity if the exiting staff member had greater banking access.

Exiting staff were not consistently reminded of their post-employment confidentiality obligations

There was no confidentiality obligation acknowledgement for employees post-exit at six entities. Processes on entry and during employment through the Code of Conduct were in place, but there was no reminder or agreement signed on exit except for the cities of Joondalup and Gosnells.

Entities should ensure that all exiting staff especially those with access to sensitive or classified information are advised and acknowledge their obligation not to disclose entity information even after they leave. This helps safeguard entity resources and limit potential for the integrity, availability and confidentiality of sensitive information to be compromised.

There were gaps in the documentation of exit processes at all the entities

Exit controls are distributed across multiple business units who need to work together to be effective. However, none of the entities had end-to-end documented processes to facilitate

the consistency, completeness and timeliness of the operation of exit controls and processes.

High level process documents or team specific documents were in place across the entities, but none of these were comprehensive. The key gaps include:

- exit checklists and completion of process confirmation were not in place at the cities of Swan and Canning
- no specific guidance on the timeliness for performance of activities such as disablement of IT and security access at seven of the eight entities
- lack of information or records for the return or transfer of IT and other assets to evidence what is being transferred, when and to whom, at seven of the eight entities
- no confirmation to exiting employees of resignation acceptance, departure timing and terms at the cities of Swan and Gosnells.

Policy and procedure documents help guide and direct entity staff. They provide a structure for consistency and ensure compliance with regulations and standards. Having incomplete policy and procedure documents makes it hard for entities to align practice with their strategic values and comply with regulations and standards.

Exit surveys and interviews are not frequently completed and there is limited analysis of feedback

Processes for exit interviews and surveys were in place at all entities and were generally offered to all exiting employees, with feedback mechanisms including online surveys and internal forms sent out by email. Only 14 of the 120 exits tested completed the survey and provided feedback, which is a low response rate, although we acknowledge that this is in part because it is a voluntary process. The forms viewed varied in length from 14 to 79 questions, but there was no correlation between length and response.

At seven entities, there were limited or no documented processes to show systematic analysis of results from exit interviews and surveys completed by staff and reported to management to identify improvements. Information from exit interviews and surveys can help entities to assess strengths and vulnerabilities, and focus workforce management strategies to drive talent attraction and retention.

Recommendations

These recommendations are based on the eight entities we audited but are relevant for all local government entities and should be read in conjunction with the staff exit better practice guide at Appendix 1.

1. All entities should:
 - a. review and where required document end-to-end policies and procedures for employee terminations
 - b. regularly review staff exit information allowing effective oversight and monitoring of end-to-end processes and ensure compliance with policies and procedures.

Implementation timeframe: December 2024

Entity response: Supported by local government entities.

2. All entities should evaluate risk posed by different positions and termination types, develop and document procedures to manage the risks effectively and efficiently.

Implementation timeframe: Ongoing

Entity response: Supported by local government entities.

3. To minimise the risk of property and information loss all entities should:
 - a. ensure access to IT systems, buildings and banking delegations are removed or disabled within 24 hours of the exit date
 - b. ensure all assets are returned on or prior to the day of exit
 - c. put in place and complete a documented process for the allocation, return and transfer of identifiable assets between custodians to maintain a clear audit trail in asset registers
 - d. amounts payable to entities by exiting employees should be settled during final payment or repayment plans should be put in place prior to employees exiting
 - e. final payment calculations should be performed and reviewed in a timely manner, with evidence retained.

Implementation timeframe: Ongoing

Entity response: Supported by local government entities.

4. All entities should:
 - a. offer interviews to and/or survey all exiting staff
 - b. assess exit survey feedback processes in an attempt to increase feedback received and perform analysis of feedback received to identify improvement opportunities
 - c. develop post-employment confidentiality requirement confirmation processes in-line with better practice.

Implementation timeframe: December 2024

Entity response: Supported by local government entities.

Appendix 2 outlines individual local government entity responses to the recommendations above.

In accordance with section 7.12A of the *Local Government Act 1995*, the eight audited local government entities should prepare a report on any matters identified as significant to them for submission to the Minister for Local Government within three months of this report being tabled in Parliament, and within 14 days of submission publish it on their website.

Summary of recommendations applicable to audited entity

■ Not effective process in place
 ■ Partly effective process in place
 ■ Effective process in place

Recommendation	Armadale	Canning	Gosnells	Joondalup	Rockingham	Stirling	Swan	Wanneroo
1a. Review and where required document end-to-end policies and procedures for employee terminations								
1b. Regularly review staff exit information allowing effective oversight and monitoring of end-to-end processes and ensure compliance with policies and procedures								
2. Evaluate risk posed by different positions and termination types, develop and document procedures to manage the risks effectively and efficiently								
3a. Ensure access to IT systems, buildings and banking delegations are removed or disabled within 24 hours of the exit date								
3b. Ensure all assets are returned on or prior to the day of exit								
3c. Put in place and complete a documented process for the allocation, return and transfer of identifiable assets between custodians to maintain a clear audit trail in asset registers								
3d. Amounts payable to entities by exiting employees should be settled during final payment or repayment plans should be put in place prior to employees exiting								
3e. Final payment calculations should be performed and reviewed in a timely manner, with evidence retained								
4a. Offer interviews to and/or survey all exiting staff								
4b. Assess exit survey feedback processes in an attempt to increase feedback received and perform analysis of feedback received to identify improvement opportunities								
4c. Develop post-employment confidentiality requirement confirmation processes in-line with better practice								

Source: OAG

Response from local governments entities

City of Armadale

Thank you for the opportunity to review and comment.

Recommendation 1:

The City agrees and supports the findings of the Audit. Whilst the City has procedures documented and some processes mapped, there is a gap in the mapping of the end-to-end process. The mapping will assist the City identify opportunities for seamlessly integrating the process and optimising the City's corporate business system.

Recommendation 2:

The City agrees with this finding and will facilitate a risk review with the relevant business units, reporting to the Audit Committee.

Recommendation 3:

- a. The findings are agreed and the City will implement an automated workflow to disable access, programmed ahead of time, where notice is provided.
- b & c. The findings are agreed and the City will review its process controls to confirm receipt, custody and allocation of assets. The process, which exists presently is manual paper based will be systemised through the IT ServiceDesk application software. It is also intended to utilise the City's new integrated Enterprise Resource Planning (ERP) system once functionality for transitioning staff is implemented.
- d. The City's business systems cater for final pay processing, including any payables. The City generally does not incur reimbursable costs attributable to employees.
- e. The City's integrated Enterprise Resource Planning (ERP) system calculates final payments and there is a check completed outside the system to confirm.

Recommendation 4:

The City agrees with the findings and has a process in place for exit interviews. The requirement for post-employment confidentiality requirement confirmation processes will be built in the system for certain staff. The City does not agree with the implementation timeframe and the due date proposed to be set by the City is March 2025 to align with the implementation of the City's new ERP and the introduction of additional functionality for transitioning staff.

City of Canning

The City of Canning accepts the findings and welcomes the recommendations contained in the Summary of Findings report. It is pleasing that there was no evidence of loss or misuse and the City values the opportunity to focus on systemising practices to ensure risk is controlled.

City of Gosnells

It is very pleasing to note the audit found no instances where information systems were accessed inappropriately or where assets were lost or stolen. This would indicate that the controls in place are broadly effective and, consequently, the risk is low.

It is acknowledged that further work can be undertaken to tighten controls, and this will be done in areas where risk can be mitigated cost effectively. However, the City is always mindful about investing monies in internal processes where the risks are low as this detracts from the City's ability to provide much needed services and facilities to the community.

Recommendation 1:

Agreed. The City will consolidate its processes into a single corporate document.

Recommendation 2:

The City currently evaluates risk for different termination types and for staff in higher risk positions based on the circumstance at the time of termination. These circumstances will be formally documented.

Recommendation 3:

The City acknowledges the need to improve record keeping around the timely revocation of building access and the return of identifiable assets.

The City is satisfied that IT access is revoked in a timely manner, however due to limitations in the system this is difficult to evidence. It is noted that there were no specific findings for the City in relation to amounts payable to exiting employees and final payment calculations.

Recommendation 4:

The City is satisfied with its current process for exit interviews. Exit interviews are offered to all staff who resign and are given the choice of a face to face or online interview. Adequate review of feedback is undertaken from a City perspective. It is noted that the City already issues a post-employment confidentiality reminder.

City of Joondalup

The City of Joondalup appreciates the opportunity to participate in the Office of the Auditor General performance audit on staff exit controls within local government entities.

The City has a strong focus on strengthening integrity and conduct controls to assist in mitigating risk exposures including financial loss, breaches of legislation and law and significant reputational damage. The City takes both proactive and reactive measures as required to ensure systems of control are subject to regular review, with corrective action being taken, and control improvements made in a timely manner. Improvements relating to the area under audit have been implemented over the past 12 months.

The City accepts all the recommendations made and will prioritise their implementation, to ensure they are completed by the timeframes included in the report.

City of Rockingham

The City does not agree with the significant finding that there are no effective processes in place to "regularly review staff exit information allowing effective oversight and monitoring of end to end processes and ensure compliance with policies and procedures" (recommendation 1B). The City is of the view that the Office of the Auditor General (OAG) has not taken into consideration that the City undertakes a periodic review of our staff exit information via our internal audit team, against better practice. The City's 2023 staff exit internal audit report and findings were provided to the OAG as evidence of this control. Similarly, the OAG appear not to have considered that the City's Customer Relationship

Management System is effectively able to track completed requests to cease building and IT access (as a monitoring control) for staff who are ceasing employment.

The City does however agree that the overall Summary of Findings recommendations made for the local government sector are reflective of good practice.

OAG note:

We note the City of Rockingham's response. We have considered all the evidence that was provided to us both during and after the audit conduct and procedural fairness processes. The findings of this report and the specific findings reported to the entity reflect our final assessment against the audit criteria and relative to other entities in this audit, and our previous audits in other public sector segments.

City of Stirling

The City of Stirling thanks the OAG for the review and welcomes the findings contained in the report. The City recognises the importance of an effective staff exit process and is fully committed to implementing the OAG recommendations to strengthen controls over the exit process to minimise security, asset and financial risks.

The City agrees with the summary of recommendations of the report.

City of Swan

The City welcomes the findings and recommendations detailed in the report and acknowledges its staff exit controls were rated to be partly effective. All recommended improvements will be implemented as a priority to ensure the City's staff exit processes are effective and in line with industry best practice. This includes the implementation of an overriding checklist of the end-to-end staff exit process to ensure all actions are appropriately documented and signed off.

Recommendation 1:

End-to-end policies and procedures for employee terminations will be compiled and annual reviews will be conducted by management to monitor compliance and timing of action.

Recommendation 2:

A process for identifying positions that may pose a higher risk at time of separation is being considered to ensure appropriate actions are taken to mitigate the risk exposure associated with that position. The different risk profiles of these positions does not facilitate a standard approach. Each separation involving a position identified as high risk will be addressed according to the specific risk exposure (IT access / \$ authority / Access to confidential data / Asset allocation etc.).

Recommendation 3:

Processes to address 3.(d) and (e) will be reviewed and adjusted to meet the recommendation.

Recommendation 4:

Adjustment to existing processes to address the recommendation will be considered for implementation where applicable.

The City thanks the OAG for this review.

City of Wanneroo

The City of Wanneroo thanks the OAG for their review and welcomes the findings and recommendations. The City is fully committed to implementing recommendations that will support and strengthen the existing exit process, and appreciates that some processes were found to be effective. The City considers that implementation will further reduce the risks associated with staff that leave the organisation, particularly where they hold roles of additional authority. The recommendations will be progressed within the committed timeframes.

The City supports the summary of recommendations of the report.

Audit focus and scope

The audit assessed whether eight large metropolitan local government entities effectively and efficiently manage the exit of staff to minimise security, asset and financial risks.

The criteria assessed were:

- Do large local government entities have appropriate policies and procedures to effectively manage staff exits?
- Do large local government entities comply with staff exit policies and procedures?

The audit included the following entities:

- City of Armadale
- City of Canning
- City of Gosnells
- City of Joondalup
- City of Rockingham
- City of Stirling
- City of Swan
- City of Wanneroo.

The audit covered the period 1 January 2023 to 31 December 2023.

In conducting the audit we performed the following:

- held entrance meetings with the entities
- met with the Department of Local Government, Sport and Cultural Industries and local government sector bodies (Western Australian Local Government Association and Local Government Professionals WA)
- reviewed policy and procedure documents and supporting templates
- held meetings with key staff from human resources, payroll, finance, IT and security to gain an understanding of processes and perform walkthroughs
- tested a sample of 15 exits at each entity that covered positions of high level of responsibility or data access, field operatives and casual staff. This included 101, or 10% of, permanent staff and 19 casual staff
- sought evidence of exit processes:
 - termination checklists had been completed before or on the staff exit date and signed by the relevant authority
 - building access cards had been de-activated and/or keys had been collected prior to staff leaving
 - assets issued to staff (computers, tablets, mobile phones, vehicles) were returned
 - credit cards were returned and cancelled
 - access to the entity's IT systems was revoked within 24 hours of their departure

- an exit interview was offered or conducted
- final payments reviewed and money owed to the entity was identified and paid at the time of leaving
- risks posed by departing staff and circumstances of their exit were assessed
- sought data on all exits to perform data analysis to assess the timeliness of the cancellation of IT and physical security access.

We did not assess termination decisions and whether they complied with the relevant legislation.

This was an independent performance audit, conducted under section 18 of the *Auditor General Act 2006*, in accordance with Australian Standard on Assurance Engagements ASAE 3500 *Performance Engagements*. We complied with the independence and other ethical requirements related to assurance engagements. Performance audits focus primarily on the effective management and operations of entity programs and activities. The approximate cost of undertaking the audit and reporting was \$285,000.

Appendix 1: Staff exit better practice guide

Key requirements	
Assess and mitigate risks posed by exiting staff	<p>Entities should assess the security implication and other risks posed by the exiting staff member. Exiting staff can include those leaving voluntarily or terminated for misconduct or other adverse reasons.</p> <p>Below is a checklist of actions to be considered in a risk assessment:</p> <ul style="list-style-type: none"> • assigning a risk level by considering the reason for leaving (resignation, retirement, termination for corruption or misconduct) • reducing level of access to IT systems • limiting access to entity premises • monitoring accrued leave balance to reduce overpayments • identifying assigned assets (vehicles, mobile phones, laptops etc.) and assess need for immediate collection • removing access to confidential or secret information • consider position within the entity and level of delegated authority over staff • existing financial delegations and purchasing card limit • existing conflicts with staff.
Collect all entity owned property	<p>Entities should maintain an updated register of all assets issued to staff when they start and during their employment. Using information on the register ensures that all entity owned property is returned when staff leave. These include but not limited to:</p> <ul style="list-style-type: none"> • identification badges and name tags • office, cabinet and safe keys • access security passes and swipe cards • computer and other IT equipment - laptops, tablets, storage devices, headsets, mouse and keyboards • mobile phone and charger • vehicle keys, fuel cards and logbooks. <p>Where access security passes and keys are not returned entities should take immediate action to cancel access cards, reprogram or change locks.</p>

Key requirements	
Cancel all access to premises and IT systems	<p>Entities should ensure that exiting staff have their access to entity premises and information systems withdrawn or cancelled immediately when staff leave. These include but are not limited to:</p> <ul style="list-style-type: none"> • building (including carpark) access • computer login and network access • changing passwords or access to shared or high privileged accounts • email address • voicemail • remote access • corporate memberships • customer accounts with external organisations. <p>Where physical exit date and formal termination date differ, risks should be mitigated by removing access on the physical exit date.</p>
Issue reminder of ongoing obligations	<p>Entities should ensure that all exiting staff especially those with access to sensitive or classified information are advised and acknowledge their obligation not to disclose entity information. This helps safeguard entity assets and limit potential for the integrity, availability and confidentiality of sensitive information to be compromised.</p>
Offer exit interview	<p>Entities should offer staff exiting the option of an exit interview. This can be a structured discussion or survey to gauge their perception of working in the entity.</p> <p>Entities should also collate the data, report internally and where relevant act on the findings. Information from exit interviews can help entities assess organisational strengths and vulnerabilities, and target workforce management strategies to drive attraction, retention and performance.</p>
Prevent overpayments and recover debt owed	<p>Entities should ensure that they meet their responsibility to recover overpayments and rectify underpayments, while considering the needs and special circumstances of employees.</p> <p>Timely review of payroll information will reduce the likelihood of errors. Overpayments can also be prevented by checking employee leave balances before approving leave and avoiding late changes to booked leave or working arrangements where possible. Where overpayments occur entities need to make timely payment arrangements in-line with section 17D of the <i>Minimum Conditions of Employment Act 1993</i>.</p>
Regularly monitor and review staff exit processes	<p>Entities should periodically review staff exits to ensure that they comply with:</p> <ul style="list-style-type: none"> • entity policies and procedures • better practice.

Source: OAG, using policies from the Australian Government Protective Security Policy Framework

Auditor General's 2023-24 reports

Number	Title	Date tabled
25	Staff Exit Controls at Large Local Government Entities	28 June 2024
24	Implementation of the Earlier Intervention and Family Support Strategy	27 June 2024
23	Legal Services Provided to the State Solicitor's Office - Opinions on Ministerial Notifications	27 June 2024
22	Fraud Risks in the Management of Client Funds by the Public Trustee	26 June 2024
21	Electricity Generation and Retail Corporation (Synergy)	24 June 2024
20	Local Government Physical Security of Server Room Assets	24 June 2024
19	Local Government Management of Purchasing Cards	12 June 2024
18	Local Government 2022-23 – Financial Audit Results	6 June 2024
17	Local Government IT Disaster Recovery Planning	31 May 2024
16	Local Government 2022-23 – Information Systems Audit Results	27 May 2024
15	Government Campaign Advertising	15 May 2024
14	State Government 2022-23 – Information Systems Audit	12 April 2024
13	Provision of Supplementary Information to the Standing Committee on Estimates and Financial Operations – Opinions on Ministerial Notifications	5 April 2024
12	Digital Identity and Access Management – Better Practice Guide	28 March 2024
11	Funding for Community Sport and Recreation	21 March 2024
10	State Government 2022-23 – Financial Audit Results	20 December 2023
9	Implementation of the Essential Eight Cyber Security Controls	6 December 2023
8	Electricity Generation and Retail Corporation (Synergy)	8 November 2023
7	Management of the Road Trauma Trust Account	17 October 2023
6	2023 Transparency Report: Major Projects	2 October 2023
5	Triple Zero	22 September 2023

Number	Title	Date tabled
4	Staff Exit Controls for Government Trading Enterprises	13 September 2023
3	Local Government 2021-22 – Financial Audit Results	23 August 2023
2	Electricity Generation and Retail Corporation (Synergy)	9 August 2023
1	Requisitioning of COVID-19 Hotels	9 August 2023

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Office of the Auditor General
for Western Australia



Report 16: 2023-24 | 27 May 2024

INFORMATION SYSTEMS AUDIT RESULTS

Local Government 2022-23



**Office of the Auditor General
for Western Australia**

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(to assist people with hearing and voice impairment)

We can deliver this report in an alternative format for
those with visual impairment.

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The Office of the Auditor General acknowledges the traditional custodians throughout Western Australia and their continuing connection to the land, waters and community. We pay our respects to all members of the Aboriginal communities and their cultures, and to Elders both past and present.

Image credit: shutterstock.com/13_Phunkod

WESTERN AUSTRALIAN AUDITOR GENERAL'S REPORT

Local Government 2022-23 – Information Systems Audit Results

Report 16: 2023-24
27 May 2024

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**THE PRESIDENT
LEGISLATIVE COUNCIL**

**THE SPEAKER
LEGISLATIVE ASSEMBLY**

LOCAL GOVERNMENT 2022-23 – INFORMATION SYSTEMS AUDIT RESULTS

This report has been prepared for submission to Parliament under the provisions of section 24 of the *Auditor General Act 2006*.

Our information systems audits focus on the computer environments of entities to determine if their general computer controls effectively support the confidentiality, integrity and availability of information systems and the information they hold.

This is our fifth report on the findings from our audits of local government entities' information technology general computer controls.

I wish to acknowledge the entities' staff for their cooperation with this audit.

A handwritten signature in black ink, appearing to be 'C Spencer'.

Caroline Spencer
Auditor General
27 May 2024

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Auditor General's overview

This report summarises the results of the 2022-23 cycle of local government entities' information systems audits performed between April 2023 and March 2024. As these audits focus on areas that may affect the confidentiality, integrity and availability of the entities' information and systems, they are an essential part of our financial statement audits.



Our audit results show entities have improved the maturity of their control capability since our first information system audits in 2019-20, with the biggest improvements in risk and change management. However, significant improvements are still needed in all other areas.

Information and cyber security remains the highest concern due to the number of weaknesses we continue to identify in the five related categories (access management, endpoint security, human resource security, network security and information security framework). Entities need to better protect themselves against external and internal threats to reduce the risk of security breaches. Internal threats can be notably reduced through fit-for-purpose human resource controls such as screening, onboarding and offboarding procedures, and cyber security education programs.

This year, we reported 473 (58 significant, 328 moderate, 87 minor) issues to 76 entities. Concerningly, a large proportion (45%) of significant issues were unresolved findings from last year.

I encourage all entities to take note of the findings and recommendations in this report and implement fit-for-purpose solutions.

2022-23 at a glance

Auditing local government entities

(Prior year shown in brackets)

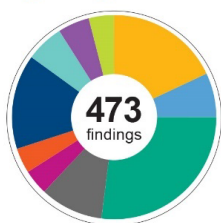


473 (PY: 324 at 53 entities)
general computer controls
findings at 76 entities



11 (PY: 12)
capability maturity
assessments

Key insights



58 weaknesses
were rated significant

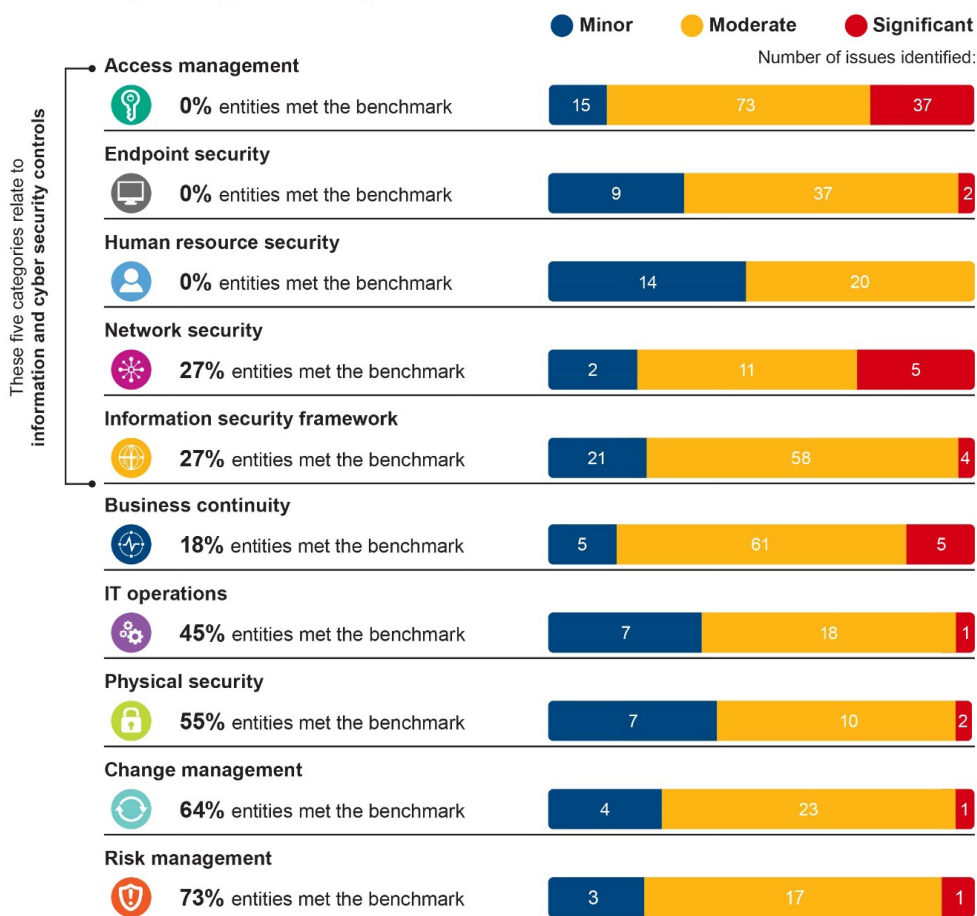
328 moderate

87 minor



45% of the significant
findings were unresolved
issues from prior year

Snapshot of general computer controls findings and capability maturity assessments



Introduction

This is our fifth report on the findings from our audits of local government entities' information technology general computer controls (GCC)¹. GCC audits are an essential part of our audits of local government entities' financial statements and are a requirement of the Australian auditing standards². Our GCC audits determine if entities' information technology and related internal controls effectively support the integrity, availability and confidentiality of the information and systems used to prepare the financial statements.

The entities vary in the nature and complexity of the information technology they use to process and maintain their financial information. However, the ever-changing internal and external threat environment exposes all entities to the risk of compromise. Appropriate controls help entities to protect their information and systems.

In 2022-23, we reported GCC findings to 76³ entities, compared to 53 entities last year⁴. Eleven of these entities were provided with capability maturity assessments. These assessments look at how well-developed and capable entities' established IT controls are. This report summarises the results of our GCC findings and capability maturity assessments.

Our GCC audits incorporate recognised industry better practices and consider various factors, such as:

- business objectives of the entity
- level of entity reliance on IT
- technological sophistication of entity computer systems
- significance of information managed by the entity.

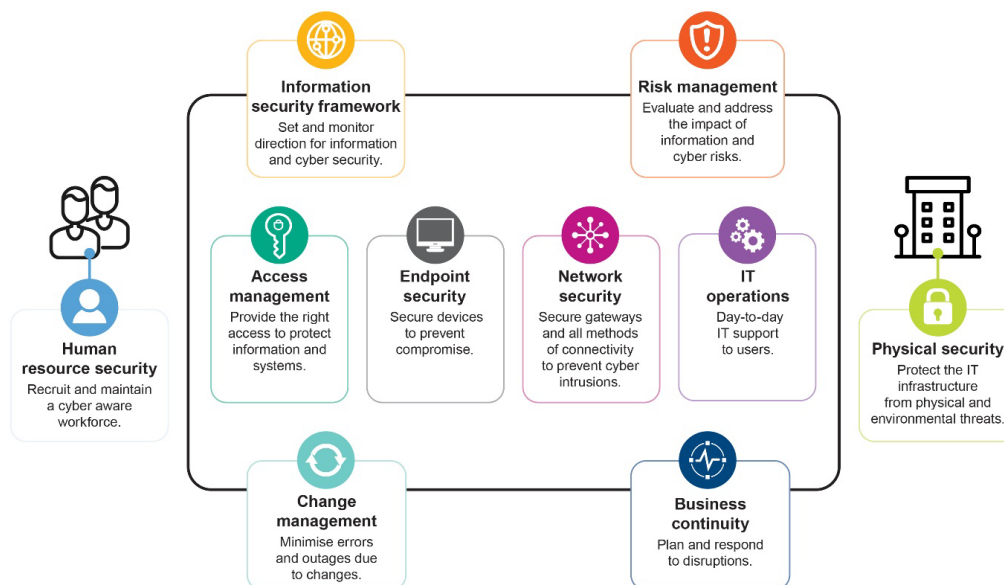
Figure 1 shows the 10 categories covered in our GCC audits.

¹ Our 2018-19 GCC and capability maturity assessments were done to inform our approach to assessing the sector's capability. 2018-19 results are not comparable to subsequent years and are therefore not shown.

² Auditing and Assurance Standards Board, [Auditing Standard ASA 315 Identifying and Assessing the Risks of Material Misstatement](#), AUASB, February 2020.

³ Entities issued with GCC findings at 29 March 2024. Opinions of 10 local governments are not yet issued and their results are not included in this report. The entities are a mix of regional and metropolitan local governments.

⁴ The number of entities issued GCC findings increased as auditing standards now require more consideration of IT and cyber security controls.



Source: OAG

Figure 1: General computer controls categories

Conclusion

In 2022-23, we reported 473 control weaknesses to 76 entities, compared to 324 weaknesses to 53 entities last year. The majority of these weaknesses were in categories that increase information and cyber security risks. Entities need to address these to protect their information and systems from security breaches.

While a number of entities addressed some prior year audit findings, most of the significant control weaknesses were not addressed. Entities should address these weaknesses as a priority and implement compensating⁵ controls while progressing long term plans, such as migration to new platforms. Unresolved weaknesses can seriously impact the overall integrity of entities' IT environments and operations.

Our capability maturity assessments at 11 entities show improvement since our first assessments in 2019-20, with more controls meeting the benchmark. The biggest improvements have been in the categories of risk and change management, but significant improvement is still needed in all other categories.

This year's assessments showed some improvement in one of the five categories related to information and cyber security (network security) but only three entities met the benchmark. Categories of highest concern were access management, endpoint security and human resource security with no entities meeting the benchmark.

There was no material change in four categories (information security framework, IT operations, change management and IT risk management) while business continuity and physical security declined slightly.

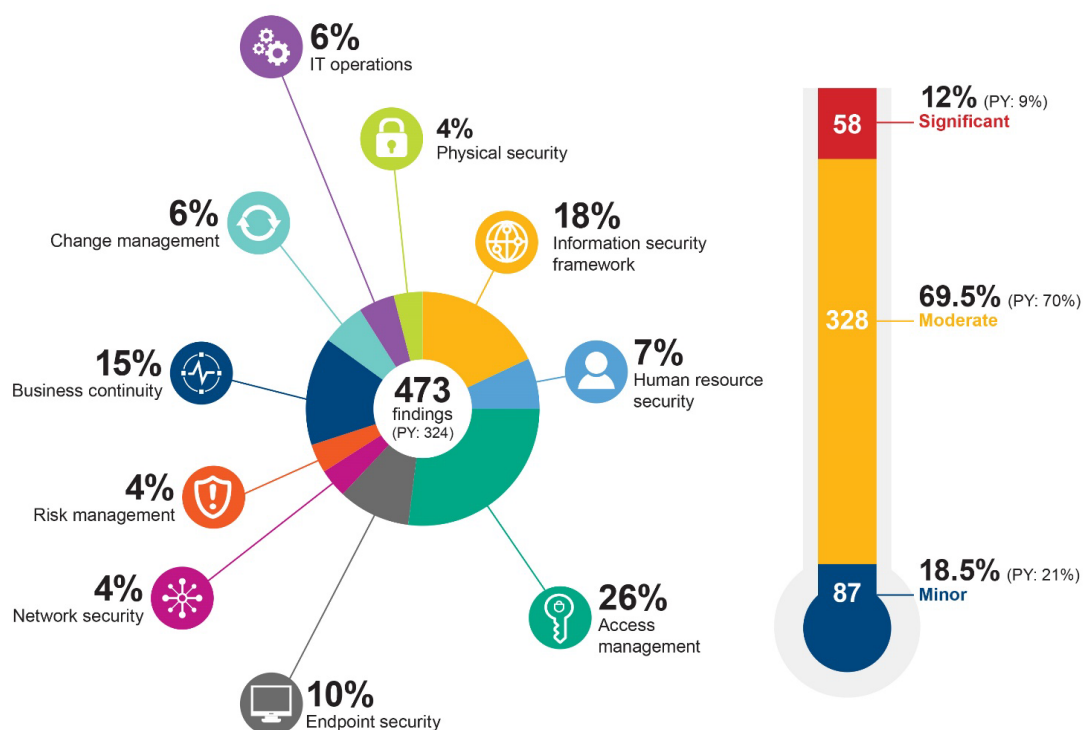
⁵ Stop gap measures to address vulnerabilities where primary controls cannot be implemented due to limitations.

What we found: General computer controls

We reported 473 control weaknesses to 76 entities; 58 weaknesses were rated significant, 328 moderate and 87 minor. The increase in the number of entities issued GCC findings reflects changes in auditing standards⁶ that require higher consideration of IT and cyber security controls.

There was a 3% increase in the number of significant findings compared to last year (Figure 2), which is mainly due to more entities issued findings this year. Although the majority of control weaknesses were rated moderate, these weaknesses combined significantly increase an entity's overall exposure to cyber threats.

Case studies throughout this report highlight the importance of good controls.



Source: OAG

Figure 2: Ratings and distribution of GCC findings in each control category

⁶ Auditing and Assurance Standards Board, [The Consideration of Cyber Security Risks in an Audit of Financial Report](#), AUASB, May 2021 and Auditing and Assurance Standards Board, [Auditing Standard ASA 315 Identifying and Assessing the Risks of Material Misstatement](#), AUASB, February 2020.

What we found: Capability assessments

We performed capability maturity assessments at 11 entities compared with 12 last year. This involved assessing the capability maturity level across the 10 GCC categories using a 0-5 rating scale⁷ (Figure 3). To meet the benchmark, entities need to achieve a level 3 (Defined) rating or better.

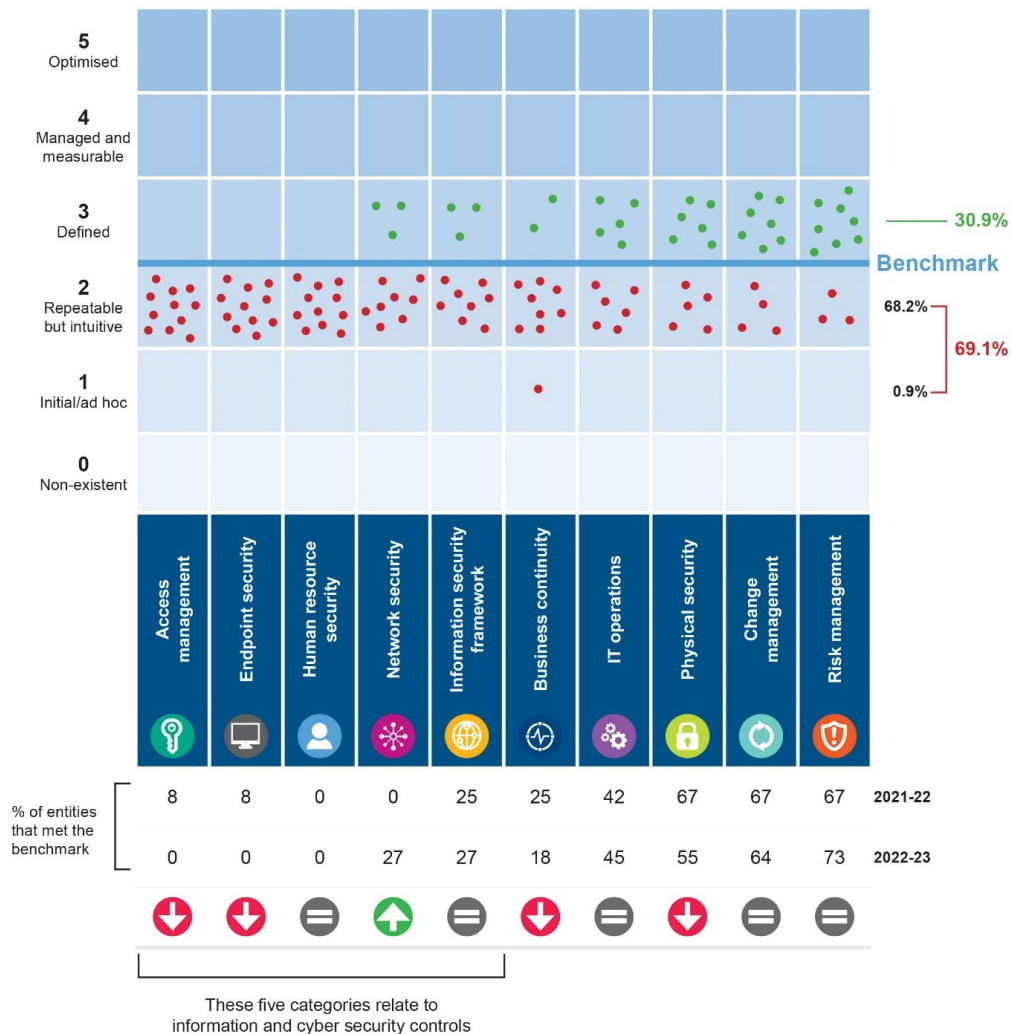


Source: OAG

Figure 3: Capability maturity rating scale and criteria

⁷ The information within this maturity model assessment is derived from the criteria defined within the framework Control Objectives for Information Technologies 2019, released in 2018 by ISACA (an international professional association focused on IT governance).

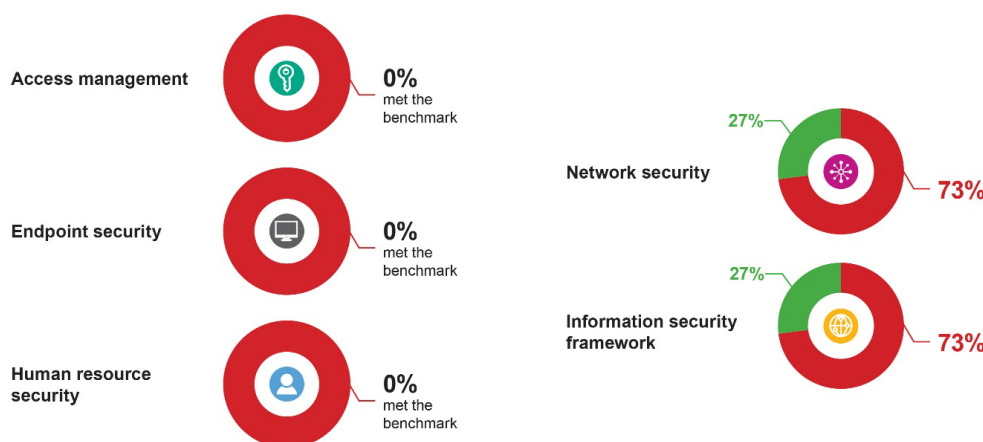
Figure 4 shows the results of our capability maturity assessments.



Source: OAG

Figure 4: Capability maturity assessment results

While there were improvements in network security this year, most entities were still not meeting the benchmark in the five information and cyber security categories (Figure 5). Entities must plan and implement fit-for-purpose controls to protect their operations and information from internal and external threats.



Source: OAG

Figure 5: Percentage of entities that met/did not meet the benchmark in the five information and cyber security categories

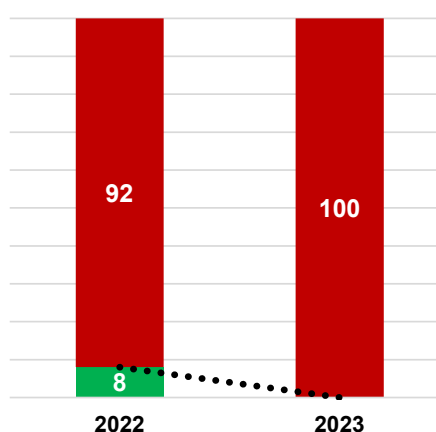
Entities continue to adopt digital technologies to improve engagement with their communities and deliver efficiencies in their service delivery. While there are many benefits to these digital technologies, there remains the ever-present and evolving nature of cyber security threats. Effective cyber security controls help entities manage risks, protect sensitive information and deliver services securely.

Entities are encouraged to implement the Australian Cyber Security Centre's mitigation strategies designed to protect against common cyber threats with a key focus on Essential Eight controls.

1. Access management

None of the 11 entities met the benchmark compared with one of 12 last year. This control category also had the highest number of significant GCC findings this year, mainly due to inappropriate or excessive administrative privileges within the finance systems. Poor access management controls increase the risk of security incidents, financial loss and reputational damage.

We assessed whether entities use the principle of least privilege to manage access, have strong authentication methods, monitor access and changes to data, and ensure key transactions cannot be performed end to end by the same individual (Figure 7).



Source: OAG

Figure 6: Percentage of entities that met/did not meet the benchmark

We have published a better practice guide⁸ to help entities improve access management and protect information assets from unauthorised access. We encourage all public sector entities to adopt the principles in the guide.



Source: OAG

Figure 7: Key access management controls

Common weaknesses included:

- **Administrator privileges were not well managed** – excessive numbers of individuals were given administrator privileges. Administrators did not have separate non-privileged accounts for day-to-day tasks and administrator activity was not logged and monitored. Highly privileged accounts must be well managed as they can change system configurations, access rights and data.
- **Access and activity were not logged and monitored** – application, database and network access and activity were not appropriately logged or monitored to detect malicious activity. Entities should use fit-for-purpose tools to correlate and monitor activity from different systems (e.g. network, applications and databases).
- **Multi-factor authentication (MFA) was not used or not applied to all accounts** – a lack of MFA can increase the likelihood of unauthorised access.
- **Access was not reviewed** – entities did not review accounts to ensure they are required and have least privileges assigned to perform their function. Without a review of accounts (application, network, database, remote access, generic, system and administrator) there is an increased risk of unauthorised access.
- **Access was not appropriately approved** – access to key systems should be appropriately approved to prevent inappropriate access being granted.

The following case studies illustrate a range of control weaknesses in access management.

⁸ Office of the Auditor General, *Digital Identity and Access Management – Better Practice Guide*, OAG, Perth, 28 March 2024.

Case study 1: Poor access controls increased the risk of fraud

At one entity, we found receipts had been deleted prior to end-of-day batch processing from the finance system. Poor access controls meant receipts could be deleted by any user without a trace to identify who deleted them. This could compromise the integrity of data and increases the likelihood of fraud.

Case study 2: Excessive superuser access

An entity had granted superuser access to almost all (24 out of 25) of its finance system users. This level of access allows users to inadvertently or maliciously change system configurations and potentially bypass system enforced expenditure authorisation and fraud prevention controls. This type of weakness increases the importance of manual controls as a last line of defence against error and fraud.

Case study 3: Excessive number of domain administrators

An entity granted the highest level of access rights (domain administrator) to 45 accounts, 40 of which also had database administrator rights to the finance and payroll system. Compromise of one account would give an attacker full access to the entity's systems. There is also a risk that unauthorised or unintentional changes of IT systems will occur.

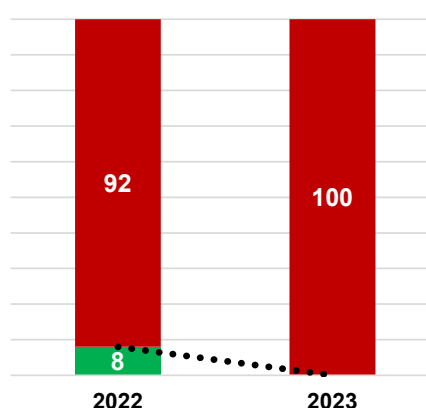
Case study 4: Lack of MFA

An entity is more vulnerable to being compromised through password guessing and phishing attacks, as it does not use MFA and uses single-sign-on for access to its network and finance application. This means a threat actor would gain access to all systems if the entity is compromised. While staff security awareness training can help reduce some risks, entities should prioritise MFA.

2. Endpoint security

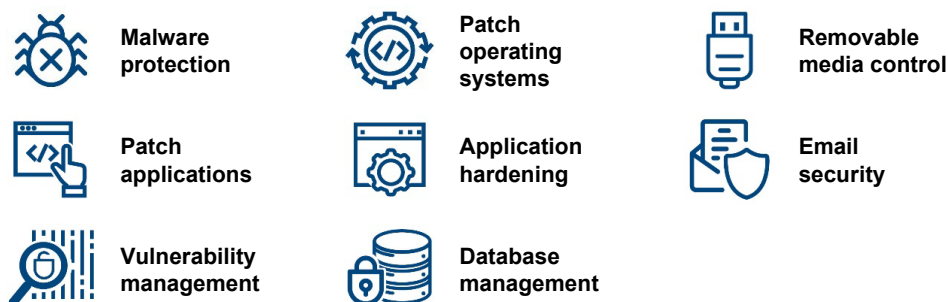
None of the 11 entities met the benchmark, compared with one of 12 last year.

Entities need to implement fit-for-purpose controls to protect endpoints (computers, servers, phones and network devices) from known threats (Figure 9).



Source: OAG

Figure 8: Percentage of entities that met/did not meet the benchmark



Source: OAG

Figure 9: Key endpoint security controls

Common weaknesses included:

- **Unauthorised applications are not prevented** – malicious applications could successfully compromise entities' systems and information.
- **Vulnerability management was ineffective** – systems that are not regularly scanned and patched to fix known vulnerabilities are more susceptible to compromise.
- **Unsupported systems** – key business systems and operating system software were no longer supported by vendors and were therefore not receiving updates designed to fix known vulnerabilities.

The following case study illustrates a common weakness in endpoint security.

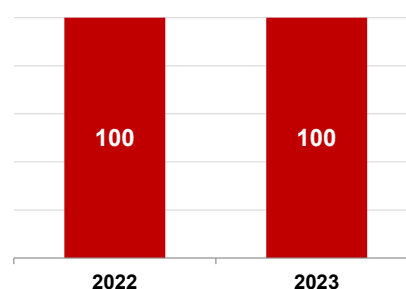
Case study 5: Ineffective application control

An entity only allowed applications and scripts to run from trusted locations. However, all staff could add applications and scripts to these locations to execute them. There is a higher likelihood of malware infections and compromise if unapproved applications are not blocked.

3. Human resource security

Similar to last year, none of the 11 entities met the benchmark in this category. Human resource security ensures employees, contractors and third-party vendors understand their responsibility to protect information during and after engagement.

Fit-for-purpose screening, onboarding and offboarding procedures, and cyber security education are key controls in this category (Figure 11).



Source: OAG

Figure 10: Percentage of entities that **did not** meet the benchmark



Figure 11: Key human resource security controls

Common weaknesses included:

- **Inadequate background screening** – without fit-for-purpose background screening processes, entities may engage unsuitable individuals (staff or contractors) to positions of trust, increasing insider threat risks.
- **Lack of security awareness training** – regular cyber security education creates a culture of awareness that helps prevent social engineering attacks such as phishing and business email compromise.
- **Exit procedures were not completed** – not completing exit procedures can contribute to unauthorised access to entities' premises, systems and information. This may also increase post-employment integrity risks such as the use or disclosure of confidential information.

The following case study illustrates weaknesses in human resource security.

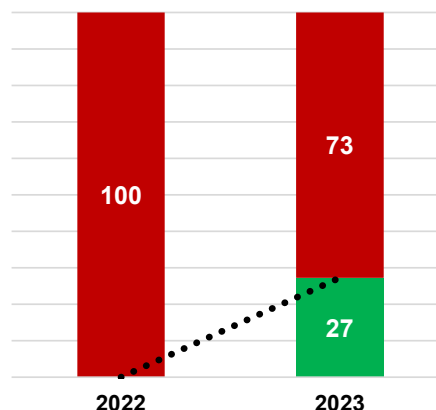
Case study 6: Staff and contractors were not aware of their information security responsibilities

An audited entity did not require its staff and contractors to understand and acknowledge acceptable use of IT resources. Contractors were also not required to sign any confidentiality agreements. There is a higher likelihood that individuals may not understand their information security obligations resulting in data breaches.

4. Network security

There was an improvement this year with three of the 11 entities meeting the benchmark, compared to none last year. The three entities improved their controls to manage and secure network infrastructure, segregated their network and had good monitoring.

Key controls to prevent and limit the extent of cyber attacks include securely configured network devices, network segregation, control over unauthorised connections and regular penetration testing to check that controls are operating as expected (Figure 13).



Source: OAG

Figure 12: Percentage of entities that met/did not meet the benchmark



Source: OAG

Figure 13: Key network security controls

Common weaknesses included:

- **A lack of controls to block unauthorised devices on the physical network** – unauthorised devices can spread malware or be used to eavesdrop on communications or access sensitive information.
- **Firewall configurations were not reviewed** – reviews help to identify and promptly correct exploitable configuration weaknesses. Firewalls are important security systems that control and protect networks against cyber intrusions.
- **Networks were not segregated** – segregation controls to prevent lateral movement between network segments have not been implemented. Without proper network segregation a cyber breach would be difficult to contain.

The following case study illustrates a common weakness in network security.

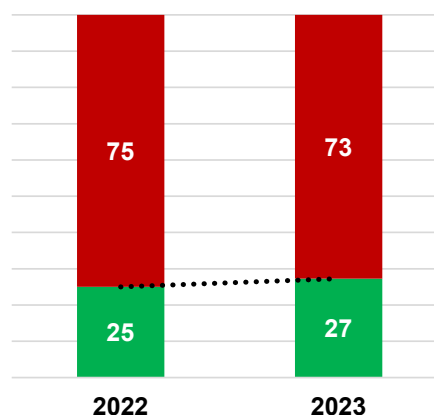
Case study 7: Publicly accessible network port allowed access

An entity did not prevent unauthorised devices from connecting to its physical network and had not segregated its network. We were able to connect a device to the entity's network, view all IT systems and infrastructure and access database, storage and CCTV servers. This entity is at high risk of compromise as unauthorised devices could be used to attack its systems or spread malware.

5. Information security framework

Three of the 11 entities met the benchmark compared with three of 12 last year. A structured approach ensures IT and security initiatives align with business objectives to protect systems and information against emerging threats.

We assessed whether entities had fit-for-purpose information and cyber security policies to govern and mitigate against current and emerging security risks (Figure 15).



Source: OAG

Figure 14: Percentage of entities that met/did not meet the benchmark



Source: OAG

Figure 15: Key information security framework controls

Common weaknesses included:

- Information and cyber security policies did not exist or were outdated** – without fit-for-purpose policies, entities' information security objectives are less likely to be achieved.
- Lack of IT strategy** – an IT strategy is crucial for informing decisions about technology and cyber security investments and implementation. The strategy should align technology and cyber security initiatives with business objectives.

- **Data loss prevention controls were missing or inadequate** – the inadvertent or malicious leakage of information may go undetected and lead to reputational damage.

The following case study illustrates a common information security framework weakness.

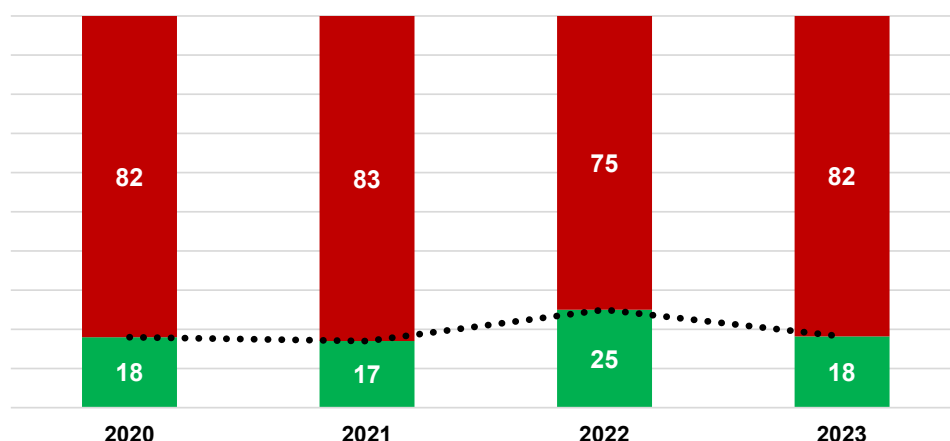
Case study 8: Assurance over cloud based services

An entity did not have a mechanism to know if its vendor's cloud security controls protected its information and systems. When key services are delivered through cloud systems, the cloud vendor must provide important security controls to protect the information and systems. Entities need adequate assurance and visibility that the vendor's controls operate effectively to deliver services in a secure manner.

Independent assurance reports such as a service organisation controls report (SOC2) provide insights into vendor management of cloud infrastructure and systems.

6. Business continuity

We saw a minor decline this year. Only two of the 11 entities met the benchmark in this category, compared with three out of 12 last year. Entities should have fit-for-purpose plans and procedures to guide their response to disruptive events (Figure 17). These should be based on a business impact assessment and agreed recovery objectives.



Source: OAG

Figure 16: Percentage of entities that met/did not meet the benchmark



Source: OAG

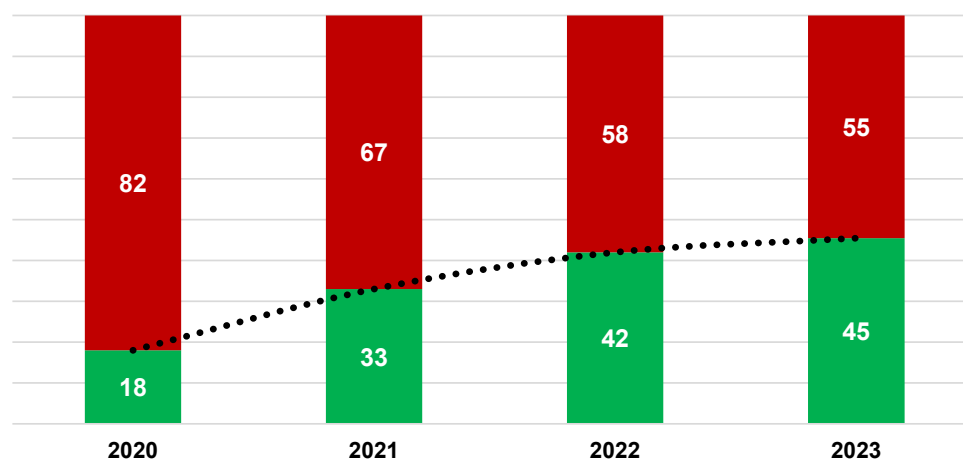
Figure 17: Key business continuity controls

Common weaknesses included:

- **Missing or outdated continuity plans** – delivery of services to the community may experience prolonged outages if adequate continuity plans do not exist.
- **Plans were not tested** – continuity plans must be regularly tested to confirm they can meet recovery expectations.
- **Lack of backup restoration testing** – entities should regularly restore their backups to ensure complete systems can be recovered to a common point. Business-as-usual recovery of files is not sufficient.

7. IT operations

There was no material change in IT operations this year with five of the 11 entities meeting the benchmark. We assessed if the entities had fit-for-purpose service desk processes and appropriately managed IT vendors and IT assets (Figure 19).



Source: OAG

Figure 18: Percentage of entities that met/did not meet the benchmark



IT assets lifecycle management



Supplier performance management



Incident and problem management

Source: OAG

Figure 19: Key IT operations controls

Common weaknesses included:

- **IT asset registers were poorly maintained and stocktakes not performed** – inadequate management of IT assets can result in loss or theft, leading to financial loss and reputational damage.

- **Service level agreements were not in place or monitored** – a lack of or poorly monitored service level agreements could result in substandard services.

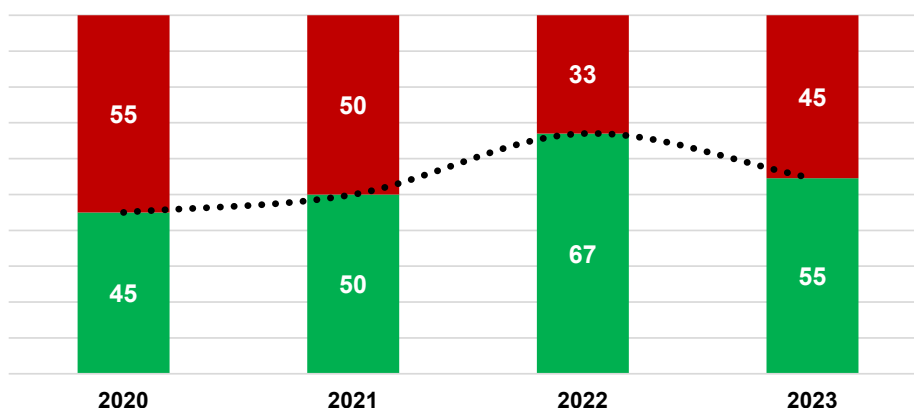
The following case study illustrates a common weakness in IT operations.

Case study 9: Supply chain risks

An entity's service agreement did not include information and cyber security requirements for the vendor to comply. Security expectations should be clearly documented in third-party agreements to reduce supply chain risk. Vendors may not adequately protect entity information and systems if requirements are not clearly documented in the service agreement. Threat actors will often target vendors to indirectly compromise entities, highlighting the importance of vendors' sound security practices.

8. Physical security

Physical security declined this year with only six of the 11 entities meeting the benchmark in this category, compared with eight of the 12 last year. The decline was due to a deterioration in server room access controls. We assessed if entities had controls to protect IT infrastructure from unauthorised access, deliberate damage and environmental hazards such as heat, fire and humidity (Figure 21).



Source: OAG

Figure 20: Percentage of entities that met/did not meet the benchmark



Source: OAG

Figure 21: Key physical security controls

Common weaknesses included:

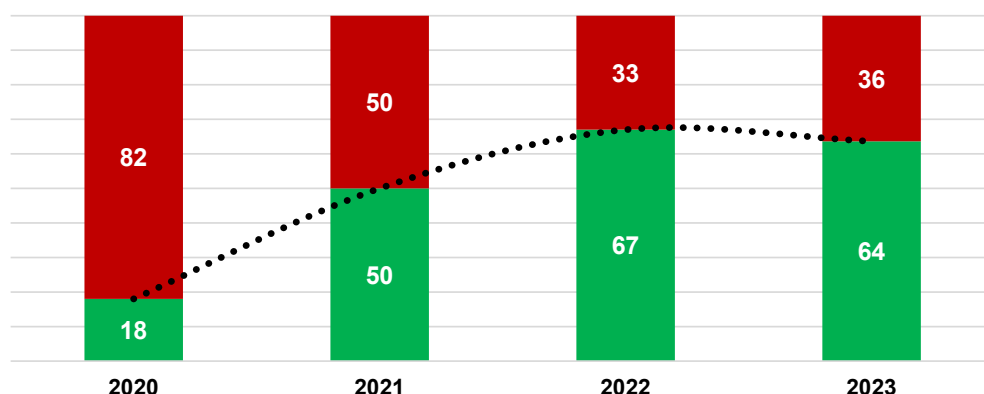
- **Access to equipment enclosures/rooms was not controlled** – access to equipment enclosures should be authorised, recorded and reviewed to reduce malicious or

unintentional damage to IT equipment. Additional controls may include access alarms or CCTV.

- **Dedicated server rooms were not well maintained** – server rooms need to be clear of unwanted material and cabled tidily to reduce the likelihood of damage to infrastructure.

9. Change management

There was no material change this year. Seven of the 11 entities met the benchmark, compared with eight of the 12 last year. Well managed change control processes reduce the likelihood of disruptions (Figure 23).



Source: OAG

Figure 22: Percentage of entities that met/did not meet the benchmark



Source: OAG

Figure 23: Change management controls

A common weakness was:

- **Change management processes were not documented or not followed** – this increases the chance of errors or delays when implementing changes and the likelihood of disruptions and outages.

The following case study illustrates a common weakness in change management.

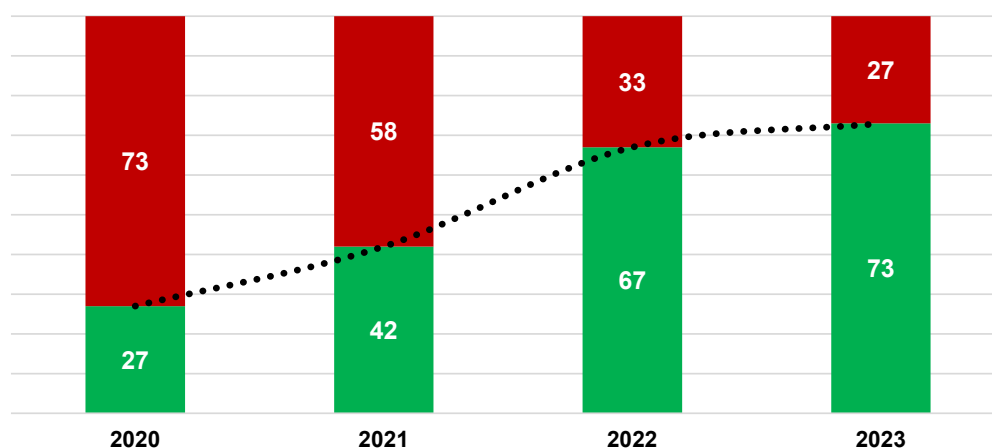
Case study 10: Changes were not appropriately assessed

At one entity, we found staff could approve their own change request. In some instances, the changes were poorly documented and lacked an impact and risk assessment. These

weaknesses increase the likelihood that changes will adversely impact the entity's operations.

10. Risk management

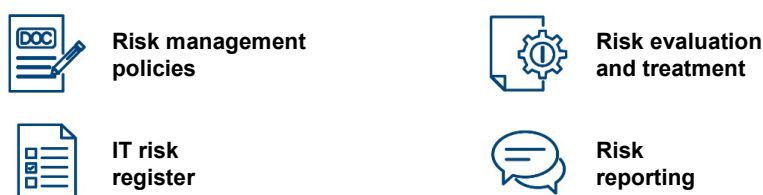
There was no material change this year. Eight of the 11 entities met the benchmark, compared with eight of the 12 last year. A fit-for-purpose risk management process helps entities prioritise information and cyber security risks.



Source: OAG

Figure 24: Percentage of entities that met/did not meet the benchmark

We reviewed risk management policies and processes and if they considered key cyber risks, threats and vulnerabilities (Figure 25).



Source: OAG

Figure 25: Risk management controls

Common weaknesses included:

- **IT risk registers not in place or not maintained** – IT risks may not be effectively managed without adequate documentation.
- **IT risks not reviewed** – timely review of risks is important to ensure mitigation strategies are cost efficient and operate effectively.

Recommendations

1. Access management

To ensure only authorised individuals have access, entities should:

- a. implement effective access management processes
- b. regularly review active user accounts
- c. enforce strong passphrases/passwords and phishing-resistant multi-factor authentication
- d. limit and control administrator privileges
- e. implement automated access monitoring processes to detect malicious activity.

2. Endpoint security

Entities should:

- a. implement effective controls against malware
- b. promptly identify and address known vulnerabilities
- c. control installation of software on workstations, servers and mobile devices
- d. prevent unapproved applications and macros from executing
- e. enforce minimum baseline controls for personal or third-party devices connecting to their systems
- f. implement controls to prevent impersonations and detect/prevent phishing emails
- g. review and harden server and workstation configurations.

3. Human resources security

Entities should ensure that:

- a. pre-employment screening is conducted for key positions
- b. confidentiality/non-disclosure requirements are in place and understood by individuals
- c. termination procedures are in place and followed to ensure timely access cancellation and return of assets
- d. ongoing security awareness training programs are in place and completed by all staff.

4. Network security

Entities should:

- a. implement secure administration processes for network devices
- b. regularly review their network security controls through penetration tests
- c. segregate their network
- d. prevent unauthorised devices from connecting to their network

- e. adequately secure wireless networks.

5. Information security framework

Entities should:

- a. maintain clear information and cyber security policies and governance structures to oversee and direct IT operations and cyber security
- b. conduct regular assessments or gain comfort through assurance reports
- c. obtain and review service organisation controls (SOC2) report or equivalent when they use software-as-a-service (SaaS) application for key systems including payroll and finance
- d. classify information and implement data loss prevention controls.

6. Business continuity

Entities should maintain up-to-date business continuity, disaster recovery and incident response plans and regularly test them.

7. IT operations

Entities should:

- a. implement appropriate IT incident management processes
- b. regularly monitor supplier performance
- c. perform regular reviews of inventory assets
- d. have formal service level agreements with suppliers.

8. Physical security

Entities should:

- a. implement effective physical access controls to prevent unauthorised access
- b. maintain environmental controls to prevent damage to IT infrastructure arising from heat, moisture, fire and other hazards
- c. gain assurance that third-party providers manage their data centres appropriately.

9. Change management

Entities should:

- a. consistently apply change control processes when making changes to their IT systems
- b. assess and test changes before implementation to minimise errors
- c. maintain change control documentation
- d. implement controls to detect unauthorised changes.

10. Risk management

Entities should:

- a. understand their information assets and apply controls based on their value

- b. ensure IT, information and cyber security risks are identified, assessed and treated within appropriate timeframes
- c. provide executive oversight and remain vigilant against the risks of internal and external threats.

In accordance with section 7.12A of the *Local Government Act 1995*, local government entities should prepare a report on any matters identified as significant in the local government's audit report⁹. The report should be given to the Minister for Local Government within three months of the local government receiving the audit report and published on the local government's website.

⁹ An audit report includes the independent auditor's opinion and the auditor's management report (interim and final management letters) as described in regulation 10 of Local Government (Audit) Regulations 1996. Further information on what is an audit report is available on our website (<https://audit.wa.gov.au/resources/local-government/faqs/#faq-21828>).

Auditor General's 2023-24 reports

Number	Title	Date tabled
16	Local Government 2022-23 – Information Systems Audit Results	27 May 2024
15	State Government Advertising	15 May 2024
14	State Government 2022-23 – Information Systems Audit	12 April 2024
13	Provision of Supplementary Information to the Standing Committee on Estimates and Financial Operations – Opinions on Ministerial Notifications	5 April 2024
12	Digital Identity and Access Management – Better Practice Guide	28 March 2024
11	Funding for Community Sport and Recreation	21 March 2024
10	State Government 2022-23 – Financial Audit Results	20 December 2023
9	Implementation of the Essential Eight Cyber Security Controls	6 December 2023
8	Electricity Generation and Retail Corporation (Synergy)	8 November 2023
7	Management of the Road Trauma Trust Account	17 October 2023
6	2023 Transparency Report: Major Projects	2 October 2023
5	Triple Zero	22 September 2023
4	Staff Exit Controls for Government Trading Enterprises	13 September 2023
3	Local Government 2021-22 – Financial Audit Results	23 August 2023
2	Electricity Generation and Retail Corporation (Synergy)	9 August 2023
1	Requisitioning of COVID-19 Hotels	9 August 2023

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Office of the Auditor General
for Western Australia



Date: 15 March 2024

Your Ref:

A Global City: Bold | Creative | Prosperous

Enquiries:

Our Ref:

103278

Ms Lanie Chopping
Director General
Department of Local Government, Sport and Cultural Industries
246 Vincent Street
LEEDERVILLE WA 6007

lanie.chopping@dlgsc.wa.gov.au

Dear Ms Chopping

S5.33 OF LOCAL GOVERNMENT ACT 1995 – COMPLIANCE

I write to self-disclose non-compliance with S5.33 of the *Local Government Act 1995* regarding when decisions made at electors' meetings are to be considered by the Council, specifically in relation to the City of Joondalup.

S5.33 of the Act provides that all decisions made at an electors meeting are to be considered at the next Ordinary Council meeting; or if that is not practicable, at the first Ordinary Council Meeting after that meeting; or at a Special Council Meeting called for that purpose.

The City of Joondalup held its Annual Electors Meeting on Tuesday 5 March 2024 at which 39 motions were passed.

In accordance with the Act, I understand that the decisions from the Annual Electors Meeting should be presented to the March Ordinary Council Meeting (26 March 2024), or the following meeting (23 April 2024), however, the City has determined that it will not be able to meet these timeframes due to a range of circumstances. The decisions made at the electors meeting will therefore be considered at the May Ordinary Council Meeting.

The following is provided with regard to the reasons why the decisions from the City of Joondalup Annual Electors Meeting are not able to be presented to the March or April Ordinary Council Meetings, and as such there being an interpretation of non-compliance with the Act:

- 39 complex motions were passed at the Annual Electors Meeting held on Tuesday 5 March 2024. The motions from the meeting were distributed to relevant Directors, to develop responses, on Thursday 7 March 2024.
- The completion (and distribution) of the agenda to Elected Members and the community for the March meeting round is Friday 15 March 2024, therefore presentation of a report/responses to the motions passed at the Annual Electors Meeting is not possible.

- The City's April agenda settlement process will require a report/responses to all 39 motions to be completed by Wednesday 20 March 2024 in order to be reported to, and agreed by, the Executive Leadership Team meeting to be held on Monday 25 March 2024. Following any amendments required the report/responses will be submitted to the City's agenda settlement process by Wednesday 27 March 2023, with the agenda settlement meeting to be held on Wednesday 3 April 2024.

The completion (and distribution) of the agenda to Elected Members and the community for the April meeting round is Friday 12 April 2024.

In effect, the City will be required to research and finalise responses to all 39 motions within an eight to nine day working-day timeframe (for the Executive Leadership Team's consideration), with any updates and amendments requested by the Executive occurring between 1-3 April 2024 (two working-days).

- The Council has adopted a schedule of programs and projects through its Corporate Business Plan and annual budget. An assessment of the City's capabilities to research and respond to 39 motions within the legislated timeframe, whilst continuing to progress projects and programs endorsed by the Council through its budget and Corporate Business Plan process, indicates that is not achievable.

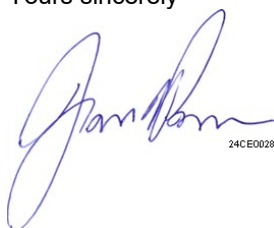
The City's priority at all times with regard electors' meetings is to provide good governance by effectively responding to the community's concerns and needs. To not provide adequate responses to the motions passed at the electors' meeting would discredit the City/Council's commitment to good governance and do an injustice to the motions thoughtfully prepared by members of the community.

An alternative available to the City could have been to note all motions at either the March or April Ordinary Council Meeting; summarise specific issues the City would examine as part of its response; and advise of specific timeframes each of the motions would be submitted to the Council. However, I do not consider that this would meet the spirit and intent of the Act.

Given the explanation detailed above, I would appreciate if the Department could advise whether the circumstances as detailed provide an adequate explanation with regard the City's non-compliance with the Act.

Thank you for your consideration in this matter and I look forward to your response at your earliest convenience, should this matter be raised by Elected Members or members of the community.

Yours sincerely



JAMES PEARSON
Chief Executive Officer

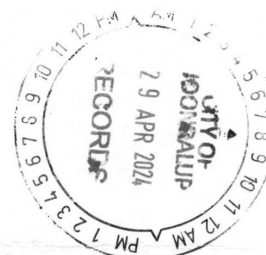


Department of
Local Government, Sport
and Cultural Industries

City of Joondalup Record: DOCUMENT REGISTRATION
INW REF: INW24/3948
CONTAINER: 103278
DATE RECEIVED: 29-04-2024
RESPONSIBILITY: CEO Inwards Mail
ACTION: ASSIGNED - No Written response. Must record action

Enquiries Leah Horton
Phone (08) 65521700
Email leah.horton@dlgsc.wa.gov.au

Mr James Pearson
Chief Executive Officer
City of Joondalup
PO Box 21
JOONDALUP WA 6919



Dear Mr Pearson

S5.33 OF LOCAL GOVERNMENT ACT 1995 – COMPLIANCE

Thank you for your correspondence dated 15 March 2024 reporting the City of Joondalup (the City)'s non-compliance with section 5.33 of the *Local Government Act 1995* (the Act) to the Department of Local Government, Sport and Cultural Industries (DLGSC).

As you have rightly noted, section 5.33 of the Act states that all decisions made at an elector's meeting are to be considered at the next ordinary council meeting, or if that is not practicable, at the first ordinary meeting after that, or a special council meeting called for that purpose.

The reasons you have provided for the City's non-compliance in this matter are acknowledged, including that the City intends to consider decisions from the annual electors meeting at the May Ordinary Meeting of Council.

I do, however, note that the City also reported non-compliance with section 5.33 of the Act in 2023, for the same reasons as outlined in your most recent correspondence.

While the City's non-compliance and explanation are accepted in this instance, DLGSC considers that the alternative option proposed in your letter for Council to consider electors meetings motions, which was to note all motions at the next meeting of council, summarise specific issues, and provide advice of timeframes for motions to be submitted to Council, would have supported the City's principles of openness and transparency and demonstrated compliance with the Act.

The City's non-compliance will be noted and recorded. Should you have any questions about this letter, please contact Leah Horton A/Director Local Government Support and Engagement on the above contact details.

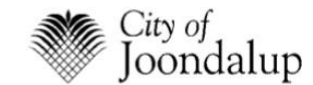
Thank you for bringing this matter to my attention.

Yours sincerely

Lanie Chopping
DIRECTOR GENERAL

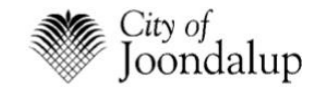
22 April 2024

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THREE YEAR INTERNAL AUDIT PLAN

PROPOSED ACTIVITY PRIORITY ORDER FOR 2024/25	REASON FOR INCLUSION	2024/25	2025/26	2026/27	LAST REVIEWED	LAST REPORT TO COMMITTEE	REPORT SCHEDULED FOR COMMITTEE
PRIORITY 1							
1. Respond to referrals from external oversight agencies	Legislative	√	√	√	2023/24	March 2024	As required
2. Respond to internal requests and complaints	Targeted	√	√	√	Ongoing	x	As required
3. Compliance Audit Return (quarterly reporting)	Legislative	√	√	√	In Progress	x	August 2024
4. Recruitment (internally advertised positions)	Fraud and corruption control	√	x	x	In Progress	x	October 2024
5. Recruitment (casual appointments)	Fraud and corruption control	√	x	x	In Progress	x	October 2024
6. Inappropriate relationships (employee to supplier)	Fraud and corruption control	√	√	√	In Progress	March 2022	October 2024
7. Inappropriate relationships (supplier to supplier)	Fraud and corruption control	√	√	√	In Progress	March 2021	October 2024
8. Changes to bank details	Fraud and corruption control	√	√	√	In Progress	November 2022	October 2024
9. Potential false invoices	Fraud and corruption control	√	√	√	In Progress	November 2022	October 2024
10. Review of payments made to supplier	Council Resolution No: CJ121-05/24	√	x	x	In Progress	x	October 2024
11. Debt collection (responsibility) for long service leave liabilities	Targeted	√	x	x	Carry forward	x	To be advised (2025)
12. Employees acting in positions over 12 months (claim for permanent position)	Targeted	√	x	x	Carry forward	x	To be advised (2025)
13. Leave calculations (public holidays)	Targeted	√	x	x	Carry forward	x	To be advised (2025)
PRIORITY 2							
1. Coordinate the completion of the Integrity and Conduct Annual Collection and ensure its submission to the Public Sector Commission by the stipulated deadline	Legislative	√	√	√	2022/23	August 2023	October 2024
2. Coordinate the completion of the annual Compliance Audit Return and ensure its submission to the Department of Local Government, Sport and Cultural Industries by March each year	Legislative	√	√	√	2023/24	March 2024	March 2025
3. OAG Audit (General Information Systems) – follow up on implementation of recommendations	Legislative	√	√	√	2022/23	January 2024	To be advised (2025)
4. OAG Audit (Staff Exit Controls) – follow up on implementation of recommendations	Legislative	√	x	x	2023/24	x	March 2025
5. Graffiti Removal Contract Performance Bonus	Contractual	√	√	√	2023/24	March 2024	March 2025
6. Inappropriate relationships (employee to employee)	Fraud and corruption control	√	√	√	2023/24	May 2024	May 2025
7. Payments made after employee termination (ghost employees)	Fraud and corruption control	√	√	√	2023/24	May 2024	May 2025
PRIORITY 3							
1. Procurement activities including but not limited to: <ul style="list-style-type: none"> • Payments made to invalid suppliers • Non purchase order payments • Variances between purchasing requisition amount, approved purchase order, payment made • Attempts to bypass quotation and tender thresholds • Use of sole suppliers • Tender specifications and assessment criteria • Targeted business units 	Fraud and corruption control	√	√	√	Various during 2023/24 2022/23	March 2019 to March 2024	To be advised
2. Span of control per supervisor	Fraud and corruption control	√	x	x	Carry forward	x	To be advised
3. Due diligence of new business partners, contractors, suppliers, consultants and outsourced service providers	Fraud and corruption control	√	√	√	Carry forward	x	To be advised
4. COVID-19 Audit Activity (as per agreed scope)	COVID-19 Audit Activity	√	x	x	2022/23	November 2022	To be advised
5. Monitoring of employees' and elected members' gift registers including cross referencing of invitations received	Fraud and corruption control	√	√	√	Carry forward	March 2019	To be advised



THREE YEAR INTERNAL AUDIT PLAN

PROPOSED ACTIVITY PRIORITY ORDER FOR 2025/26 AND COMPLETED ACTIVITIES	REASON FOR INCLUSION	2024/25	2025/26	2026/27	LAST REVIEWED	LAST REPORT TO COMMITTEE	REPORT SCHEDULED FOR COMMITTEE
PRIORITY FOR 2025/26							
1. Chief Executive Officer's three yearly review of the appropriateness and effectiveness of the City's systems in regard to risk management, internal control and legislative compliance	Legislative	x	√	√	2022/23	August 2023	To be advised (2026)
2. Chief Executive Officer's three yearly review of the appropriateness and effectiveness of the City's financial management systems and procedures	Legislative	x	√	√	2022/23	August 2023	To be advised (2026)
3. Employee use of fleet vehicles	Targeted	x	√	x	2022/23	August 2023	To be advised (2026)
COMPLETED (NON-RECURRING) OR NO LONGER REQUIRED							
1. Use of surveillance devices	Targeted	x	x	x	2018/19	x	Not applicable
2. Youth Services Incident (Central Park)	Targeted	x	x	x	2018/19	x	Not applicable
3. Timely payment of suppliers	Office of the Auditor General Report	x	x	x	2019/20	August 2019	Not applicable
4. OAG Audit (Building Approvals) – follow up on implementation of recommendations	Legislative	x	x	x	2019/20	x	Not applicable
5. Bypassing of controls – invoice numbers within TechOne (finance system)	Fraud and corruption control	x	x	x	2020/21	March 2021	Not applicable
6. Compliance of the Information Protection Agreement between the City and VicRoads	Contractual	x	x	x	2021/22	x	Not applicable
7. Traffic management and overtime (external referral)	Allegation	x	x	x	2021/22	March 2022	Not applicable
8. Failed retaining wall	Targeted	x	x	x	2021/22	x	Not applicable
9. Use of Zoom and Microsoft Teams for meetings (cyber security)	COVID-19 Audit Activity	x	x	x	2022/23	November 2022	Not applicable
10. Review of unique / specialised provider (parking ticket machines)	Targeted	x	x	x	2022/23	November 2022	Not applicable
11. Payments to casuals and part time employees (February 2021 WA lockdown)	COVID-19 Audit Activity	x	x	x	2022/23	November 2022	Not applicable
12. Drug and alcohol testing of employees (process only; not results)	Allegation	x	x	x	2022/23	November 2022	Not applicable
13. Human Resources Misconduct Investigation Procedures	Targeted	x	x	x	2022/23	November 2022	Not applicable
14. Access to information and use of fleet vehicles	Targeted	x	x	x	N/A	x	Not applicable



2024 Corporate Compliance Calendar

Last Reviewed: January 2024

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Directorate	Business Unit	Officer Responsible	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance	Status
	January - Take Action											
Jan	Official Conduct Complaints Officer - Local Government has designated a Senior Employee [s.5.37] as its Complaints Officer, if not, then the CEO is the Complaints Officer.	Local Government Act 1995	s.5.120	DLGSCI Website - Local Government Standards Panel	Annual	Office of the CEO	Audit, Risk and Executive Services	Manager Audit, Risk and Executive Services	1/29/2024	MIN21/87 (CJ045-04/21 refers)		Complete
Jan	Compliance Audit Return - Commence Audit Commence the Compliance Audit Return as an internal audit. Due: 31 March	Local Government Act 1995	s.7.13(1)(i) Audit.Regs. 13, 14 and 15		Annual	Office of the CEO	Audit, Risk and Executive Services	Manager Audit, Risk and Executive Services				Complete
Jan	Monthly Financial Report LG is to prepare each month a statement of financial activity reporting on the revenue and expenditure as set out in the annual budget under FM.Reg.22(1)(d). Presented at an Ordinary Council meeting within 2-months after the end of the month to which the statement relates.	Local Government Act 1995	s.6.4 FM.Reg.34	DLGSC WA Local Government Accounting Manual	Monthly	Corporate Services	Financial Services	Manager Financial Services			FAS for Jan 2024 to go to March 2024 Council meeting	Complete
Jan	Payments from municipal fund or trust fund LG is to prepare a list of accounts for approval to be paid is to be prepared each month and presented to the council at the next ordinary meeting of the council after the list is prepared.	Local Government Act 1995	FM Reg 13		Monthly	Corporate Services	Financial Services	Manager Financial Services			Jan 2024 transactions being reported to March 2024 Council meeting	Complete
Jan	Payment by employees via purchasing cards LG is to prepare a list of payments made using credit, debit or other purchasing cards, and present to the council at the next ordinary meeting of council after the list is prepared.	Local Government Act 1995	FM Reg 13A		Monthly	Corporate Services	Financial Services	Manager Financial Services			Jan 2024 transactions being reported to March 2024 Council meeting	Complete
Jan	Chlorine Gas Safety Audit In line with the issuing of the Dangerous Good Licence for the storage of 2x 920L chlorine gas drums at Craigie Leisure Centre, the City is required to undertake a chlorine gas audit to support the renewal every 5 years.	Dangerous Goods Safety Act 2004	Div 81		5 yearly, Next due 2026	Corporate Services	Leisure and Cultural Services	Manger Leisure and Cultural Services	5/26/2021	INT21/22938	5 yearly, next due 2026. Licence number DGS015339. Date of Issue 26/05/2021.	Complete
Jan	Safety Assessment and Improvement Plan Conducted in partnership with LGIS and Royal Life Saving WA to review the safety standards of aquatic centres against the Code of Practice, Chlorine gas Astandards and Health regulations	N/A	N/A	LGIS Member service	3 yearly, due 2024	Corporate Services	Leisure and Cultural Services	Manger Leisure and Cultural Services	11/28/2023	INT23/68400	Craigie Leisure Centre scored 99.52% in Royal Life Saving Safety Assessment Audit.	Complete
Jan	Master Compliance Calendar - Review Review the Master Compliance Calendar content and consult with the LGs CEO, Executive and key employees to identify any additional Compliance Actions for inclusion in the next year's Master Compliance Calendar.	N/A	N/A		Annual	Governance and Strategy	Governance	Manager Governance	1/22/2024	INT24/3954	Review complete. Presented to ELT for approval on 5/02/2024.	Complete
Jan	Public Access to Information - Audit Check LG website to ensure all information listed in s.5.94, s.5.96A and Admin. Reg.29 is publicly accessible (see s.5.96 too).	Local Government Act 1995	s.5.94 Admin. Reg.29 s.5.95 s.5.96 s.5.96A Admin. Regs 29A and 29B	WALGA - Governance Subscription Good Governance in Practice Resource - Public Information Access & LG Website Information Guide	Annual	Governance and Strategy	Governance	Manager Governance	2/12/2024	INT24/8362	Review complete. No issues identified.	Complete
Jan	Gifts Register - Update Register with new entries and removal of entries .	Local Government (Administration) Regulations 1996	s5.89A r28A		Monthly	Governance and Strategy	Governance	Manager Governance	2/6/2024	INT24/7208 INT24/7095	Published to the City's website.	Complete
Jan	Financial Interests Register - Review Issue and review Primary Returns; Update Register - Add / Remove entries; Update disclosures on website.	Local Government Act 1995	s.5.88(3)(4)		Bi-monthly	Governance and Strategy	Governance	Manager Governance	2/14/2024	INT17/61358	Published to the City's website.	Complete
Jan	Code of Conduct for Employees The CEO must prepare and implement a code of conduct to be observed by employees of the local government. CoJ requirement to conduct biennial review.	Local Government Act 1995	5.51A	WALGA - Model Code of Conduct for Employees.	Biennial Next Due: 2025	Governance and Strategy	Governance	Manager Governance	N/A	N/A	N/A	Not Applicable

2024 Corporate Compliance Calendar

Last Reviewed: January 2024

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Directorate	Business Unit	Officer Responsible	Date Completed	Records Ref <i>(Evidence of completion)</i>	Comments. If Action not completed, report on plan to rectify non-compliance	Status
Jan	Primary Returns - New Elected Members - required to be lodged with CEO within 3 months of making Declarations of Office Due by: 24 Jan 2024	Local Government Act 1995	s.5.75(1)	WALGA - Governance Subscription - Guideline - Primary and Annual Returns Management DLGSC Operational Guideline No.21 Disclosure of Financial Interests in Returns	Biennial Next due 2024	Governance and Strategy	Governance	Manager Governance	1/15/2024	INT24/5606 INT24/5604 INT24/5603 INT24/5602		Complete
Jan	Authorised Persons - Review Review the LG's authorised persons to ensure authorisations are accurate, valid and the correct certificates of authorisation and / or identity cards have been issued	Various		WALGA - Governance Subscription - Decision Making in Practice Toolkit - Part 3 Authorisations	Annual	Governance and Strategy	Governance	Manager Governance	1/15/2024		The City has commenced a review of the Authorised Persons Register.	In Progress
Jan	Occupational Safety and Health - Review of occupational safety and health processes to ensure compliance with City's legislative requirements	Work Health and Safety Act 2020			Annual	Governance and Strategy	Human Resource Services	Manager Human Resource Services				
Jan	Metropolitan Regional Road Grants - submit quarterly report				Quarterly	Infrastructure Services	Engineering Services	Manager Engineering Services	1/4/2024	EMO24/735		Complete
Jan	MRRG Road Improvement and Rehabilitation and Black Spot Road Project Grants - Submit quarterly report to Main Roads WA Program Support Officer - Metropolitan Region	MRWA State Road Funds to Local Government Procedures			Quarterly	Infrastructure Services	Engineering Services	Manager Engineering Services	1/4/2024	EMO24/735		Complete
Jan	MRRG Road Improvement and Rehabilitation and Black Spot Road Project Grants - Progress payment Certificate and Certificate of Completion with final recoupment claim to be submitted to MRWA for previous financial year	MRWA State Road Funds to Local Government Procedures			As required	Infrastructure Services	Engineering Services	Manager Engineering Services			No claims submitted in January 2024	
Jan	Roads to Recovery - Online submission expenditure report and forecast for the next quarter	Roads to Recovery Act 2000 (Clth)			Quarterly	Infrastructure Services	Engineering Services	Manager Engineering Services	1/31/2024	Online submission		Complete
Jan	Impounded Vehicles - Conduct Audit to ensure that Owners of all impounded vehicles were identified and notified within 7 days of impounding vehicle	Local Government Act 1995	s. 3.40A (2)		Annual	Planning and Community Development	Community Safety	Manager Community Safety	1/29/2024		Audit Conducted. An update to the current service agreement was required. Owners notified of impounded vehicles where required.	Complete

Complete
In Progress
Behind Schedule
Not Applicable

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency			Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance	Status
	February - Take Action											
Feb	Monthly Financial Report LG is to prepare each month a statement of financial activity reporting on the revenue and expenditure as set out in the annual budget under FM.Reg.22(1)(d). Presented at an Ordinary Council meeting within 2-months after the end of the month to which the statement relates.	Local Government Act 1995	s.6.4 FM.Reg.34	DLGSC WA Local Government Accounting Manual	Monthly	Corporate Services	Financial Services	Manager Financial Services	22/01/2024 29/01/2024	CM ref not yet assigned. Feb 24 Council agenda references: 12.14: FAS Nov 2023 12.15: FAS Dec 2023	Reports for Nov and Dec 2023 to Feb 2024 Council meeting	Complete
Feb	Payments from municipal fund or trust fund LG is to prepare a list of accounts for approval to be paid is to be prepared each month and presented to the council at the next ordinary meeting of the council after the list is prepared.	Local Government Act 1995	FM Reg 13		Monthly	Corporate Services	Financial Services	Manager Financial Services	1/23/2024	CM ref not yet assigned. Feb 24 Council agenda references: 12.16: List of Pmts Nov 23 12.17: List of Pmts Dec 23	Reports for Nov and Dec 2023 to Feb 2024 Council meeting	Complete
Feb	Payment by employees via purchasing cards LG is to prepare a list of payments made using credit, debit or other purchasing cards, and present to the council at the next ordinary meeting of council after the list is prepared.	Local Government Act 1995	FM Reg 13A		Monthly	Corporate Services	Financial Services	Manager Financial Services	1/24/2024	CM ref not yet assigned. Feb 24 Council agenda references: 12.18: Card transactions for Nov 23 12.19: Card transactions for Dec 23	Reports for Nov and Dec 2023 to Feb 2024 Council meeting	Complete
Feb	Annual Electors' General Meeting - Local Public Notice of AEGM - CEO to give at least 14 days local public notice of AEGM	Local Government Act 1995	s.5.27 s.5.29 Admin.Reg. 15, 17 and 18,		Annual	Governance and Strategy	Governance	Manager Governance	2/6/2024	INT24/7643	Published on the City's website, local public notice boards, social media and E-newsletter on 06/02/2024.	Complete
Feb	Gifts Register - Update Register with new entries and removal of entries .	Local Government (Administration) Regulations 1996	s5.89A r28A		Monthly	Governance and Strategy	Governance	Manager Governance	3/18/2024	INT24/15648	Published on the City's website.	Complete
Feb	Local Laws Review - Within a period of 8 years from the day when a local law commenced, or a report of a review of the local law was accepted under this section, a local government is to carry out a review of the local law to determine whether or not it considers that it should be repealed or amended. Last Reviewed: 16/02/2021	Local Government Act 1995	3.16(1)	WALGA website - Local Laws Manual Subscription Service DLGSC website - Local Laws Statutory Procedures Checklist DLGSC website - Local Laws Register	8-yearly Next Due: 2029	Governance and Strategy	Governance	Manager Governance	N/A	N/A	N/A	Not Applicable
Feb	Ward Boundary Review last completed on 16 November 2021 (CJ156-11/21 refers). Last Reviewed: 16/11/2021 Next due by: 27/02/2029	Local Government Act 1995	s.2.2 Sch.2.2(6)		8-yearly Next Due: 2029	Governance and Strategy	Governance	Manager Governance	N/A	N/A	N/A	Not Applicable
Feb	Local Emergency Management Committee - Hold committee meeting quarterly in accordance with the Act	Emergency Management Act 2005	s. 38		Quarterly	Infrastructure Services	Asset Management	Manager Asset Management	2/13/2024	EIN24/2126		Complete
Feb	MRRG Road Improvement and Rehabilitation and Black Spot Road Project Grants - Progress payment Certificate and Certificate of Completion with final recoupment claim to be submitted to MRWA for previous financial year	MRWA State Road Funds to Local Government Procedures			As required	Infrastructure Services	Engineering Services	Manager Engineering Services			Certificates being circulated for signatures	In Progress
Feb	Caravan Park / Camping Ground Facility Annual Inspection Local Government is to inspect each facility in its District so that not more than 12 months elapses between inspections.	Caravan Parks and Camping Grounds Act 1995	s.21		Annual	Planning and Community Development	Regulatory Services	Manager Regulatory Services	6/15/2023	PRP23/24732 and EMI23/5884		Complete

Complete
In Progress
Behind Schedule
Not Applicable

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Directorate	Business Unit	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance	Status
	March - Take Action											
Mar	Compliance Audit Return - Report to Audit Committee Compliance Audit Return, report considered by Audit Committee, with recommendations to Council. Note - Schedule Committee / Council consideration with sufficient time to enable submission to DLGSCI by 31 March	Local Government Act 1995	s.7.13(1)(i) Audit.Reg.s. 13, 14 and 15		Annual Due: 31 March	Office of the CEO	Audit, Risk and Executive Services	Manager Audit, Risk and Executive Services	3/11/2024	MIN24/78		Complete
Mar	Monthly Financial Report LG is to prepare each month a statement of financial activity reporting on the revenue and expenditure as set out in the annual budget under FM.Reg.22(1)(d). Presented at an Ordinary Council meeting within 2-months after the end of the month to which the statement relates.	Local Government Act 1995	s.6.4 FM.Reg.34	DLGSC WA Local Government Accounting Manual	Monthly	Corporate Services	Financial Services	Manager Financial Services	2/23/2024	INT24/20104	Report for January 2024 to March 2024 Council meeting	Complete
Mar	Payments from municipal fund or trust fund LG is to prepare a list of accounts for approval to be paid is to be prepared each month and presented to the council at the next ordinary meeting of the council after the list is prepared.	Local Government Act 1995	FM Reg 13		Monthly	Corporate Services	Financial Services	Manager Financial Services	2/23/2024	INT24/20103	Report for January 2024 to March 2024 Council meeting	Complete
Mar	Payment by employees via purchasing cards LG is to prepare a list of payments made using credit, debit or other purchasing cards, and present to the council at the next ordinary meeting of council after the list is prepared.	Local Government Act 1995	FM Reg 13A		Monthly	Corporate Services	Financial Services	Manager Financial Services	2/23/2024	INT24/20105	Report for January 2024 to March 2024 Council meeting	Complete
Mar	Emergency Services Levy - Option B Payment Due by: 21 March and ESL Assessment Profile Return Form A	DFES - ESL Manual of Operating Procedures		DFES -ESL Manual of Operating Procedures	Quarterly	Corporate Services	Financial Services	Manager Financial Services	3/19/2024	EF118795 pymt reference	Date of EFT payment - payment included in list of payments report to May 2024 Council meeting	Complete
Mar	Annual Budget - Review Between 1 January and 31 March in each financial year, a review of the annual budget is to be carried out. • Review must be submitted to Council within 30 days after it has been carried out. • Council is to consider the review and determine, by absolute majority, whether or not to adopt the review, any parts of the review or any recommendations made in the review DUE: 31 March	Local Government Act 1995	FM Reg.33A(1) (2A) (2) (3)	DLGSC website - WA Local Government Accounting Manual	Annual Due: 31 March	Corporate Services	Financial Services	Manager Financial Services	2/8/2024	CM reference not yet assigned. Feb 2024 Council agenda item 12.21	Presented to February 2024 Council meeting	Complete
Mar	Financial Interests Register - Review Issue and review Primary Returns; Update Register - Add/remove entries; Update disclosures on website.	Local Government Act 1995	s.5.88(3)(4)		Bi-monthly	Governance and Strategy	Governance	Manager Governance	4/1/2024		Financial Interest Register and Primary Returns submitted by Officers up to 31 March 2023 has been updated on the City's website	Complete
Mar	Elected Members - Review Meeting Attendance Register - check EMs have not been absent for 3 consecutive meetings without Leave of Absence being granted	Local Government Act 1995	s.2.25		Quarterly	Governance and Strategy	Governance	Manager Governance	4/16/2024	INT23/3414	EM Council Meeting Attendance Register review. All Elected Members compliant with the requirements of s2.25 of the LGA	Complete
Mar	Gifts Register - Update Register with new entries and removal of entries .	Local Government (Administration) Regulations 1996	s5.89A r28A		Monthly	Governance and Strategy	Governance	Manager Governance	4/16/2024	INT24/21157 INT24/21156	Published to the City's website.	Complete
Mar	Annual Electors' General Meeting - to be held once every financial year on a day selected by the LG but not more than 56 days after the Annual Report has been adopted.	Local Government Act 1995	s.5.27 Admin.Reg.s.15, 17 and 18,		Annual	Governance and Strategy	Governance	Manager Governance	3/5/2024		Annual Elector's Meeting held on Tuesday 5 March 2024.	Complete
Mar	Corporate Business Plan - Review (Administrative) Review Corporate Business Plan and prepare options for Council's consideration for inclusion on the Plan. Review should consider - actions, projects and priorities from informing strategies (Workforce Plan, Asset Mgt Plan, Long Term Financial Plan and other strategies) as well as the prioritising Major Capital Works.	Local Government Act 1995	s.5.56 Admin.Reg.19DA	DLGSC website - Integrated Planning and Reporting Framework and Guidelines	Annual Next Due: March/April 2024	Governance and Strategy	Strategic and Organisational Development	Manager Strategic & Organisational Development			Workshop scheduled with Elected Members for 29 April 2024.	In Progress
Mar	MRRG Road Improvement and Rehabilitation and Black Spot Road Project Grants - Progress payment Certificate and Certificate of Completion with final recoupment claim to be submitted to MRWA for previous financial year	MRWA State Road Funds to Local Government Procedures			As required	Infrastructure Services	Engineering Services	Manager Engineering Services	3/6/2024	EMO24/18127		Complete
Mar	Water Licences - Artesian and Non-artesian Water Licences - review and renew if necessary	Rights in Water and Irrigation Act 1914	s. 26 (d)		Annual	Infrastructure Services	Parks and Natural Environment	Manager Parks and Natural Environment	3/25/2024		No Action Required - licence will be automatically renewed vy Water Corporation	Complete

Mar	WALGGC Road Information Return - Submit WALGA Road Assets & Expenditure Certification Sheet				Annual	Infrastructure Services	Asset Management	Manager Asset Management	11/9/2023	INT23/64367	Completed in November 2023	Complete
Mar	Fines Enforcement - Designated Prosecuting Officers Review Designated Prosecuting Officers and provide written advice to Fines Enforcement Registry of changes.	Fines, Penalties and Infringement Notices Enforcement Act 1994	s.13(2)		Annual	Planning and Community Development	Community Safety	Manager Community Safety	9/1/2023	Completed in September 2023. HP 01330	Completed in September 2023	Complete

Complete
In Progress
Behind Schedule
Not Applicable

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Directorate	Business Unit	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance	Status
	April - Take Action											
Apr	Audit - Compliance Audit Return Action Plan Prepare a Compliance Audit Return Action Plan that assigns responsibility and timeframes for implementing outcomes / actions arising from the Compliance Audit Return. Provide Compliance Audit Return Action Plan to Council via Audit Committee for endorsement.	n/a	n/a	Operational Practice	Annual or as required	Office of the CEO	Audit, Risk and Executive Services	Manager Audit, Risk and Executive Services	3/11/2024	N/A - action plan not required		Complete
Apr	Monthly Financial Report LG is to prepare each month a statement of financial activity reporting on the revenue and expenditure as set out in the annual budget under FM.Reg.22(1)(d). Presented at an Ordinary Council meeting within 2-months after the end of the month to which the statement relates.	Local Government Act 1995	s.6.4 FM.Reg.34	DLGSC WA Local Government Accounting Manual	Monthly	Corporate Services	Financial Services	Manager Financial Services	3/23/2024	INT24/20360	for February 2024 to April 2024 Council m	Complete
Apr	Payments from municipal fund or trust fund LG is to prepare a list of accounts for approval to be paid is to be prepared each month and presented to the council at the next ordinary meeting of the council after the list is prepared.	Local Government Act 1995	FM Reg 13		Monthly	Corporate Services	Financial Services	Manager Financial Services	3/15/2024	INT24/24272	Report for February 2024 to April 2024 Council meeting	Complete
Apr	Payment by employees via purchasing cards LG is to prepare a list of payments made using credit, debit or other purchasing cards, and present to the council at the next ordinary meeting of council after the list is prepared.	Local Government Act 1995	FM Reg 13A		Monthly	Corporate Services	Financial Services	Manager Financial Services	3/21/2024	INT24/20365	Report for February 2024 to April 2024 Council meeting	Complete
Apr	Annual Budget - Copy of Review to DLGSCI Executive Director within 30 days after Budget Review adoption, plus a copy of the Council Report / Minutes relevant to Budget Review adoption.	Local Government Act 1995	FM.Reg.33A(4)	DLGSC website - WA Local Government Accounting Manual	Annual	Corporate Services	Financial Services	Manager Financial Services	3/11/2024	EMO24/19245 - Email to DLGSC EIN24/2612 - DLGSC confirmation of rpt	Submitted to DLGSC via email	Complete
Apr	Annual Budget - Fees and Charges - Review In preparation for the Annual Budget, undertake an Administrative review of Fees and Charges to inform the fees and charges proposed for including in the Annual Budget. The Review should ensure: • Fees / Charges are set for a proper purpose - s.6.16(2) • The amount of each Fee or Charge has been set in accordance with s.6.17 • Fees and Charges to be imposed by the LG under other written laws are included and separately identified as to if the LG has the power to set the level of the Fee or Charge OR if the level has been set by / under the other written law.	Local Government Act 1995	s.6.16 s.6.17 s.6.18	DLGSC website - WA Local Government Accounting Manual	Annual	Corporate Services	Financial Services	Manager Financial Services		No CM reference at this stage	Draft 2024-25 Schedule of Fees and Charges proposed to be presented to Council along with draft 2024-25 Annual Budget for consideration at the June 2024 Council meeting	In Progress
Apr	Gifts Register - Update Register with new entries and removal of entries .	Local Government (Administration) Regulations 1996	s5.89A r28A		Monthly	Governance and Strategy	Governance	Manager Governance	4/30/2024	INT24/24031 INT24/24035	Published to the City's website	Complete
Apr	Annual Elector's General Meeting - Minutes / Responses to next Ordinary Council Meeting , if not practicable, either the first Ordinary Council Meeting after that meeting OR at a Special Council Meeting called for that purpose. Reasons for any Council decision made in response to an AEGM decision.	Local Government Act 1995	s.5.33		Annual	Governance and Strategy	Governance	Manager Governance	5/14/2024		AGM Minutes/Responses will be presented to the Briefing Session on 14 May 2024, and Council meeting on 28 May 2024.	In Progress
Apr	Elections - Enrolment Eligibility Claims (Owners and Occupiers) Register - Prepare for Elections - Review register and take action re expired Eligibility Claims (no longer property owner / claim based on occupation or nominee expired)	Local Government Act 1995	s.4.35 Elections Regs.14 and 15 Form 6 and 7	WALGA Template Enrolment Eligibility Claims Register	Biennial Next Due: 2025	Governance and Strategy	Governance	Manager Governance			No action required in 2024.	Not Applicable
Apr	Elections - Create Election Timeline	Local Government Act 1995	Part 4		Biennial Next Due: 2025	Governance and Strategy	Governance	Manager Governance			No action required in 2024.	Not Applicable
Apr	Electoral Gifts - Provide advice to sitting members whose term is due to expire of the commencement of the 'electoral period' and declaration requirements.	Local Government (Electoral) Regulations 1996	r30C		Biennial Next Due: 2025	Governance and Strategy	Governance	Manager Governance			No action required in 2024.	Not Applicable

Apr	Corporate Business Plan - Review (Council Workshop) Schedule a workshop with Council Members and Executive staff to review options and priorities (including the Capital Works Plan) and to finalise the Corporate Business Plan for recommendation to Council.	Local Government Act 1995	s.5.56 Admin.Reg.19DA	DLGSC website - Integrated Planning and Reporting Framework and Guidelines	Annual Next Due: April/May 2024	Governance and Strategy	Strategic and Organisational Development	Manager Strategic & Organisational Development	4/29/2024	Workshop on review of Corporate Business Plan held with Elected Members on 29 April 2024.		Complete
Apr	Equal Employment Opportunity - Send Equality Index & Representation Summary to the Equal Opportunity Commission	Equal Opportunity Act 1984			Annual	Governance and Strategy	Governance	Manager Human Resource Services	4/26/2024	107207	Online submission extracts saved to Content Manager.	Complete
Apr	MRRG Road Improvement and Rehabilitation and Black Spot Road Project Grants - Submit quarterly report to Main Roads WA Program Support Officer - Metropolitan Region	MRWA State Road Funds to Local Government Procedures			Quarterly	Infrastructure Services	Engineering Services	Manager Engineering Services	4/5/2024	EMO24/55616 Report emailed		Complete
Apr	MRRG Road Improvement and Rehabilitation and Black Spot Road Project Grants - Progress payment Certificate and Certificate of Completion with final recoupment claim to be submitted to MRWA for previous financial year	MRWA State Road Funds to Local Government Procedures			As required	Infrastructure Services	Engineering Services	Manager Engineering Services	4/2/2024	EMO24/18127 Final claims submitted for RPR3412, RPR3413, RPR3414, RPR3415		Complete
Apr	Roads to Recovery - Online submission expenditure report and forecast for the next quarter	Roads to Recovery Act 2000 (Cith)			Quarterly	Infrastructure Services	Engineering Services	Manager Engineering Services		N/A - all funding received for the 5 year program		Complete
Apr	Metropolitan Regional Road Group (MRRG) Road Improvement Grant Funding - Submit Road Rehabilitation Grant Submission to Main Roads	MRWA State Road Funds to Local Government Procedures			Annual	Infrastructure Services	Engineering Services	Manager Engineering Services	4/26/2024	MRRG Submission – EMO24/31664 BRD Submission – EMO24/31660		Complete
Apr	Local Planning Scheme No. 3 - Prepare a consolidation of the scheme every five years.	Planning and Development Act 2005	s. 88		5-yearly Next Due: 2023	Planning and Community Development	Planning Services	Manager Planning Services			Review of LPS3 underway	In Progress

Complete
In Progress
Behind Schedule
Not Applicable

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Directorate	Business Unit	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance	Status
	May - Take Action											
May	Monthly Financial Report LG is to prepare each month a statement of financial activity reporting on the revenue and expenditure as set out in the annual budget under FM.Reg.22(1)(d). Presented at an Ordinary Council meeting within 2-months after the end of the month to which the statement relates.	Local Government Act 1995	s.6.4 FM.Reg.34	DLGSC WA Local Government Accounting Manual	Monthly	Corporate Services	Financial Services	Manager Financial Services	4/23/2024	CM Reference not yet available. Briefing agenda item ref 12.14	Report for March 2024 to May 2024 Council meeting	Complete
May	Payments from municipal fund or trust fund LG is to prepare a list of accounts for approval to be paid is to be prepared each month and presented to the council at the next ordinary meeting of the council after the list is prepared.	Local Government Act 1995	FM Reg 13		Monthly	Corporate Services	Financial Services	Manager Financial Services	4/17/2024	CM reference not yet available. Briefing agenda item ref 12.13	Report for March 2024 to May 2024 Council meeting	Complete
May	Payment by employees via purchasing cards LG is to prepare a list of payments made using credit, debit or other purchasing cards, and present to the council at the next ordinary meeting of council after the list is prepared.	Local Government Act 1995	FM Reg 13A		Monthly	Corporate Services	Financial Services	Manager Financial Services	4/24/2024	CM reference not yet available. Briefing agenda item ref 12.15	Report for March 2024 to May 2024 Council meeting	Complete
May	Annual Budget - Differential Rates and Minimum Payment Setting - Council Report Council Report required recommending Council to endorse the proposed Differential Rates and minimum payments for the purpose of giving Local Public Notice and calling for submissions. This report and Council decision must occur with sufficient time to enable compliance with the Local Public Notice requirements and 21 day public submission period - s.6.36 before Council resolves to impose the differential rates as part of the Annual Budget. • Notice must be published within the period 2 months before the commencement of the financial year	Local Government Act 1995	s.6.33 s.6.35 s.6.36 FM.Reg.52A	DLGSC WA Local Government Accounting Manual	Annual	Corporate Services	Financial Services	Manager Financial Services		CM reference not yet available	Awaiting outcome of EM Budget Workshop 13 May 2024 - to progress directly to May 2024 Council meeting - TBC	In Progress
May	Annual Budget - Differential Rates and Minimum Payment Setting - Local Public Notices After the Council endorsement for advertising proposed Differential Rates and minimum payments, Local Public Notice must be published with sufficient time to comply with: • Notice must be published within the period 2 months before the commencement of the financial year • Notice must contain details of each rate or minimum payment. • Notice must invite public submissions within 21 days (or longer) of the notice • Notice must advise where public can inspect a document describing the object of, and reasons for, each proposed rate and minimum payment.	Local Government Act 1995	s.6.33 s.6.35 s.6.36 FM.Reg.52A	DLGSC website - WA Local Government Accounting Manual	Annual	Corporate Services	Financial Services	Manager Financial Services		CM reference not yet available	Awaiting outcome of EM Budget Workshop 13 May 2024 - to progress directly to May 2024 Council meeting - TBC	In Progress
May	Dangerous Goods Site Licence In order for the City to store and handle chlorine gas onsite, the City is required to have Dangerous Goods Site Licence. Issued in accordance with the Dangerous Goods Safety Act 2004 and associated regulations	Dangerous Goods Safety Act 2004			5-yearly Next Due: 2026	Corporate Services	Leisure and Cultural Services	Manager Leisure and Cultural Services		INW24/4939	Dangerous Goods licence renewal due 2026. The annual licence fee for 2024-25 has been processed for payment in June 2024. Licence number DGS015339. Date of Issue 26/05/2021.	Complete
May	Financial Interests Register - Review Issue and review Primary Returns; Update Register - Add/remove entries; Update disclosures on website.	Local Government Act 1995	s.5.88(3)(4)	WALGA - Governance Subscription - Guideline - Primary and Annual Returns Management DLGSC Operational Guideline No.21 Disclosure of Financial Interests in Returns	Bi-monthly	Governance and Strategy	Governance	Manager Governance	7/3/2024		Financial Interest Register and Primary Returns submitted by Officers up to 31 March 2023 has been updated on the City's website	Complete
May	Gifts Register - Update Register with new entries and removal of entries .	Local Government (Administration) Regulations 1996	s5.89A r28A		Monthly	Governance and Strategy	Governance	Manager Governance	N/A	N/A	Not completed this month.	
May	Delegation Register Review - Sub-delegations are to be reviewed by the delegator (CEO) at least once every financial year Last Reviewed: 27/06/2023 Next Due: May 2024	Local Government Act 1995	s.5.16, 5.17, 5.18 s.5.42, 5.43, 5.44, 5.45, 5.46 s.7.1B	WALGA website - Decision Making in Practice Toolkit Part 2 Delegations WALGA website - Webinar - Decision Making in Practice - Delegations DLGSC website - Operational Guideline No.17 Delegations	Annual	Governance and Strategy	Governance	Manager Governance	3/6/2024	INT24/13338	Sub-delegations review and approved by CEO on 06/03/2024.	Complete

May	Local Emergency Management Committee - Hold committee meeting quarterly in accordance with the Act	Emergency Management Act 2005	s. 38		Quarterly	Infrastructure Services	Asset Management	Manager Asset Management	5/14/2024	Awaiting Minutes from CoW		Complete
May	Metropolitan Regional Road Group Funding - Submit Road Improvement Grant Submission to Main Roads				Annual	Infrastructure Services	Engineering Services	Manager Engineering Services	5/24/2024	INT24/39009 INT24/39014 INT24/39026 INT24/39028		Complete
May	MRRG Road Improvement and Rehabilitation and Black Spot Road Project Grants - Progress payment Certificate and Certificate of Completion with final recoupment claim to be submitted to MRWA for previous financial year	MRWA State Road Funds to Local Government Procedures			As required	Infrastructure Services	Engineering Services	Manager Engineering Services	due 12 July 2024	N/A	No claims submitted in this period	In Progress

Complete
In Progress
Behind Schedule
Not Applicable

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Directorate	Business Unit	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance	Status
	June - Take Action											
Jun	Monthly Financial Report LG is to prepare each month a statement of financial activity reporting on the revenue and expenditure as set out in the annual budget under FM.Reg.22(1)(d). Presented at an Ordinary Council meeting within 2-months after the end of the month to which the statement relates.	Local Government Act 1995	s.6.4 FM.Reg.34	DLGSC WA Local Government Accounting Manual	Monthly	Corporate Services	Financial Services	Manager Financial Services	5/27/2024	MIN24/480	Report for April 2024 to June 2024 Council meeting	Complete
Jun	Payments from municipal fund or trust fund LG is to prepare a list of accounts for approval to be paid is to be prepared each month and presented to the council at the next ordinary meeting of the council after the list is prepared.	Local Government Act 1995	FM Reg 13		Monthly	Corporate Services	Financial Services	Manager Financial Services	5/27/2024	MIN24/479	Report for April 2024 to June 2024 Council meeting	Complete
Jun	Payment by employees via purchasing cards LG is to prepare a list of payments made using credit, debit or other purchasing cards, and present to the council at the next ordinary meeting of council after the list is prepared.	Local Government Act 1995	FM Reg 13A		Monthly	Corporate Services	Financial Services	Manager Financial Services	5/27/2024	MIN24/481	Report for April 2024 to June 2024 Council meeting	Complete
Jun	Emergency Services Levy - Option B Payment Due by: 21 June and ESL Assessment Profile Return Form A	DFES - ESL Manual of Operating Procedures		DFES -ESL Manual of Operating Procedures	Quarterly	Corporate Services	Financial Services	Manager Financial Services			Payment made to DFES	Complete
Jun	Financial Reporting - Material Variances Each Financial Year, a LG is to adopt a percentage or value, calculated in accordance with AAS, to be used in statements of financial activity for reporting material variances. (adopt and apply in the following Financial Year)	Local Government Act 1995	s.6.4 FM.Reg.34(5)		Annual	Corporate Services	Financial Services	Manager Financial Services	6/19/2024	MIN24/486	Included as part of 2024-25 Budget Adoption	Complete
Jun	Annual Budget - Fees and Charges Schedule In preparation for the Annual Budget, a preliminary Council report may be provided detailing the revised Schedule of Fees and Charges, recommending endorsement for inclusion in the Annual Budget. Council's early consideration enables separate and detailed review, outside of the budget adoption, with any changes proposed then included in the Budget calculations. In any case, the Schedule of Fees and Charges must be included in the Annual Budget and Annual Budget Report, with a separate recommendation for Council to impose the Schedule of Fees and Charges, by absolute majority, as part of the Annual Budget adoption.	Local Government Act 1995	s.6.16 s.6.17 s.6.18	DLGSC website - WA Local Government Accounting Manual	Annual	Corporate Services	Financial Services	Manager Financial Services	6/19/2024	MIN24/486	Included as part of 2024-25 Budget Adoption	Complete
Jun	Annual Budget - Rate Setting Statement In preparation for the Annual Budget, a preliminary Council report may be provided detailing the Rates Setting Statement. Early Council consideration enables: • consideration of public submissions on Differential Rates - see. s.6.36(4) • separate and detailed review of rating implications, outside of the budget adoption • Any changes proposed are then included in the Budget calculations. In any case, the Rate Setting Statement must be included in the Annual Budget Adoption Report, with a separate recommendation for Council to impose, by absolute majority: • the general rate (uniformly or differentially) • a specified area rate • minimum payment, • service charges • impose a discount	Local Government Act 1995	s.6.32 s.6.35 s.6.36(4) s.6.37 s.6.38 s.6.46 FM.Regs. r.22(1)(d) (2) r.26 r.33(1)(c) r.52	DLGSC website - WA Local Government Accounting Manual	Annual	Corporate Services	Financial Services	Manager Financial Services	6/19/2024	MIN24/486	Included as part of 2024-25 Budget Adoption	Complete

Jun	Annual Budget - Borrowings - Changes or New In preparation for the Annual Budget, the preliminary Council report may be provided, recommending endorsement for inclusion in the Annual Budget. Early Council consideration enables • detailed review outside of the Budget adoption • any changes proposed are then included in the Budget calculations. In any case, Borrowings must be included in the Annual Budget and Annual Budget report, with a separate recommendation for Council to resolve, to expend the money or utilise the loan.	Local Government Act 1995	s.6.20 s.6.21	DLGSC website - WA Local Government Accounting Manual	Annual	Corporate Services	Financial Services	Manager Financial Services	6/19/2024	MIN24/486	Included as part of 2024-25 Budget Adoption - No new borrowings or changes to borrowings	Complete
Jun	Annual Budget - Setting Elected Member Fees, Payments and Reimbursements Salaries and Allowances Tribunal Determination for Local Government Elected Members (published annually usually in April). Report to Council for decision to set fees, allowances and reimbursements in accordance with the determination.	Local Government Act 1995	Part 5, Div.8 Admin. Regs. Part 8	Salaries and Allowances Tribunal website - Determination for Local Government	Annual	Corporate Services	Financial Services	Manager Financial Services	6/19/2024	MIN24/486	Included as part of 2024-25 Budget Adoption	Complete
Jun	Annual Budget - Reserve Accounts - Changes or New Council decision, by absolute majority, if Annual Budget proposes: • Changes to the purpose of a Reserve Account; OR • Using the money in a Reserve Account for another purpose	Local Government Act 1995	s.6.11	DLGSC website - WA Local Government Accounting Manual	Annual	Corporate Services	Financial Services	Manager Financial Services	6/19/2024	MIN24/486	Included as part of 2024-25 Budget Adoption	Complete
Jun	Annual Budget - Setting Interest Rate for Money Owed Council decision, by absolute majority, to require a person to pay interest rate set in the Annual Budget on any amount of money (other than rates and service charges) owed to the Local Government for a period of time as determined by Council that is not less than 35 days . May be by separate report or included in Annual Budget report with separate recommendation.	Local Government Act 1995	s.6.14 FM.Reg.19A and 19B	DLGSC website - WA Local Government Accounting Manual	Annual	Corporate Services	Financial Services	Manager Financial Services	6/19/2024	MIN24/486	Included as part of 2024-25 Budget Adoption	Complete
Jun	Annual Budget - Adoption During period 1 June to 31 August , Local Government is to prepare and adopt, by absolute majority, an Annual Budget for the next financial year. Annual budget content to comply with FM.Reg.22.	Local Government Act 1995	s.6.2(1) FM.Reg.22	DLGSC website - WA Local Government Accounting Manual	Annual	Corporate Services	Financial Services	Manager Financial Services	6/19/2024	MIN24/486		Complete
Jun	Gifts Register - Update Register with new entries and removal of entries .	Local Government (Administration) Regulations 1996	s5.89A r28A		Monthly	Governance and Strategy	Governance	Manager Governance	7/3/2024	INT24/36795 INT24/36786	Uploaded to the City's website 03/07/2024.	Complete
Jun	Elected Members - Review Meeting Attendance Register - check EMs have not been absent for 3 consecutive meetings without Leave of Absence being granted	Local Government Act 1995	s.2.25		Quarterly	Governance and Strategy	Governance	Manager Governance	7/3/2024	INT23/3414	EM Council Meeting Attendance Register review. All Elected Members compliant with the requirements of s2.25 of the LGA	Complete
Jun	FOI Annual Statistical Data - Response to Information Commissioner Due by: 30 June	Freedom of Information Act 1992	s.111(3)		Annual Due: 30 June	Governance and Strategy	Governance	Manager Governance	7/16/2024	INT24/39790	Submitted to the FOI Commissioner on 16/07/2024.	Complete
Jun	Delegation Register Review - Delegations are to be reviewed by the delegator (Council) at least once every financial year Last Reviewed: 27/06/2023 Next Due: June 2024	Local Government Act 1995	s.5.16, 5.17, 5.18 s.5.42, 5.43, 5.44, 5.45, 5.46 s.7.1B	WALGA website - Decision Making in Practice Toolkit Part 2 Delegations WALGA website - Webinar - Decision Making in Practice - Delegations DLGSC website - Operational Guideline No.17 Delegations	Annual	Governance and Strategy	Governance	Manager Governance	5/28/2024	CJ118-05/24 refers	Report presented to Council on 28 May 2024.	Complete
Jun	Workforce Plan - Review Update the Workforce Plan to include outcomes of Corporate Business Plan Review and report, with recommendations to Council	Local Government Act 1995	s.5.56 Admin.Reg.19DA	DLGSC website - Integrated Planning and Reporting Framework and Guidelines	Annual	Governance and Strategy	Human Resource Services	Manager Human Resource Services			workforce planning process informed the 2024/25 Budget and Corporate Business Plan 2024-2028 A review of the Workforce Plan is to be undertaken in 2025	In Progress
Jun	Strategic Community Plan - Review Review completed after community consultation, and adopted by Council, by absolute majority, at least once every 4 years Last reviewed (CJ093-06/22): 28 June 2022 Next Due by: 30 June 2026	Local Government Act 1995	s.5.56 Admin.Reg.19C	DLGSCI website - Integrated Planning and Reporting Framework and Guidelines	4-yearly major review Next Due: 2026	Governance and Strategy	Strategic and Organisational Development	Manager Strategic & Organisational Development				Not Applicable
Jun	Strategic Community Plan - Review - Local Public Notice After adoption of the revised Strategic Community Plan, LG is to give Local Public Notice that the Plan has been adopted, the period that the Plan is to apply and details of where and when the Plan may be inspected	Local Government Act 1995	s.5.56 Admin.Reg.19D	DLGSC website - Integrated Planning and Reporting Framework and Guidelines	4-yearly Next Due: 2026	Governance and Strategy	Strategic and Organisational Development	Manager Strategic & Organisational Development				Not Applicable

Jun	Strategic Community Plan Review - Website Publish the revised Strategic Community Plan on the LG's website	Local Government Act 1995	s.5.94(f)	DLGSC website - Integrated Planning and Reporting Framework and Guidelines	4-yearly Next Due: 2026	Governance and Strategy	Strategic and Organisational Development	Manager Strategic & Organisational Development				Not Applicable
Jun	Corporate Business Plan - Review (Council Adoption) Due by: 30 June Council to adopt by absolute majority. Amended Corporate Business Plan informs the preparation of the budget.	Local Government Act 1995	s.5.56 Admin.Reg.19DA	DLGSC website - Integrated Planning and Reporting Framework and Guidelines	Annual	Governance and Strategy	Strategic and Organisational Development	Manager Strategic & Organisational Development	6/25/2024	Council adopted the CBP 2024-2028 at its meeting held on 25 June 2024.		Complete
Jun	Revaluation of Assets - Land, Buildings and Infrastructure LG must revalue all assets within the Land Building and Infrastructure Class by the expiry of each 5-yearly interval after 30 June 2017	Local Government Act 1995	FM.Reg.17A(4)		Annual	Infrastructure Services	Asset Management	Manager Asset Management	7/19/2024	https://cityofjoondalup.sharepoint.com/BU/am/_layouts/15/DocIdRedir.aspx?ID=5SNJ77HWF6MS-2049847081-304568	Lighting Asset Class - completed for 2023-24 and provided to Financial Services	Complete
Jun	Local Emergency Management - Full review of local emergency management arrangements for the City to be conducted every five years Last reviewed: 2022/23 Next Due: 2027/28	Emergency Management Act 2005	s. 42		5-yearly Next Due: 2027	Infrastructure Services	Asset Management	Manager Asset Management				Not Applicable
Jun	ABS - Submit quarterly road construction report to Australian Bureau of Statistics				Quarterly	Infrastructure Services	Engineering Services	Manager Engineering Services			Report to be submitted in July when year-end is closed	In Progress
Jun	MRRG Road Improvement and Rehabilitation and Black Spot Road Project Grants - Progress payment Certificate and Certificate of Completion with final recoupment claim to be submitted to MRWA for previous financial year	MRWA State Road Funds to Local Government Procedures			As required	Infrastructure Services	Engineering Services	Manager Engineering Services	6/24/2024	EMO24/46168 EMO24/46172 EMO24/46174	All claims submitted for 23-24	Complete
Jun	Public Thoroughfares - Confirm plans of the levels and alignments of public thoroughfares are kept	Local Government Act 1995	s. 3.52(4)		Annual	Infrastructure Services	Engineering Services	Manager Engineering Services			The Plans for Public Thoroughfares are kept in the City's Intramap System	Complete
Jun	Subdivisions - Notify WAPC of applications determined for the issuing of a certificate of approval under section 25 of the Strata Titles Act 1985	Planning and Development Act 2005 (Delegation Notice DEL 2020/01	s. 16		Annually	Planning and Community Development	Planning Services	Manager Planning Services		OUT24/4311		Complete

Complete
In Progress
Behind Schedule
Not Applicable

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Position Title Officer Responsible for Action Compliance	Position Title Officer Responsible for Action Compliance	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance	Status
	July - Take Action											
Jul	Risk Management - Review Undertake a review of the appropriateness and effectiveness of the Risk Management system and procedures at least once in every 3 financial years. CEO to report Review results to Council via the Audit Committee. Last completed (OCM decision date): 17/03/2020 Due by: 31/07/2025	Local Government Act 1995	Audit.Reg. 17(1)(a)	AS ISO 31000:2018 Risk Management - Guidelines	Triennial Next Due: 2025	Office of the CEO	Audit, Risk and Executive Services	Manager Audit, Risk and Executive Services	Not applicable - due 2025			Not Applicable
Jul	Internal Control - Review Undertake a review of the appropriateness and effectiveness of the Internal Control system and procedures at least once in every 3 financial years. CEO to report Review results to Council via the Audit Committee. Last completed (OCM decision date): 17/03/2020 Due by: 31/07/2025	Local Government Act 1995	Audit.Reg. 17(1)(b)	DLGSC website - WA Local Government Accounting Manual	Triennial Next Due: 2025	Office of the CEO	Audit, Risk and Executive Services	Manager Audit, Risk and Executive Services	Not applicable - due 2025			Not Applicable
Jul	Legislative Compliance - Review Undertake a review of the appropriateness and effectiveness of the Legislative Compliance system and procedures at least once in every 3 financial years. CEO to report Review results to Council via the Audit Committee. Last completed (OCM decision date): 17/03/2020 Due by: 31/07/2025	Local Government Act 1995	Audit.Reg. 17(1)(c)	AS 3806-2006 Compliance Programs	Triennial Next Due: 2025	Office of the CEO	Audit, Risk and Executive Services	Manager Audit, Risk and Executive Services	Not applicable - due 2025			Not Applicable
Jul	Financial Management Systems and Procedures Review Not less than once in every 3 financial years, review the appropriateness and effectiveness of the systems and procedures established under FM Reg.5. CEO to report Review results to Council via the Audit Committee. Last completed (OCM decision date): 17/03/202 Due by: 31/07/2025	Local Government Act 1995	FM.Reg.5	DLGSC website - WA Local Government Accounting Manual	Triennial Next Due: 2025	Office of the CEO	Audit, Risk and Executive Services	Manager Audit, Risk and Executive Services	Not applicable - due 2025			Not Applicable
Jul	Public Interests Disclosures - Provide Annual Report to Commissioner for Public Interests Disclosures by 31 July each year	Public Interest Disclosure Act 2003	s. 23(f)		Annual	Office of the CEO	Audit, Risk and Executive Services	Manager Audit, Risk and Executive Services		OUT24/4838		Complete
Jul	Monthly Financial Report LG is to prepare each month a statement of financial activity reporting on the revenue and expenditure as set out in the annual budget under FM.Reg.22(1)(d). Presented at an Ordinary Council meeting within 2- months after the end of the month to which the statement relates.	Local Government Act 1995	s.6.4 FM.Reg.34	DLGSC WA Local Government Accounting Manual	Monthly	Corporate Services	Financial Services	Manager Financial Services			Report for May 2024 to July2024 Council meeting	Complete
Jul	Payments from municipal fund or trust fund LG is to prepare a list of accounts for approval to be paid is to be prepared each month and presented to the council at the next ordinary meeting of the council after the list is prepared.	Local Government Act 1995	FM Reg 13		Monthly	Corporate Services	Financial Services	Manager Financial Services			Report for May 2024 to July2024 Council meeting	Complete
Jul	Payment by employees via purchasing cards LG is to prepare a list of payments made using credit, debit or other purchasing cards, and present to the council at the next ordinary meeting of council after the list is prepared.	Local Government Act 1995	FM Reg 13A		Monthly	Corporate Services	Financial Services	Manager Financial Services			Report for May 2024 to July2024 Council meeting	Complete
Jul	Emergency Services Levy - End of Year Reconciliation Report Due by: 31 July Schedule 6 Form C	DFES - ESL Manual of Operating Procedures	Clause. 5.13.4	DFES - ESL Manual of Operating Procedures	Annual Due: 31 July	Corporate Services	Financial Services	Manager Financial Services				
Jul	Annual Budget - Copy of Annual Budget as adopted to DLGSCI Executive Director within 14 days of the Budget adoption, plus a copy of the Council Report / Minutes relevant to the budget adoption.	Local Government Act 1995	FM Reg.33.	DLGSC website - WA Local Government Accounting Manual	Annual	Corporate Services	Financial Services	Manager Financial Services				
Jul	Annual Budget - Website Publish the Annual Budget on the LG website.	Local Government Act 1995	s.5.96A(1)(c)		Annual	Corporate Services	Financial Services	Manager Financial Services				
Jul	Financial Interests Register - Review Issue and review Primary Returns; Update Register - Add/remove entries; Update disclosures on website.	Local Government Act 1995	s.5.88(3)(4)	WALGA - Governance Subscription - Guideline - Primary and Annual Returns Management DLGSC Operational Guideline No.21 Disclosure of Financial Interests in Returns	Bi-monthly	Governance and Strategy	Governance	Manager Governance	7/3/2024		Financial Interest Register and Primary Returns submitted by Officers up to 31 March 2023 has been updated on the City's website	Complete
Jul	Gifts Register - Update Register with new entries and removal of entries .	Local Government (Administration) Regulations 1996	s5.89A r28A		Monthly	Governance and Strategy	Governance	Manager Governance				

Jul	Report on Elected Member Training Due by: 31 July LG must prepare a report on the training completed by Council members in the previous financial year. CEO must publish the report on the LG's website within one month of the end of the financial year.	Local Government Act 1995	s.5.127		Annual Due: 31 July	Governance and Strategy	Governance	Manager Governance	7/23/2024		Submitted to Council meeting held on 23 July 2024 (Item 12.10 refers)	Complete
Jul	Register of Fees and Allowances Paid to Elected Members Due by: 14 July Establish register of Elected Member fees, expenses and allowances paid and publish on the website by no later than 14 July.	Local Government (Admin) Regs 1996	29C(2)(f)		Annual Due: 14 July	Governance and Strategy	Governance	Manager Governance	7/17/2024		Uploaded to City's website 17/07/2024	Complete
Jul	Annual Returns - Request Elected Members and Designated Employees to provide an Annual Return by no later than 31 August CEO's Annual Return must be lodged with the President / Mayor	Local Government Act 1995	s.5.76(1)	DLGSC Operational Guideline No.21 Disclosure of Financial Interests in Returns	Annual	Governance and Strategy	Governance	Manager Governance	7/1/2024		Email sent 01/07/2024 advising Elected Members and Employees that Attain is open for Annual Return. Weekly reminders sent via Attain until the return is submitted.	In Progress
Jul	Agreement for WAEC to conduct the election required by: (80th day)	Local Government Act 1995	s.4.20(2)(3)(4) s.4.61(2)(4)	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance	N/A	N/A	Not required this year.	Not Applicable
Jul	Code of Conduct for Council Members, Committee Members and Candidates A biennial review of the Code of Conduct to ensure ongoing applicability of the stated principles and standards of behaviour.	Local Government Act 1995	5.104	WALGA - Model Code of Conduct for Council Members, Committee Members and Candidates	Biennial Next due 2023	Governance and Strategy	Governance	Manager Governance			Not completed as waiting for outcome of LG Reforms with regard to Monitors. However, the current Code of Conduct meets the requirements of current legislation and standards.	Behind Schedule
Jul	Record Keeping Plan - Review The LG's Record Keeping Plan must be reviewed within 5 years of its approval by the Commission Last completed: 6 July 2021 Due by: 6 July 2025	State Records Act 2000 Local Government Act 1995	s.28(5) s.5.41(h)	State Records Office website - Record Keeping Plan Templates and Guidelines	5-yearly Next Due: July 2026	Governance and Strategy	Governance	Manager Governance	N/A	N/A	Not required this year.	Not Applicable
Jul	Employees - Provide all employees with payment summaries within 14 days of the end of the financial year	Taxation			Annual	Governance and Strategy	Human Resource Services	Manager Human Resource Services			this is now done via single touch payroll direct to ATO	Complete
Jul	Leases - Agreements or Arrangements ("Leases") of Council Land at 30 June - Land Tax for Office of State Revenue	Land Tax Assessment Act 2002			Annual	Infrastructure Services	Asset Management	Manager Asset Management				
Jul	Water Licences - Report on usage of ground water licences to Water Corporation.	Rights in Water and Irrigation Act 1914	s. 5 (C)		Annual	Infrastructure Services	Parks and Natural Environment	Manager Parks and Natural Environment				
Jul	Main Roads Direct Grants - Submit Annual Certificate of Completion (4B) for each Road Project completed in previous financial year	MRWA State Road Funds to Local Government Procedures	s. 8		Annual	Infrastructure Services	Engineering Services	Manager Engineering Services				
Jul	MRRG Road Improvement and Rehabilitation and Black Spot Road Project Grants - Submit quarterly report to Main Roads WA Program Support Officer - Metropolitan Region	MRWA State Road Funds to Local Government Procedures			Quarterly	Infrastructure Services	Engineering Services	Manager Engineering Services				
Jul	MRRG Road Improvement and Rehabilitation and Black Spot Road Project Grants - Progress payment Certificate and Certificate of Completion with final recoupment claim to be submitted to MRWA for previous financial year	MRWA State Road Funds to Local Government Procedures			As required	Infrastructure Services	Engineering Services	Manager Engineering Services				
Jul	Roads to Recovery - Online submission expenditure report and forecast for the next quarter	Roads to Recovery Act 2000 (Clth)			Quarterly	Infrastructure Services	Engineering Services	Manager Engineering Services				
Jul	Blackspot - Prepare Black Spot submissions and submit by 31 July	Main Roads Western Australia - Blackspot Roads Funding Guidelines			Annual	Infrastructure Services	Engineering Services	Manager Engineering Services				
Jul	Roads to Recovery - Submit Projects for current financial year	Roads to Recovery Act 2000 (Clth)			Annual	Infrastructure Services	Engineering Services	Manager Engineering Services				

Complete
In Progress
Behind Schedule
Not Applicable

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Directorate	Business Unit	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance	Status
	August - Take Action											
Aug	Monthly Financial Report LG is to prepare each month a statement of financial activity reporting on the revenue and expenditure as set out in the annual budget under FM.Reg.22(1)(d). Presented at an Ordinary Council meeting within 2-months after the end of the month to which the statement relates.	Local Government Act 1995	s.6.4 FM.Reg.34	DLGSC WA Local Government Accounting Manual	Monthly	Corporate Services	Financial Services	Manager Financial Services				
Aug	Payments from municipal fund or trust fund LG is to prepare a list of accounts for approval to be paid is to be prepared each month and presented to the council at the next ordinary meeting of the council after the list is prepared.	Local Government Act 1995	FM Reg 13		Monthly	Corporate Services	Financial Services	Manager Financial Services				
Aug	Payment by employees via purchasing cards LG is to prepare a list of payments made using credit, debit or other purchasing cards, and present to the council at the next ordinary meeting of council after the list is prepared.	Local Government Act 1995	FM Reg 13A		Monthly	Corporate Services	Financial Services	Manager Financial Services				
Aug	Annual Budget - During period 1 June to 31 August , Local Government is to prepare and adopt, by absolute majority, an Annual Budget for the next financial year.	Local Government Act 1995	s.6.2(1)	DLGSC WA Local Government Accounting Manual	Annual Due by: 31 August	Corporate Services	Financial Services	Manager Financial Services				
Aug	Elections - Statewide Public Notice Enrolment Eligibility Claims - CEO to give notice of the closing date and time for elector enrolments. (to be given 70th to 56th days)	Local Government Act 1995	s.4.39(2)	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				
Aug	Elections - CEO to advise Electoral Commissioner of the need to prepare an updated residents roll Due by 56th day before Election Day	Local Government Act 1995	s.4.40(1)	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				
Aug	Elections - Statewide Public Notice Call for Nominations - from 56 days and no later than 45th day before Election Day.	Local Government Act 1995	s.4.47(1)	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				
Aug	Elections - Close of Rolls at 5pm on 50th day before Election Day. Enrolment eligibility claims received by 5pm can continue to be processed with a decision on eligibility required for inclusion in the Owners and Occupiers Roll, as appropriate before it is certified by the CEO on the 36th day before Election Day [refer s.4.4(1)]	Local Government Act 1995	s.4.39(1)	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				
Aug	Annual Returns - Elected Members and Designated Employees to provide an Annual Return by no later than 31 August CEO's Annual Return must be lodged with the President / Mayor.	Local Government Act 1995	s.5.76(1)	DLGSC Operational Guideline No.21 Disclosure of Financial Interests in Returns	Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				
Aug	Gifts Register - Update Register with new entries and removal of entries .	Local Government (Administration) Regulations 1996	s5.89A r28A		Monthly	Governance and Strategy	Governance	Manager Governance				
Aug	Dangerous Goods - Dangerous Goods Storage Licence Renewal for 1st August	Dangerous Goods Safety Act 2004			Annual	Infrastructure Services	Parks and Natural Environment	Manager Parks and Natural Environment				
Aug	MRRG Road Improvement and Rehabilitation and Black Spot Road Project Grants - Progress payment Certificate and Certificate of Completion with final recoupment claim to be submitted to MRWA for previous financial year	MRWA State Road Funds to Local Government Procedures			As required	Infrastructure Services	Engineering Services	Manager Engineering Services				
Aug	Private Swimming Pool Inspection Reporting to be provided to Building Commissioner: including total number of private pools, total number inspected in the previous financial year, and total number not inspected within 4 years of the preceding inspection.	Building Amendment Regulations 2023	Reg. 53B		Annual Due by: 1 August	Planning and Community Development	Regulatory Services	Manager Regulatory Services				
Aug	Food Act and Public Health Act reporting - Enforcement agencies must report to the Dep't CEO on performance of functions under Acts. Reporting has been combined and must be submitted online by 31 August .	Food Act 2008 Public Health Act 2016	s.121(1) s.22(1)	Department of Health website - Reporting requirements pages	Annual Due by: 31 August	Planning and Community Development	Regulatory Services	Manager Regulatory Services				
Aug	Disability Access and Inclusion Plan - Reporting Submit an annual report on the progress of the City's Access and Inclusion Plan.	Disability Services Act 1993	s.29(2)		Annual	Planning and Community Development	Community Development and Library Services	Manager Community Development & Library Services				

Aug	Library Statistics - Submit annual statistical returns relevant to library usage and financials to State Library of WA	Library Statistical Return and Local Government Financial Return			Annual	Planning and Community Development	Community Development and Library Services	Manager Community Development & Library Services				
Aug	Appoint Bush Fire Control Officers - Review appointments and update if necessary	Bush Fires Act 1954	s.38		Annual	Planning and Community Development	Community Safety	Manager Community Safety				

Complete
In Progress
Behind Schedule
Not Applicable

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Directorate	Business Unit	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref <i>(Evidence of completion)</i>	Comments. If Action not completed, report on plan to rectify non-compliance	Status
	September - Take Action											
Sep	Monthly Financial Report LG is to prepare each month a statement of financial activity reporting on the revenue and expenditure as set out in the annual budget under FM.Reg.22(1)(d). Presented at an Ordinary Council meeting within 2- months after the end of the month to which the statement relates.	Local Government Act 1995	s.6.4 FM.Reg.34	DLGSC WA Local Government Accounting Manual	Monthly	Corporate Services	Financial Services	Manager Financial Services				
Sep	Payments from municipal fund or trust fund LG is to prepare a list of accounts for approval to be paid is to be prepared each month and presented to the council at the next ordinary meeting of the council after the list is prepared.	Local Government Act 1995	FM Reg 13		Monthly	Corporate Services	Financial Services	Manager Financial Services				
Sep	Payment by employees via purchasing cards LG is to prepare a list of payments made using credit, debit or other purchasing cards, and present to the council at the next ordinary meeting of council after the list is prepared.	Local Government Act 1995	FM Reg 13A		Monthly	Corporate Services	Financial Services	Manager Financial Services				
Sep	Emergency Services Levy - Option B Payment Due by: 21 of the month and ESL Assessment Profile Return Form A	DFES - ESL Manual of Operating Procedures		DFES - ESL Manual of Operating Procedures	Quarterly	Corporate Services	Financial Services	Manager Financial Services				
Sep	Annual Financial Report - Last day to be submitted to Auditor Due 30 September	Local Government Act 1995	s. 6.4(3)		Annual	Corporate Services	Financial Services	Manager Financial Services				
Sep	Annual Financial Report - Prepare and submit to the Auditor. Content of Annual Report to comply with FM.Reg.36(2). Due: 30/09/2024	Local Government Act 1995	s.6.4 FM.Reg.36	DLGSC website - WA Local Government Accounting Manual	Annual	Corporate Services	Financial Services	Manager Financial Services				
Sep	Financial Interests Register - Review Issue and review Primary Returns; Update Register - Add/remove entries; Update disclosures on website.	Local Government Act 1995	s.5.88(3)(4)	WALGA - Governance Subscription - Guideline - Primary and Annual Returns Management DLGSC Operational Guideline No.21 Disclosure of Financial Interests in Returns	Bi-monthly	Governance and Strategy	Governance	Manager Governance				
Sep	Elected Members - Review Meeting Attendance Register - check EMs have not been absent for 3 consecutive meetings without Leave of Absence being granted	Local Government Act 1995	s.2.25		Quarterly	Governance and Strategy	Governance	Manager Governance				
Sep	Gifts Register - Update Register with new entries and removal of entries .	Local Government (Administration) Regulations 1996	s5.89A r28A		Monthly	Governance and Strategy	Governance	Manager Governance				
Sep	Elections - Nominations Open -(44th day before Election Day) First day for candidates to lodge completed nomination papers with the returning officer. Nominations are open for eight days	Local Government Act 1995	s.4.49(a)	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				
Sep	Elections - Nominations Close at 4pm on (37th day before Election Day)	Local Government Act 1995	s.4.49(a)	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				
Sep	Elections - Candidate / Donor Gift Disclosures - CEO written advice to Candidates of Elections Gift Disclosure obligations.	Local Government Act 1995	s.4.59 Elections Regs Part 5A Form 9A		Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				
Sep	Elections - Residents Roll to be prepared by Electoral Commissioner and forwarded to CEO - Due by 36th day before Election Day	Local Government Act 1995	s.4.40(2)	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				
Sep	Elections - Owners and Occupiers Roll to be prepared and certified by CEO Due by 36th day before Election Day	Local Government Act 1995	s.4.41(1)	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				
Sep	Elections - Statewide Public Notice of Election Day by Returning Officer - between 36th and 19th day before Election Day	Local Government Act 1995	s.4.64(1)	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				
Sep	Elections - Consolidated Roll (Resident / Owners and Occupiers) at Returning Officer's discretion, to be completed by (22nd day before Election Day)	Local Government Act 1995	s.4.38(1) Elections Reg.18	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				
Sep	Elections - Supply of Rolls - CEO to provide Returning Officer with sufficient rolls and copies to be provided free of charge to candidates and Elected Members who ask	Local Government Act 1995	s.4.42		Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				

Sep	Council - Mayor to call special Council Meetings post elections for election of Deputy Mayor and appointment to Committees and external boards - Agenda - Public Notice (if required)	Local Government Act 1995	s. 5.4		Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				
Sep	Report on Waste Plan - Perth, Peel and major regional centre LGs must submit report on the implementation of their waste plan, including any or all of matters in s.44(2) required by the CEO of DWER. First due: 1 October 2021, then annually by 1 October	Waste Avoidance and Resource Recovery Act 2007	s.44		Annually Due 1 October	Infrastructure Services	Waste Services	Manager Waste Services				
Sep	Report on DWER Site Licence for the WOC - undertake a compliance audit of the conditions set out in the site licence and submit an Annual Audit Compliance Report.	Waste Avoidance and Resource Recovery Act 2007	s.44		Annually Due: 16 November	Infrastructure Services	Waste Services	Manager Waste Services				
Sep	MRRG Road Improvement and Rehabilitation and Black Spot Road Project Grants - Progress payment Certificate and Certificate of Completion with final recoupment claim to be submitted to MRWA for previous financial year	MRWA State Road Funds to Local Government Procedures			As required	Infrastructure Services	Engineering Services	Manager Engineering Services				
Sep	Regional Homelessness Plan - Annual Review of the plan communicated to Elected Members via Desk of the CEO item after ELT approval.	Best practice.		DLGSC website - Integrated Planning and Reporting Framework and Guidelines	Annual	Planning and Community Development	Community Development and Library Services	Manager Community Development & Library Services				
Sep	Age-Friendly Plan - Annual Review of the plan communicated to Elected Members via Desk of CEO item after ELT approval.	Best practice.		DLGSC website - Integrated Planning and Reporting Framework and Guidelines	Annual	Planning and Community Development	Community Development and Library Services	Manager Community Development & Library Services				

Complete
In Progress
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Not Applicable

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Position Title Officer Responsible for Action Compliance	Position Title Officer Responsible for Action Compliance	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance	Status
	October - Take Action											
Oct	Monthly Financial Report LG is to prepare each month a statement of financial activity reporting on the revenue and expenditure as set out in the annual budget under FM.Reg.22(1)(d). Presented at an Ordinary Council meeting within 2-months after the end of the month to which the statement relates.	Local Government Act 1995	s.6.4 FM.Reg.34	DLGSC WA Local Government Accounting Manual	Monthly	Corporate Services	Financial Services	Manager Financial Services				
Oct	Payments from municipal fund or trust fund LG is to prepare a list of accounts for approval to be paid is to be prepared each month and presented to the council at the next ordinary meeting of the council after the list is prepared.	Local Government Act 1995	FM Reg 13		Monthly	Corporate Services	Financial Services	Manager Financial Services				
Oct	Payment by employees via purchasing cards LG is to prepare a list of payments made using credit, debit or other purchasing cards, and present to the council at the next ordinary meeting of council after the list is prepared.	Local Government Act 1995	FM Reg 13A		Monthly	Corporate Services	Financial Services	Manager Financial Services				
Oct	Water Efficiency Management Report Annual reporting as part of the Waterwise Business Program to manage water efficiency and use	N/A	N/A	Water Corp Customer requirement	Annual - Q2	Corporate Services	Leisure and Cultural Services	Manger Leisure and Cultural Services				
Oct	Geothermal Licence and Operating Strategy In order for the City to hold a geothermal licence an audited GLOS is required to be put in place annually to ensure all environmental considerations are monitored and required to be reviewed every 3 years.	Rights in Water and Irration Act 1914	Clause 15 / Schedule 1		Annual	Corporate Services	Leisure and Cultural Services	Manger Leisure and Cultural Services				
Oct	Gifts Register - Update Register with new entries and removal of entries .	Local Government (Administration) Regulations 1996	s5.89A r28A		Monthly	Governance and Strategy	Governance	Manager Governance				
Oct	Council / Committee Meeting Schedule - At least once per year, give Local Public Notice of the meeting schedule for next 12 months	Local Government Act 1995	s.5.25(1)(g) Admin.Reg.12		Annual	Governance and Strategy	Governance	Manager Governance				
Oct	Review Council Member Continuing Professional Development Policy LG must review the policy after each ordinary election.	Local Government Act 1995	s.5.128		Biennial: Next Due: 2025	Governance and Strategy	Governance	Manager Governance				
Oct	Agreement for WAEC to conduct the Election Report to Council.	Local Government Act 1995	s.4.20(2)(3)(4) s.4.61(2)(4)	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next Due: 2024	Governance and Strategy	Governance	Manager Governance				
Oct	Elections - Close of Absent Voting / Postal Voting Applications for 'in-person' elections (4th day before Election Day)	Local Government Act 1995	s.4.68(1)(c) Elections Reg.37(3)(4)	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				
Oct	Elections - Close of Early Voting 4.00pm or 'in-person' elections.	Local Government Act 1995	s.4.71(1)(3) Elections Reg.59(2)	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				
Oct	Election Day - Close of Poll 6.00pm	Local Government Act 1995	s.4.7 s.4.68(1)(e)	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				
Oct	Elections - Result declared and published as Local Public Notice by Returning Officer as soon as practicable	Local Government Act 1995	s.4.77 Elections Reg.80	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				
Oct	Elections - Declarations of Office for new Elected Members, Shire President / Mayor and Deputy Shire President / Mayor sworn in following Election Day (2 months from declaration of result - s.2.32(c))	Local Government Act 1995	s.2.29	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				
Oct	Elections - Report to Minister (by 14th day after election)	Local Government Act 1995	s.4.79 Elections Reg.81	DLGSC Elections Timetable DLGSC Returning Officer Manual	Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				
Oct	Primary Returns - Request new Elected Members - required to be lodged with CEO within 3 months of making Declarations of Office	Local Government Act 1995	s.5.75(1)	WALGA - Governance Subscription Guideline - Primary and Annual Returns Management DLGSC Operational Guideline No.21 Disclosure of Financial Interests in Returns	Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				
Oct	Elections - Election Papers collected and secured in one or more parcels by Returning Officer	Local Government Act 1995	s.4.84(a) Elections Reg.82	DLGSC Returning Officer Manual	Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				

Oct	Election of Deputy Mayor - elected from amongst the Councillors - conducted in accordance with Schedule 2.3, Div.1 - SCM - TBA	Local Government Act 1995	s.2.11(1)(b) Schedule 2.3, Div.1		Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				
Oct	CEO Authority to Speak on behalf of the LG - if new Mayor is elected, seek / obtain written authority from Mayor for CEO to speak on behalf of the Local Government.	Local Government Act 1995	s.5.41(f)		Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				
Oct	Appointment of Elected Members to External Bodies - SCM - TBA				Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				
Oct	Elections - Refund candidate deposits following advice from WAEC	Local Government (Elections) Regulations 1997	Reg. 27		Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				
Oct	Electoral Gifts Register - Remove any unsuccessful candidates disclosures from Electoral Gift Register	Local Government (Elections) Regulations 1997	Reg. 30G(3)		Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				
Oct	Gift Register - Review After a person ceases to be an Elected Member [s.5.87A] or CEO [s.5.87B] required to disclose gifts, the CEO is required to remove from the register all records relating to that person. These records must be retained as LG records for a period of at least 5-years and be made available for public inspection.	Local Government Act 1995	s.5.89A(6) & (7)		Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				
Oct	FOI Statement - Commence review City's Information Statement (and FOI processes)	Freedom of Information Act 1992	s94-97		Annual	Governance and Strategy	Governance	Manager Governance				
Oct	Elected Member Induction - Provide an induction for newly elected Councillors.	n/a	n/a	WALGA website - Webinar Introduction to the Local Government Act for Elected Members	Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				
Oct	Council / Committee Meeting Schedule - At least once per year, determine meeting schedule for next 12 months (see January - and give Local Public Notice)	Local Government Act 1995	s.5.25(1)(g) Admin.Reg.12		Annual	Governance and Strategy	Governance	Manager Governance				
Oct	Annual Performance Review - CEO & Staff Development Review - Audit	Local Government Act 1995	s. 5.38		half-yearly	Governance and Strategy	Governance	Manager Human Resource Services				
Oct	Local Emergency Management - Annual report of Local emergency management committee	Emergency Management Act 2005	s. 40 (1)		Annual	Infrastructure Services	Asset Management	Manager Asset Management				
Oct	ABS - Submit quarterly road construction report to Australian Bureau of Statistics				Quarterly	Infrastructure Services	Engineering Services	Manager Engineering Services				
Oct	MRRG Road Improvement and Rehabilitation and Black Spot Road Project Grants - Submit quarterly report to Main Roads WA Program Support Officer - Metropolitan Region	MRWA State Road Funds to Local Government Procedures			Quarterly	Infrastructure Services	Engineering Services	Manager Engineering Services				
Oct	MRRG Road Improvement and Rehabilitation and Black Spot Road Project Grants - Progress payment Certificate and Certificate of Completion with final recoupment claim to be submitted to MRWA for previous financial year	MRWA State Road Funds to Local Government Procedures			As required	Infrastructure Services	Engineering Services	Manager Engineering Services				
Oct	Roads to Recovery - Online submission expenditure report and forecast for the next quarter	Roads to Recovery Act 2000 (Clth)			Quarterly	Infrastructure Services	Engineering Services	Manager Engineering Services				
Oct	Metropolitan Regional Road Group (MRRG) Road Improvement Grant Funding - Submit Road Rehabilitation Grant Submission to Main Roads	MRWA State Road Funds to Local Government Procedures			Annual	Infrastructure Services	Engineering Services	Manager Engineering Services				
Oct	Bush Fires - Advertise prohibited burning times	Bush Fires Act 1954	s. 17(8)		Annual	Planning and Community Development	Community Safety	Manager Community Safety				
Oct	Bush Fires - Fire Break Notices - Advertise - Local Public Notice	Bush Fires Act 1954	s. 33		Annual	Planning and Community Development	Community Safety	Manager Community Safety				

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Behind Schedule
Not Applicable

	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Directorate	Business Unit	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref (Evidence of completion)	Comments. If Action not completed, report on plan to rectify non-compliance	Status
	November - Take Action											
Nov	Public Interest Disclosure Officer- CEO must appoint a specified position with the authority as the person responsible for receiving public interest disclosures. PID Officer Declaration Form must be completed and provided to the PSC Commissioner	Public Interest Disclosure Act 2003	s.23(1)(a)	Public Sector Commission Website - PID Officer's Code of Conduct and Integrity Public Sector Commission Website - PID Officer's Declaration Form	Annual	Office of the CEO	Audit, Risk and Executive Services	Manager Audit, Risk and Executive Services				
Nov	Public Interest Disclosure Procedures - LG must prepare and publish internal procedures relating to the LG's obligations under the PID Act. Procedures must be consistent with the Commissioner's Guidelines.	Public Interest Disclosure Act 2003	s.21 and s.23(1)(e), (2)	Public Sector Commission Website - Commissioner's Guidelines for Public Authorities	Annual	Office of the CEO	Audit, Risk and Executive Services	Manager Audit, Risk and Executive Services				
Nov	Monthly Financial Report LG is to prepare each month a statement of financial activity reporting on the revenue and expenditure as set out in the annual budget under FM.Reg.22(1)(d). Presented at an Ordinary Council meeting within 2- months after the end of the month to which the statement relates.	Local Government Act 1995	s.6.4 FM.Reg.34	DLGSC website - WA Local Government Accounting Manual	Monthly	Corporate Services	Financial Services	Manager Financial Services				
Nov	Payments from municipal fund or trust fund LG is to prepare a list of accounts for approval to be paid is to be prepared each month and presented to the council at the next ordinary meeting of the council after the list is prepared.	Local Government Act 1995	FM Reg 13		Monthly	Corporate Services	Financial Services	Manager Financial Services				
Nov	Payment by employees via purchasing cards LG is to prepare a list of payments made using credit, debit or other purchasing cards, and present to the council at the next ordinary meeting of council after the list is prepared.	Local Government Act 1995	FM Reg 13A		Monthly	Corporate Services	Financial Services	Manager Financial Services				
Nov	Annual Financial Report - Audit by 31 December An auditor is required to examine the accounts and annual financial report and provide a report by 31 December	Local Government Act 1995	s.7.9 s.7.12AB	DLGSC website - WA Local Government Accounting Manual	Annual	Corporate Services	Financial Services	Manager Financial Services				
Nov	Annual Report - Auditor Report CEO Certified After the annual financial statements have been audited, the CEO is to sign and append to the auditors report a declaration (Form 1).	Local Government Act 1995	Fin.Mgt.Reg.51(1)	DLGSC website - WA Local Government Accounting Manual	Annual	Corporate Services	Financial Services	Manager Financial Services				
Nov	Audit - Auditor's Report to Council via Audit Committee Prepare report, presenting the Auditor's report that: • determines any matters raised by the audit report; and • stating what action is taken in respect of those matters	Local Government Act 1995	s.7.12A(3) s.7.13		Annual or as required	Corporate Services	Financial Services	Manager Financial Services				
Nov	Gifts Register - Update Register with new entries and removal of entries .	Local Government (Administration) Regulations 1996	s5.89A r28A		Monthly	Governance and Strategy	Governance	Manager Governance				
Nov	Elections - Destruction of Election Papers - parcels which are more than 4 years old may be destroyed, supervised by CEO and witnessed by at least 2 employees OR to secure paper destruction company	Local Government Act 1995	s.4.84(a) Elections Reg.82	DLGSC website - Returning Officer Manual	Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				
Nov	Establishment of Audit Committee - following Elections, Council must establish an Audit Committee - with membership of 3 or more persons, by Absolute Majority, and appoint committee members and deputies. Each Elected Member is entitled to be a member of at least one committee.	Local Government Act 1995	s.7.1A s.5.8 s.5.9 s.5.10 s.5.11A s.5.11		Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				
Nov	Establishment of Committees - following Elections, Council may establish committees (other than Audit) of 3 or more persons, by Absolute Majority, and appoint committee members and deputies. Each Elected Member is entitled to be a member of at least one committee.	Local Government Act 1995	s.5.8 s.5.9 s.5.10 s.5.11A s.5.11		Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				
Nov	Establishment of Committees - Each committee has been established with a Terms of Reference, that details the purpose of the Committee and the scope of matters that the Committee will deal with.	Local Government Act 1995	s.5.8		Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				
Nov	Election of Committee Presiding Members and deputies - conducted in accordance with Schedule 2.3, Div.1	Local Government Act 1995	s.5.12 Schedule 2.3, Div.1		Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				

Nov	Election Papers - election of Deputy Mayor and Committee Presiding Members and deputies - Election Papers collected and secured in parcels	Local Government Act 1995	s.4.84(a) Elections Reg.82		Biennial Next due 2025	Governance and Strategy	Governance	Manager Governance				
Nov	Elections - Enrolment Eligibility Claims (Owners and Occupiers) Register - Review register and take action re expired Eligibility Claims (no longer property owner / claim based on occupation or nominee expired)	Local Government Act 1995	s.4.35 Elections Regs.14 and 15 Form 6 and 7	WALGA website - Template Enrolment Eligibility Claims Register	Biannual (Apr & Nov)	Governance and Strategy	Governance	Manager Governance				
Nov	Financial Interests Register - Review Issue and review Primary Returns; Update Register - Add/remove entries; Update disclosures on website.	Local Government Act 1995	s.5.88(3)(4)	WALGA - Governance Subscription - Guideline - Primary and Annual Returns Management DLGSC Operational Guideline No.21 Disclosure of Financial Interests in Returns	Bi-monthly	Governance and Strategy	Governance	Manager Governance				
Nov	Gifts - Send reminder memo to staff and Elected Members re. Christmas gifts.	Local Government Act 1995	s. 5.82		Yearly	Governance and Strategy	Governance	Manager Governance				
Nov	Local Emergency Management Committee - Hold committee meeting quarterly in accordance with the Act.	Emergency Management Act 2005	s. 38		Quarterly	Infrastructure Services	Asset Management	Manager Asset Management				
Nov	MRRG Road Improvement and Rehabilitation and Black Spot Road Project Grants - Progress payment Certificate and Certificate of Completion with final recoupment claim to be submitted to MRWA for previous financial year	MRWA State Road Funds to Local Government Procedures			As required	Infrastructure Services	Engineering Services	Manager Engineering Services				

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	Compliance Action	Compliance Requirement	Section / Ref	Good Practice Resources and LG Operational Procedures	Compliance Frequency	Directorate	Business Unit	Position Title Officer Responsible for Action Compliance	Date Completed	Records Ref <i>(Evidence of completion)</i>	Comments. If Action not completed, report on plan to rectify non-compliance	Status
	December - Take Action											
Dec	Business Continuity Plan - Review Review the Business Continuity Plan to ensure it remains functional and is tested against current operational requirements. Last completed: 2013 Next Due: 31/12/2025	n/a	n/a	AS/NZS 5050:2010 Business continuity – Managing disruption-related risks	Biennial Next Due: 2025	Office of the CEO	Audit, Risk and Executive Services	Manager Audit, Risk and Executive Services				
Dec	Monthly Financial Report LG is to prepare each month a statement of financial activity reporting on the revenue and expenditure as set out in the annual budget under FM.Reg.22(1)(d). Presented at an Ordinary Council meeting within 2-months after the end of the month to which the statement relates.	Local Government Act 1995	s.6.4 FM.Reg.34	DLGSC website - WA Local Government Accounting Manual	Monthly	Corporate Services	Financial Services	Manager Financial Services				
Dec	Payments from municipal fund or trust fund LG is to prepare a list of accounts for approval to be paid is to be prepared each month and presented to the council at the next ordinary meeting of the council after the list is prepared.	Local Government Act 1995	FM Reg 13		Monthly	Corporate Services	Financial Services	Manager Financial Services				
Dec	Payment by employees via purchasing cards LG is to prepare a list of payments made using credit, debit or other purchasing cards, and present to the council at the next ordinary meeting of council after the list is prepared.	Local Government Act 1995	FM Reg 13A		Monthly	Corporate Services	Financial Services	Manager Financial Services				
Dec	Emergency Services Levy - Remittance DUE by: 21st of the month Option A Remittance Report - see Form B Schedule 5 and ESL Assessment Profile Return Form A	DFES - ESL Manual of Operating Procedures	Clause 5.13.	DFES -ESL website - Manual of Operating Procedures	Monthly	Corporate Services	Financial Services	Manager Financial Services				
Dec	Emergency Services Levy - Option B Payment Due by: 21 December and ESL Assessment Profile Return Form A	DFES - ESL Manual of Operating Procedures		DFES -ESL website - Manual of Operating Procedures	Quarterly	Corporate Services	Financial Services	Manager Financial Services				
Dec	Annual Report - Accepted , by Absolute Majority, by no later than 31st December 5.54 (2) If auditor's report is not avail in time for annual report to be accepted by 31/12, the AR is to be accepted by the LGA no later than 2 mths after the auditor's report becomes available.	Local Government Act 1995	s.5.53 s.5.54	DLGSCI website - WA Local Government Accounting Manual	Annual	Corporate Services	Financial Services	Manager Financial Services				
Dec	Annual Report - Auditor Report to Department Executive Director Copy of the Annual Financial Report is to be submitted to the DLGSCI Executive Director within 30 days of the receipt by the CEO of the Auditors Report.	Local Government Act 1995	FM.Reg.51(2)	DLGSC website - WA Local Government Accounting Manual	Annual	Corporate Services	Financial Services	Manager Financial Services				
Dec	Audit - Auditor's Report Copies provided Copy of the Audit report to be provided to the President / Mayor, CEO and the Minister within 30 days of completing the audit.	Local Government Act 1995	s.7.9 Audit.Reg.10(1)		Annual	Corporate Services	Financial Services	Manager Financial Services				
Dec	Elected Members - Review Meeting Attendance Register - check EMs have not been absent for 3 consecutive meetings without Leave of Absence being granted	Local Government Act 1995	s.2.25		Quarterly	Governance and Strategy	Governance	Manager Governance				
Dec	Gifts Register - Update Register with new entries and removal of entries .	Local Government (Administration) Regulations 1996	s5.89A r28A		Monthly	Governance and Strategy	Governance	Manager Governance				
Dec	Information Statement LG must publish an up-to-date <i>Information Statement</i> , reviewed within every 12-months Last completed: Dec 2023 Due by: Dec 2024	Freedom of Information Act 1992	s.96		Annual	Governance and Strategy	Governance	Manager Governance				
Dec	ABS - Submit quarterly road construction report to Australian Bureau of Statistics				Quarterly	Infrastructure Services	Engineering Services	Manager Engineering Services				
Dec	MRRG Road Improvement and Rehabilitation and Black Spot Road Project Grants - Progress payment Certificate and Certificate of Completion with final recoupment claim to be submitted to MRWA for previous financial year	MRWA State Road Funds to Local Government Procedures			As required	Infrastructure Services	Engineering Services	Manager Engineering Services				
Dec	Local Emergency Management - Minor review local emergency management arrangements for the City and report to the SEMC as soon as they are prepared or amended.	Emergency Management Act 2005	s. 41		Annual	Infrastructure Services	Asset Management	Manager Asset Management				
Dec	Local Government Road Asset & Expenditure Report - Submit Expenditure Report to WALGA / Grants Commission				Annual	Infrastructure Services	Asset Management	Manager Asset Management				

Dec	Budget New - Determine Swimming Pool Inspection Fees for annual budget by 24 January	Building Amendment Regulations 2023	Reg.53A(3)		Annual	Planning and Community Development	Regulatory Services	Manager Regulatory Services				
Dec	Local Heritage Survey - Updates and reviews LG must prepare a local heritage survey. LGs should have a procedure for administrative updates, ad hoc reviews, and general reviews at intervals set by the LG.	Heritage Act 2018	s103(1), (2)	Heritage Council Guidelines for Local Heritage Surveys	Annual	Planning and Community Development	Planning Services	Manager Planning Services				

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Benefits Realisation Framework

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1. Introduction
2. Purpose of a Benefits Realisation Framework
3. Scope
4. Benefits Realisation Framework
5. Strategic Alignment
6. Definitions
7. Benefits Realisation Principles
8. Benefits Realisation Categorisation
9. Benefits Realisation Process

1. Introduction

The City of Joondalup has had a strong background in continuous improvement having developed and enhanced systems and processes over many years. There is a strong culture of improvement within our employees with many being trained in how to review and improve what we do.

The City has developed a Continuous Improvement Plan to establish a more visible and coordinated approach to business and process improvements and to drive continuous improvement activities which will provide the internal capacity to deliver the vision of Joondalup 2032.

2. Purpose of a Benefits Realisation Framework

A key action of the Continuous Improvement Plan is to review the City's existing approach to benefits realisation, develop a Benefits Realisation Framework and implement a process for capturing and reporting on the value of benefits to the organisation.

A Benefits Realisation Framework will enable the City to demonstrate the benefits of improvement activities including financial benefits, efficiencies in time and process, increased effectiveness representing value for money, improvements in quality, reduced environmental impact, reduced risk, greater compliance, and improved governance. Reports on the effectiveness of improvement initiatives will include, where possible, the quantifiable and tangible results of improvements. The reports will also document the non-quantifiable, intangible results of improvements which contribute to enhanced organisational performance and culture.

3. Scope

The draft Benefits Realisation Framework is intended to capture benefits arising from ***internal business and process improvement projects and initiatives*** undertaken as part of the City's continuous improvement activities to enhance performance.

The Framework is not intended to measure benefits from external projects such as Capital Works Program construction projects or infrastructure upgrades. This may be considered in the future but is not included at this stage.

4. Benefits Realisation Framework

The Framework outlines the following key components of the benefits realisation process:

- Identification of benefits
- Categorisation of benefits
- Measuring benefits
- Reporting of benefits

The intended result of implementing the City's Benefits Realisation Framework is the consistent and comprehensive reporting of the measurable tangible and intangible benefits arising from internal improvement projects/initiatives undertaken by City staff.

5. Strategic Alignment – Strategic Community Plan, the Australian Business Excellence Framework and ISO 9001:2015

Strategic Community Plan - The Strategic Community Plan 2022-2032 sets out the community's vision for the future and their service expectations across all goals.

Goal 5 Leadership articulates our commitment to becoming a best practice organisation with strong leadership, efficient processes and systems and a highly effective workforce.

OUR GOAL

We have a diverse elected body that represents, promotes and reflects the composition of our community. Our Council and workforce are accountable and transparent and make balanced decisions based on sound, professional advice. Quality services are delivered by our highly skilled and effective workforce.

YOUR OUTCOMES

- 5-1 Capable and effective
You have an informed and capable Council backed by a highly skilled workforce.

Australian Business Excellence Framework - The City uses the Australian Business Excellence Framework to provide a systematic process to drive continuous improvement and to provide a basis for assessing its performance and identify improvements. Development of the City's Benefit Realisation Framework is in line with best practice of measuring and reporting progress as outlined in the Australian Business Excellence Framework

Category 6: Process management, improvement and innovation outlines the need to encourage innovation and improvement to processes and improve the quality of outputs, and to establish measures for monitoring performance and effectiveness.

Category 7: Results and Sustainable Performance notes that an excellent organisation establishes reports on progress to show how well it is performing and as the basis for ongoing review and performance.

ISO 9001:2015 Quality Management System – The implementation of ISO 9001:2015 in the Infrastructure Services Directorate demonstrates the City's commitment to continuous improvement and customer service to achieve quality objectives. The fundamental principles include a process approach and constantly reviewing and refining processes to identify and implement improvements where required.

6. Definitions

A **benefit** is an advantage which delivers value from an internal City project or improvement initiative.

Output refers to the actions or items resulting from an improvement project or initiative.

Benefits Realisation refers to the process for identifying, defining, classifying, measuring, and reporting benefits.

Tangible benefits are those that can be measured in financial terms. E.g., cost savings, increased productivity.

Intangible benefits cannot be quantified in terms of financial gain but may be able to be qualified. E.g., increased staff satisfaction.

7. Benefits Realisation Principles

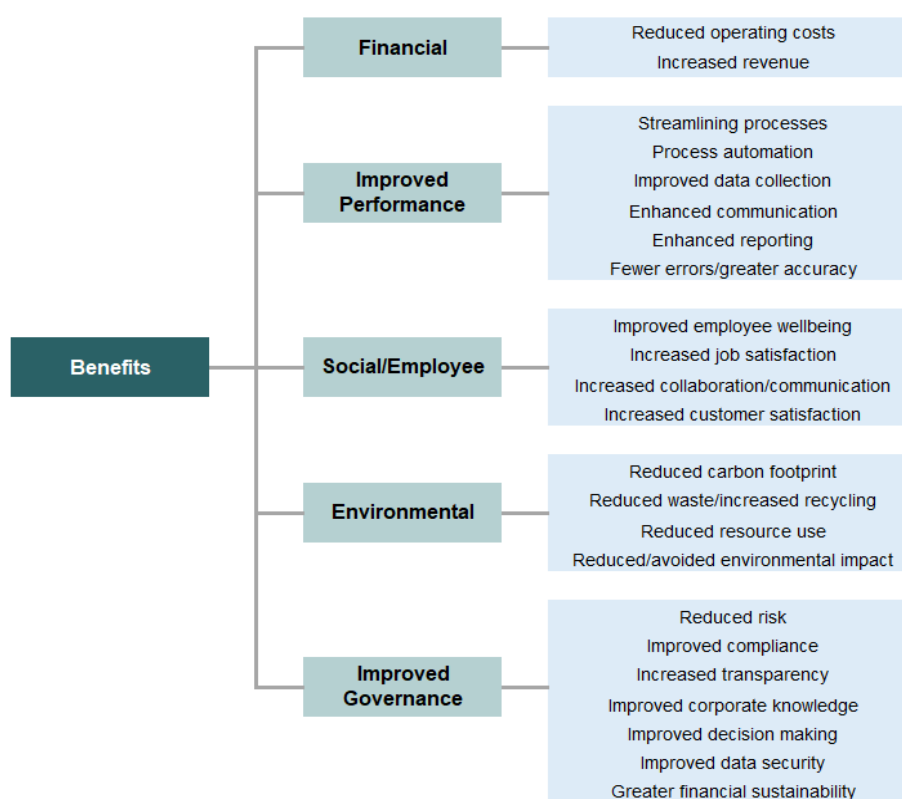
- **Benefits are derived from a project/improvement initiative output.**
For example, Waste Services transitioning from paper to electronic tipping vouchers. Output = electronic vouchers. Benefits = reduced cost, increased efficiency, reduced waste.
- **Benefits must be aligned to the City's strategic goals.**

- **Not all benefits resulting from a project or improvement initiative are tangible and/or measurable, however both tangible and intangible benefits should be considered.**
Although intangible benefits may sometimes be more challenging to identify and quantify, they can provide significant value to an organisation.
- **The number of benefits identified and reported should be manageable/not time consuming.**
While a range of potential benefits may be identified, the City should prioritise those that will have the greatest impact and only measure and report on a select few, i.e. make sure the most important benefits have the most focus.
- **Establishing baseline data allows for project/initiative benefits to be measured and reported.**
- **Benefits should drive improvement project/improvement initiative decision making and prioritisation of projects/improvement initiatives.**
- **Benefits may be realised in the short, medium, or long term.**

8. Benefits Realisation Categorisation

Establishing benefit categories contributes to the standardisation of benefits realisation practices across the organisation and assists with reporting.

The benefits typically arising from internal improvement projects and initiatives fall within the following 5 categories:



Measure baseline data before starting

Commence improvement project

Monitor results

START

Develop Improvement Project Plan

Identify potential benefits

Report on benefits

Who will collect the data?

How will the data be collected? Which systems can we use to collect the data?

What data is available? What data should we collect?

The Project Management Framework templates will also be adapted to include tools to better capture and realise benefits.

The Organisational Development team will be available to staff to assist with the Benefits Realisation Process, particularly the identification and capture of data through advice or the development of reports. As part of the process, there is potential to include formulas to assist with calculating benefits such as cost savings or reduction in staff time to complete a process.

Business Unit Reporting

Reports to Elected Members

Twice yearly, the information on the SharePoint list will be summarised in a report to the Audit and Risk Committee, providing an overview of the internal improvement projects/initiatives undertaken by staff, the benefits arising (tangible/financial and non-tangible/non-financial), links to City strategic plans and, where possible, a measurement of the advantage and value achieved by each benefit.



Government of **Western Australia**
Department of **Finance**

Western Australian Procurement Rules

Procurement Direction 2021/02

Effective Date 1 June 2021

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General Procurement Direction

Purpose:

The State government's essential services to the Western Australian community are supported by substantial procurement activities. Achieving best value for money in procurement supports quality outcomes and stretches public expenditure further.

These Western Australian Procurement Rules harmonise the State's approach to procurement, and in doing so:

- (1) promote the delivery of added sustainable economic, social and environmental benefits for Western Australians;
- (2) reduce barriers to small and medium business participation;
- (3) strengthen integrity measures, to promote ethical and accountable practices; and
- (4) enables coordinated whole-of-government procurement leadership, with localised accountability and decision making.

General Procurement Direction: 2021/02 – Western Australian Procurement Rules

This procurement direction is issued under section 21 of the *Procurement Act 2020* by the Department CEO as delegate of the Minister for Finance to all State agencies as defined in section 5 of that Act.

This procurement direction applies on and from 1 June 2021.

Overview

Who and What do the Procurement Rules Apply to?

This General Procurement Direction sets out the Western Australian Procurement Rules and is referred to in this document as the **Rules**.

The Rules apply to the **Procurement** of goods, services or works, including associated **Procurement Activities**, by all **State agencies** as defined in the *Procurement Act 2020* (WA).

The Rules do not apply to the Procurement of Government Office Accommodation leases by the Department of Finance, or other leases of real property by other State agencies.

The Rules prescribe the minimum requirements that State agencies and their **Officers** **must** follow to avoid non-compliance.

Definitions and Guidance

1. Defined Terms are listed in Appendix 1: Defined Terms and form part of the Rules.
2. The Rules are supported by practice material which describes actions a State agency **should** consider taking to apply best procurement practice. Practice notes are available alongside the Rules at www.wa.gov.au.

Structure of the Rules

Part A - Rules that apply to practitioners and State agencies	
Sections A and B	General procurement requirements
Section C	Planning
Section D	Market approach and contract formation
Section E	Contract management
Part B - Rules relating to State agency governance	
Section F	State agency level obligations
Appendices	
Appendices	<ul style="list-style-type: none"> • Appendix 1: Defined Terms • Appendix 2: Approvals and Exemptions • Appendix 3: Excluded Covered Procurement • Appendix 4: List of Covered State Agencies

	<ul style="list-style-type: none"> Appendix 5: Rules applicable to procuring under the Market-led Proposals Policy
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How do these Rules interact with Free Trade Agreements?

The Rules incorporate the measures implemented by the Western Australian Government in respect of the Government Procurement Chapters of the relevant Free Trade Agreements, which apply to **Covered Procurement** by **Covered State agencies** (Appendix 4 also indicates whether a State agency is a Covered State agency).

Officers procuring in accordance with the Rules do not need to separately refer to the Government Procurement Chapters of the Free Trade Agreements.

A Covered Procurement is a Procurement by a Covered State agency, where the **Total Estimated Value**:

(a) is equal to or exceeds the monetary value in the table below:

Type of Procurement	Covered Procurement Threshold
Goods and Services	\$680,000
Works	\$9,584,000
Note: These values are inclusive of GST	

or

- (b) in all instances where the Total Estimated Value cannot be estimated; and
(c) where the Procurement does not fall within an excluded category of Procurement, as listed in Appendix 3: Excluded Covered Procurement.

Modified Requirements

For Covered Procurements, some Rules are replaced and/or contain additional requirements. This includes where:

- (a) a Covered Procurement rule replaces the general requirement for non-Covered Procurements. Covered State agencies should only apply the 'Covered Procurement' requirement, ignoring the 'General Rule' content. These modifications are only found in **Rule C5.2**, **Rule D2.4**, and **Rule D2.5**, and **Rule D4**; and
(b) the Covered Procurement rule **must** be followed in addition to the general rule. These include **Rule D2.6** and **Rule D5.1**.

The rules contain specific further instructions. The Covered Procurement replacement or additional rules look like this:

COVERED PROCUREMENT RULE
(1)

A. Achieve Value for Money

Rule A1 Achieve Value for Money

- (1) State agencies **must** seek the best value for money outcome for Procurements, taking into consideration, where relevant:
 - (a) Government's social, economic and environmental priorities;
 - (b) cost; and
 - (c) other relevant non-cost factors.
- (2) State agencies **must** consider value for money outcomes at all stages of the Procurement lifecycle, especially during planning and decision making.

B. Act Ethically – With Integrity and Accountability

Rule B1 Act Ethically and with Integrity

- (1) Officers **must** act ethically and with integrity, including by:
 - (a) performing their Procurement duties without favouritism, bias, or personal gain;
 - (b) treating all **Suppliers** fairly, including by providing adequate, accessible, consistent and timely information;
 - (c) not seeking and/or accepting gifts and benefits that affect, could affect, or could be perceived to affect, their ability to impartially carry out their duties; and
 - (d) not seeking to benefit or benefitting from practices that are dishonest and/or unethical.

Rule B2 Declare and Manage Conflicts of Interest

- (1) Officers with a conflict of interest (whether actual, potential or perceived) relating to Procurement Activities which they are involved with, or connected to, **must** declare that interest to their State agency and the Officer leading the Procurement Activity.
- (2) Officers **must** take all reasonable and necessary steps to manage the conflict as soon as it is known, following their State agency's conflict of interest procedures.

Rule B3 Keep Adequate Records

- (1) State agencies **must** maintain a level of documentation commensurate with the scale, scope, value and risk of the Procurement, capturing evidence of agreements made with Suppliers, including during contract management activities.

C. Procurement Planning

Rule C1 Involve the Department of Finance

- (1) State agencies **must** involve the **Department of Finance** in Procurements from planning activities onwards, in accordance with the table below:

Goods and Services (excluding Delivering Community Services in Partnership Policy Procurements)	<p>All Procurements with a Total Estimated Value at \$250,000 and above, unless:</p> <ul style="list-style-type: none"> (a) otherwise specified in an Agency Specific Procurement Direction; or (b) purchasing from Standing Offers, except where the Buying Rules require the Department of Finance's involvement.
Works	<p>All Procurement, unless:</p> <ul style="list-style-type: none"> (a) The State agency is listed below and is undertaking works Procurement authorised by statutory powers in their agency's administered enabling legislation and/or legislation for which the agency may principally be assisting the Minister: <ul style="list-style-type: none"> • Animal Resources Authority; • Burswood Park Board; • Department of Biodiversity, Conservation and Attractions: <ul style="list-style-type: none"> ○ Botanic Gardens and Parks Authority; ○ Rottnest Island Authority; ○ Zoological Parks Authority; • Department of Communities – Housing Authority; • Department of Planning, Lands and Heritage: <ul style="list-style-type: none"> ○ Western Australian Planning Commission; ○ Heritage Council of Western Australia; • Department of Transport; • Department of Water and Environmental Regulation; • Main Roads WA (Commissioner of Main Roads); • Metropolitan Cemeteries Board; • Metropolitan Redevelopment Authority; • Perth Theatre Trust;

	<ul style="list-style-type: none"> • Public Transport Authority of Western Australia; • Racing and Wagering Western Australia; • The National Trust of Australia (W.A.); • Western Australian Greyhound Racing Association; • Western Australian Sports Centre Trust (VenuesWest); and • WorkCover Western Australia Authority. <p>(b) The State agency is authorised to undertake certain works without Finance's involvement, in accordance with their Agency Specific Procurement Direction.</p>
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Rule C2 Plan Procurements

C2.1 Undertake Appropriate Procurement Planning

- (1) State agencies **must** undertake research, analysis and planning in line with the risk, locality, value and strategic importance of the Procurement.
- (2) When choosing the Procurement method, State agencies **must** consider the nature of the market, desired outcomes, complexity, risk, process efficiency and the costs imposed on Suppliers by participating in the Procurement.
- (3) State agencies **must** consider whether the Procurement aligns with and is able to further any of Government's social, economic and environmental policy objectives or strategies.

C2.2 Purchase from Available Standing Offers

- (1) State agencies **must** purchase from mandatory Common Use Arrangements and mandatory State agency led **Standing Offers** (in accordance with the relevant Buying Rules), where an arrangement meets their purchasing requirements, except where:
 - (a) the State agency seeks to procure from:
 - (i) a **registered Australian Disability Enterprise**; or
 - (ii) a **Registered Aboriginal Business**; or
 - (b) in the case of CUAs:
 - (i) an **Authorised Officer** from the Department of Finance approves alternative arrangements; or
 - (ii) an Authorised Officer from the State agency approves purchasing outside the CUA to respond to an **Emergency Situation**, and records this decision in their exemption register (see Rule F4);

- (c) in the case of State agency led Standing Offers, an Authorised Officer from that State agency approves alternative arrangements.

C2.3 Maximum Contract Terms

- (1) Contract service terms **must not** be set to exceed five years when establishing the contract (i.e. five years from the day the services commence, or Standing Offer commences operation).
- (2) However, a State agency is not required to comply with paragraph (1) where an Authorised Officer determines that a business need informs a requirement to exceed five years, in which case, the State agency **must**:
 - (a) demonstrate that at least one of the following applies:
 - (i) significant benefits will be delivered to the State; or
 - (ii) there are sound technical, commercial or operational reasons for doing so; and
 - (b) have the Authorised Officer approve the term in a written record; and
 - (c) record the decision in the State agency's exemption register.
- (3) A State agency is not required to comply with paragraph (1) when conducting a Procurement in accordance with the Delivering Community Services in Partnership Policy.

C2.4 Seek Approval for Cooperative Procurements

- (1) State agencies seeking to establish a Cooperative Procurement Arrangement (as defined and provided for in [Part 5 of the Act](#)) **must** seek approval from the Department of Finance in accordance with the table below.

Model	Option	Department of Finance Approval Required*
Multi-User Arrangement	Developing a new contractual arrangement	Approval is required when establishing the Standing Offer arrangement, but not for subsequent purchases.
	Accessing an existing contractual arrangement	Approval would have been sought when the arrangement was developed. It is not required for this subsequent purchase as a customer contract.

		Approval is required before the Standing Offer can be varied in this manner.
Distributor Model	Lead agency distribution model	<p>If only Agencies are participants - No</p> <p>If one or more Authorised Bodies are participants - Yes</p>
Group Buying Arrangement	Single Request process with individual customer contracts for each participant	<p>If only Agencies are participants - No</p> <p>If one or more Authorised Bodies are participants - Yes</p>
<p>* Note: Approval is not required where the arrangement is authorised by a written law or procurement direction.</p>		

C2.5 Standing Offer Arrangements with Regional Impact

- (1) State agencies **must** have the approval of their **Accountable Authority** before establishing State-wide **Standing Offers** that are mandatory outside the Metropolitan region.
- (2) When establishing Standing Offers with delivery points outside the Perth Metropolitan region, State agencies **must**:
 - (a) make best endeavours to invite regional businesses to participate in the Procurement;
 - (b) consider the feasibility of making the Standing Offer non-mandatory in areas where there is no representation from businesses operating within the region; and
 - (c) where a Standing Offer, or category of Procurement under a Standing Offer, has only Western Australian businesses, implement Buying Rules that encourage the use of local regional Suppliers with operational offices near to the contract delivery point.

C2.6 Manage Risk

- (1) State agencies **must** establish processes to identify, analyse, allocate and manage risk when conducting Procurement Activities, commensurate with the scale, scope and risk of the Procurement.

Rule C3 Develop a Procurement Plan (\$5 million and above)

- (1) State agencies **must** undertake and document their procurement planning for Procurements with a Total Estimated Value of \$5 million and above, in accordance with the table below.

Type of Procurement	Procurement Planning Requirements
Goods and Services (including Delivering Community Services in Partnership Policy procurements)	Procurement plan
Works	<p>Include procurement planning information within relevant project documentation, such as in a:</p> <ul style="list-style-type: none"> • Procurement plan; • Project definition plan; • Project management plan; and/or • Works category plan (outlining a common procurement approach for pre-defined type of works (e.g. Construct Only).

- (2) State agencies **must** also undertake appropriate assurance and review of their procurement planning documentation required under paragraph (1) by:
- for goods and services (including Community Services) Procurements, submitting the procurement planning documentation to the **Relevant Review Committee**; and
 - for works Procurements, by applying documented assurance and review measures established by the State agency, unless:
 - the State agency and the Department of Finance agree under Rule F8 to use a Relevant Review Committee; or
 - an agency specific procurement direction requires the State agency to submit the procurement planning documentation to a Relevant Review Committee.
- (3) If a State agency is required to have documents reviewed by the Relevant Review Committee under paragraph (2), the State agency is not required to submit procurement planning documentation where:
- the Procurement has been exempted by the Relevant Review Committee as part of their agency's Strategic Forward Procurement Planning process under Rule F7; or

- (b) the State agency submits an exemption request outlining circumstances that justify an exemption, and the Deputy Director General – Advisory Services, Department of Finance approves that request.
- (4) An exemption under paragraph (3) **must** be in writing and recorded in the State agency's exemption register.

Rule C4 Procurement Method

C4.1 Use the Appropriate Procurement Method

- (1) State agencies **must** use the minimum competitive requirement corresponding with the values specified in the table below, unless:
 - (a) using an exception within Rule C4.2 'Exceptions to Procurement Methods'; or
 - (b) where granted an exemption under Rule C5.2 'Exemption from Appropriate Procurement Method'.
- (2) The monetary value is based on the Total Estimated Value of the Procurement, which includes any extension options and GST.

Monetary Value	Minimum Competitive Requirements
Up to \$50,000	Direct Sourcing
Between \$50,000 and \$250,000	Limited Sourcing
\$250,000 and above	Open Advertisement

- (3) A Procurement **must** not be divided into separate parts for the dominant purpose of avoiding the relevant minimum competitive requirement.

C4.2 Exceptions to Procurement Methods

- (1) The minimum competitive requirements in Rule C4.1 does not apply when:
 - (a) purchasing from a Common Use Arrangement or a State agency led Standing Offer in accordance with the Buying Rules;
 - (b) purchasing from a Registered Aboriginal Business or Australian Disability Enterprise; or
 - (c) where the direct negotiations or the preferred service provider provisions of the Delivering Community Services in Partnership Policy are applied.
- (2) All other applicable Rules and processes that correspond with the value of the Procurement **must** still be followed.

Rule C5 Exemption from Appropriate Procurement Method

C5.1 Obtain Advice from Finance Before an Exemption is Approved

- (1) Where the Department of Finance is involved in the Procurement (under Rule C1), State agencies **must** first obtain written advice from the Department of Finance, before seeking an exemption from the appropriate procurement method under Rule C5.2.
- (2) The requirement to obtain advice does not apply in Emergency Situations.

C5.2 Exemption from Appropriate Procurement Method

C5.2.A General Rule

This Rule only applies where the Procurement is **not** a Covered Procurement.

- (1) A State agency is not required to comply with Rule C4.1 'Use the Appropriate Procurement Method', if:
 - (a) an Authorised Officer determines that the specified procurement method is not appropriate for the relevant Procurement; or
 - (b) an Emergency Situation arises.
- (2) In both situations above, the decision and justification for the decision **must** be recorded in writing.

C5.2.B Covered Procurement

Where the Procurement is a Covered Procurement, apply the Rule in the table below **instead of** the general requirement above.

COVERED PROCUREMENT RULE

- (1) For Covered Procurements, a Covered State agency is not required to comply with Rule C4.1 'Use the Appropriate Procurement Method' if an Authorised Officer determines and records in writing that any of the circumstances listed below apply:
 - (a) In response to a previous Request:
 - (i) no responses were received;
 - (ii) no conforming responses were received; or
 - (iii) the responses submitted were collusive; andthe Covered State agency does not substantially modify the Request;
 - (b) There is a **Bona Fide Sole Source of Supply**;
 - (c) An Emergency Situation arises;
 - (d) The goods are purchased on a commodity market;

- (e) A Covered State agency procures a prototype in the course of a contract for research, experiment, study or original development;
 - (f) There is a need to integrate with an existing contract, project or standard operating environment and an alternative is not suitable;
 - (g) An existing works requires, due to unforeseeable circumstances, additional works, in order to complete the existing works contract, where the additional works are within the objectives of the original Request documentation and do not exceed 50 per cent of the value of the original contract;
 - (h) Purchases are made under exceptionally advantageous conditions, such as from unsolicited innovative proposals; or
 - (i) A contract is awarded to the winner of a design contest, provided the contest has been run in a manner that is consistent with free trade agreement obligations.
- (2) Where an exemption has been granted under paragraph (1), a brief description of the circumstances justifying the use of the exemption **must** be published on **Tenders WA**.
- (3) State agencies **must not** use an exemption from the minimum procurement method to discriminate against domestic or international suppliers.

C5.3 *Record in Exemption Register*

- (1) State agencies **must** record exemptions from Rule C4.1 in their exemption register.

C5.4 *No Discriminatory Exemptions*

- (1) State agencies **must not** use an exemption from the minimum procurement method for the dominant purpose of avoiding competition.

D. Request Development and Contract Formation

Rule D1 Use an Appropriate Market Approach and Form of Contract

D1.1 Minimum Approach to Market Requirements

- (1) State agencies **must** use, as a minimum, the method and/or documentation to approach the market, in accordance with the corresponding value in the table below.
- (2) This Rule does not apply when conducting a Procurement in accordance with the Buying Rules of a Standing Offer.

Monetary Value	Minimum Approach to Market Requirements
Up to \$50,000	Verbal quotation.
\$50,000 and above	Written approach to market documentation, in the form of a Request , appropriate to the procurement being undertaken (whether a request for quote, request for tender, expression of interest, etc.).

D1.2 Form of Contract

- (1) State agencies **must** use, as a minimum, the form of contract described in the following table for Procurements equal to or less than the relevant thresholds, unless the value, risk, complexity and/or type of Procurement requires a different form of contract.

Type of Procurement	Threshold	Form of Contract
Goods and Services	Less than \$50,000	Very Simple Contract Terms, unless purchasing with a Purchasing Card.
	\$50,000 up to, but less than \$250,000	Simple Contract Terms
	\$250,000 and above	General Conditions of Contract
Delivering Community Services in Partnership Policy Procurements	All	General Provisions for the Purchase of Community Services
Works	All	No prescribed form of contract. See Department of Finance standard form templates if guidance is required.

Rule D2 Request Specifications

D2.1 Promote Competition

- (1) Requests (including specifications) **must** promote open and fair competition.

D2.2 Performance and Functional Requirements

- (1) Where appropriate, Request specifications **must** be set out in terms of performance and functional requirements, rather than design or descriptive characteristics.

D2.3 Specification by Example

- (1) Products **must** be specified generically.
- (2) Subject to Rule D2.4, where naming a **Proprietary Product** is necessary to describe a requirement of the Procurement, it **must** specify a Western Australian product where appropriate, and be used as an example only, with Suppliers able to offer an equivalent alternative.

D2.4 Approval to Specify Proprietary Products

D2.4.A General Rule

This Rule only applies where the Procurement **is not** a Covered Procurement.

- (1) An Authorised Officer may give approval to specify a Proprietary Product for a Procurement where no equivalent alternative will be considered.
- (2) This approval **must** be recorded in writing.

D2.4.B Covered Procurement

Where the Procurement **is** a Covered Procurement, apply the Rule in the table below **instead of** the general requirement above.

COVERED PROCUREMENT RULE

- (1) A State agency seeking to specify a Proprietary Product in a Covered Procurement without allowing equivalent alternatives **must** seek advice from the Department of Finance before doing so.

D2.5 Industry Standards

D2.5.A General Rule

This Rule only applies where the Procurement **is not** a Covered Procurement.

- (1) Where appropriate, Request specifications that need to reference a standard **must** apply an Australian standard.

D2.5.B Covered Procurement

Where the Procurement **is** a Covered Procurement, apply the Rule in the table below **instead of** the general requirement above.

COVERED PROCUREMENT RULE	
(1)	Where appropriate, Request specifications must apply an international standard, except where the use of the international standards would fail to meet the State agency's requirements.
(2)	If no appropriate international standard exists, Request specifications should be based on Australian technical regulations, standard or building codes, as is appropriate in the circumstances.

D2.6 Additional Covered Procurement Rule – Barriers to Participation

This Rule applies **only** to Covered Procurements:

COVERED PROCUREMENT RULE	
(1)	Specifications must not :
(a)	create unnecessary obstacles to trade with Free Trade Agreement partner countries; and
(b)	impose a condition requiring Suppliers to have been previously awarded a contract in Australia.

Rule D3 Use Tenders WA to Approach the Market

D3.1 Approach to Market

- (1) State agencies **must** use Tenders WA to advertise Requests that are issued as Open Advertisements under Rule C4.1.

D3.2 Modification of Request

- (1) Where a State agency modifies information published as part of an Open Advertisement (including, but not limited to, the evaluation criteria or specification), they **must** publish all amended information on Tenders WA, with enough time to allow potential Suppliers to modify and submit relevant documents. This may require extending the closing time.

Rule D4 Observe Minimum Advertising Time Limits

D4.1.A General Rule

This Rule only applies where the Procurement **is not** a Covered Procurement.

- (1) Requests issued as Open Advertisements **must** be advertised for a minimum of 14 **Days**, except:
 - (a) in Emergency Situations; or
 - (b) where purchasing from a Standing Offer in accordance with the relevant Buying Rules.
- (2) For market approaches other than Open Advertisements in Rule C4.1, State agencies **must** provide Suppliers **Sufficient Time** to respond.

D4.1.B Covered Procurement

Where the Procurement **is** a Covered Procurement, apply the Rule in the table below **instead of** the general requirement above.

COVERED PROCUREMENT RULE	
D4.1.B.1 Additional Defined Terms Used in this Rule	
(1) Early Tender Advice means a public notice of an intended procurement by a Covered State agency, published on Tenders WA at least 40 Days, but no more than 12 months, in advance of the Request, and includes: <ol style="list-style-type: none">(a) a description of the Procurement;(b) the estimated timing of the approach to market;(c) the estimated time limit for the submission of offers; and(d) the procedure to obtain Request documentation.	
(2) Multi-Use List means a list of Suppliers that satisfy the conditions for participation in that list, that a Covered State agency maintains and intends to use more than once.	
D4.1.B.2 Provide Sufficient Time	
(1) Covered State agencies must provide Sufficient Time for suppliers to submit a response to a Request.	
(2) The minimum advertising time limits discussed below only form part of considering whether Sufficient Time is provided. Covered State agencies must add further time to the minimum stated period if required to give Sufficient Time.	
D4.1.B.3 Open Advertisement: Minimum Time Period	
(1) Subject to paragraph (2), Covered State agencies must advertise Requests issued as Open Advertisements, at a minimum, for: <ol style="list-style-type: none">(a) 14 days - if an Early Tender Advice has been published on Tenders WA; or	

- (b) 25 days - if an Early Tender Advice has not been published on Tenders WA.
- (2) However, 5 days **must** be added to the minimum time period in paragraph (1) for each instance of the following criteria being met:
 - (a) the Request is not published electronically;
 - (b) the Request documentation is not available electronically at the date the Request is issued; and/or
 - (c) the Covered State agency does not accept electronic responses to the Request.

D4.1.B.4 Restricted Process: Minimum Time Period

- (1) Where, as part of a multi-stage procurement process, an initial approach to market as an Open Advertisement leads to a subsequent restricted procurement process amongst fewer eligible Suppliers, a Covered State agency **must** apply the Open Advertisement rule above for the restricted process.
- (2) Other than provided for in paragraph (1), where conditions of participation apply to restrict the eligible Suppliers in a Procurement, a Covered State agency **must** advertise the Request for at least 25 days.

D4.1.B.5 Limited Sourcing: Minimum Time Period

- (1) Covered State agencies undertaking a Procurement by Limited Sourcing **must** give Suppliers Sufficient Time to submit a response.

D4.1.B.6 Time Period May Be Reduced in State of Urgency

- (1) The advertising period for a Request may be reduced to not less than 10 days in circumstances where an Authorised Officer of a Covered State agency determines and records in writing that a situation has arisen whereby it is impracticable to comply with the required time period.

D4.1.B.7 Procurement Under Standing Offer Arrangements

- (1) Where a Covered State agency is conducting a Covered Procurement under a Standing Offer, it **must** provide Suppliers with Sufficient Time to submit a response and conduct the Procurement in accordance with the Buying Rules.

D4.1.B.8 Multi-Use Lists

- (1) Where a Covered State agency is establishing a Multi-Use List, such as a prequalification scheme, it **must** provide Suppliers with Sufficient Time to submit a response.

Rule D5 Evaluation of Offers

- (1) Assessment of offers **must** be:
 - (a) undertaken in a manner appropriate to the value, risk and complexity of the Procurement; and
 - (b) conducted in accordance with the evaluation criteria and process documented in the Request.

D5.1 Additional Covered Procurement Rule – Evaluating Business Activities

This Rule applies **only** to Covered Procurements:

COVERED PROCUREMENT RULE

- (1) When a Covered State agency is evaluating a Supplier's financial capacity, commercial and technical abilities, that evaluation **must** be based on that Supplier's business activities both inside and/or outside of Australia, where such information is provided in the Supplier's offer, and is capable of verification.

Rule D6 Negotiations

D6.1 Conducting Negotiations

- (1) State agencies **must** only conduct negotiations during the evaluation of offers if:
 - (a) the right to negotiate was included in the Request; or
 - (b) no offer obviously represents the best value for money, and the Request documentation does not preclude negotiation.
- (2) Elimination of Suppliers participating in the negotiation process **must** only occur in accordance with the Request process and/or any process outlined in a negotiation plan (if applicable).
- (3) If during, or at the conclusion of negotiations, any new or revised tender information is required from Suppliers, a common deadline for providing that information **must** be afforded to all remaining participating Suppliers.

D6.2 Negotiate Fairly

- (1) Negotiations **must** be conducted in a manner that is consistent with probity obligations.
- (2) The negotiation process and outcome **must** be documented.

Rule D7 Prepare Evaluation Reports

- (1) An evaluation report **must** be developed for all Procurements valued \$50,000 and above.
- (2) The detail of an evaluation report **must** be commensurate with the value, risk and complexity of the Procurement.
- (3) Where the Total Estimated Value of a Procurement is \$5 million or above, State agencies **must** also undertake appropriate assurance and review of the procurement evaluation report by:
 - (a) for goods and services (including Community Services) Procurements, submitting the procurement evaluation report to the Relevant Review Committee; and
 - (b) for works Procurements, by applying documented internal review and assurance measures established by the State agency, unless:
 - (i) the State agency and the Department of Finance agree under Rule F8 to use a Relevant Review Committee; or
 - (ii) an agency specific procurement direction requires the State agency to submit the procurement evaluation report to a Relevant Review Committee.
- (4) If a State agency is required to have Procurement documentation reviewed by the Relevant Review Committee under paragraph (3), the State agency is not required to submit procurement evaluation reports where:
 - (a) The Procurement has been exempted by the Relevant Review Committee as part of the Strategic Forward Procurement Planning process; or
 - (b) The State agency submits an exemption request outlining circumstances that justify an exemption, and the Deputy Director General – Advisory Services, Department of Finance approves that request.
- (5) An exemption under paragraph (4) **must** be in writing and recorded in the State agency's exemption register.

Rule D8 Contract Award Details

D8.1 Publish Contract Award Details on Tenders WA

- (1) Where the contract (including Standing Offers) is valued \$50,000 or more, State agencies **must** publish all contract award details on Tenders WA, including:
 - (a) the name of the State agency;
 - (b) a description of the goods, services or works procured;
 - (c) the contract commencement date, and contract expiry date (if applicable);
 - (d) the estimated contract value;
 - (e) the name and address of the successful Supplier; and

- (f) the procurement method used.
- (2) These details **must** be published:
 - (a) after the successful Supplier(s) have been notified; and then
 - (b) as soon as practicable, but no later than 30 Days after the award of the contract.
- (3) Rule D8.1(1) and (2) do not apply to contracts awarded under an existing Standing Offer, unless the Buying Rules of that Standing Offer specifically require the contract award information to be published.

D8.2 *Exemption from Release of Award Details*

- (1) A State agency is not required to comply with the requirements of Rule D8.1 where an Authorised Officer determines and justifies in writing that the release of those contract details would present a ***Significant Operational Risk***.
- (2) This decision **must** be recorded in the State agency's exemption register.

Rule D9 Debrief Suppliers

- (1) Where a Request has been used:
 - (a) the State agency **must** provide unsuccessful Suppliers with the name and total or estimated contract value of the successful Supplier; and
 - (b) unsuccessful Suppliers that request a debriefing **must** be provided one.

E. Contract Management

Rule E1 Develop a Contract or Project Management Plan

- (1) Contract management or project management plans **must** be developed for all Procurements with a Total Estimated Value of \$5 million and above.
- (2) Provided a Procurement is not classified as high risk, an Authorised Officer can provide an exemption from developing the relevant plan by determining and justifying in a written record that the relevant plan would be of limited value due to the nature of that Procurement.
- (3) A determination not to develop a relevant plan **must** also be recorded in the State agency's exemption register.

Rule E2 Apply Rigour to Contract Variations

E2.1 Seek Advice from Finance on Variations

- (1) Before a **Variation** is approved under Rule E2.2, if the Department of Finance was involved in the Procurement under Rule C1, then State agencies **must** seek written advice from the Department of Finance if the Variation(s) individually or cumulatively:
 - (a) are valued at \$250,000 or above; or
 - (b) propose to extend the contract by 6 or more months past its final expiry date.
- (2) In providing advice under paragraph (1), an Authorised Officer of the Department of Finance may approve alternative criteria to those specified in paragraph (1) for when the State agency is required to seek subsequent advice.
- (3) When seeking advice for Procurements valued over \$5 million - where preparing a Contract Management Plan was not exempted under Rule E1 - the original and current contract management plan **must** be provided to the Department of Finance.
- (4) Paragraph (1) does not apply to the Department of Finance, where the Department of Finance is principal to the contract for and on behalf of another State agency.

E2.2 Approval of Contract Variations

- (1) Variations to the contract **must** be approved by an Authorised Officer.
- (2) For Community Services Procurements only, Variations, valued at over \$5 million, extending the original contract term to a preferred service provider, using a restricted approach in accordance with the Delivering Community Services in Partnership Policy, **must** be submitted to the Relevant Review Committee.

E2.3 Record Details of Variations

- (1) Variations to the contract **must** be:

- (a) recorded; and
 - (b) captured in relevant project or contract management plan documentation, electronic system, or other means of recording contract Variations.
- (2) A State agency **must** ensure the contract register is updated in accordance with Rule F5.

Rule E3 Update Contract Expenditure Information

E3.1 Publish Updated Contract Management Information on Tenders WA

- (1) State agencies **must** publish on Tenders WA:

Type of Contract	Publication Details
Standing Offers	<ul style="list-style-type: none"> (a) The number of Variations to; and the actual expenditure under, the Standing Offer on an annual basis, within two months of the anniversary of the commencement date of the Standing Offer; and (b) The actual expenditure under the Standing Offer within 30 Days of final completion of the Standing Offer.
Contracts awarded under a Standing Offer	<p>Where the Buying Rules require contract award information to be published under Rule D8.1 (3):</p> <ul style="list-style-type: none"> (a) the number and value of Variations to the contract on an annual basis, within two months of the anniversary of the contract commencement date; and (b) the actual expenditure under the contract within 30 Days of final completion.
All other contracts	<ul style="list-style-type: none"> (a) the number and value of Variations to the contract on an annual basis, within two months of the anniversary of the contract commencement date; and (b) the actual expenditure under the contract within 30 Days of final completion.

E3.2 Exemption from Publishing Expenditure Update

- (1) A State agency is not required to comply with the requirements of Rule E3.1 where:
- (a) an Authorised Officer determines and justifies in writing that the release of the updated information would present a **Significant Operational Risk**; or

- (b) an exemption has already been granted under D8.2 to exempt the requirement to publish the contract award details.
- (2) A decision made under this Rule **must** be recorded in the State agency's exemption register.

Rule E4 Disposal of Goods

- (1) State agencies **must** dispose of goods in a manner that is ethical, equitable, efficient, and, where practical, maximises a value for money outcome for government.

Western Australian Procurement Rules: Agency Obligations

The Rules in Section F apply to State agencies at an organisational level. These include processes, procedures and obligations that the State agency must comply with.

F. Agency Obligations

Rule F1 Establish and Maintain Internal Processes

- (1) State agencies **must** maintain internal processes and procedures to support compliance with the Procurement Rules.

Rule F2 Assign Responsibilities to Appropriate Officers

- (1) State agencies **must** assign responsibility for Procurement and contract management activities to Officers, with skills commensurate to the value, risk and complexity of the activity.

Rule F3 Establish and Maintain a Delegation and Authorisation Register

- (1) A State agency's Accountable Authority **must** establish a register of the position titles and/or classifications authorised or delegated the authority to make procurement decisions on behalf of the Accountable Authority.
- (2) The register **must** set out the details (including any conditions or limitations) of the delegated or other authority to:
 - (a) award contracts;
 - (b) approve contract Variations;
 - (c) give an approval or exemption required by these Rules; and
 - (d) make other procurement decisions, as determined by the Accountable Authority of a State agency.
- (3) The register may be a standalone document, or it can be incorporated into another register maintained by the State agency.

Rule F4 Establish and Maintain an Exemption Register

- (1) State agencies **must** establish and maintain an exemption register, to contain details of all relevant exemptions specified in these Rules.

Rule F5 Establish and Maintain a Contracts Register

- (1) A State agency's Accountable Authority **must** require a contract register to be maintained.
- (2) The contract register **must** be in a searchable electronic format, which may be part of one or more systems that store and record relevant contract information.

- (3) Contract(s) arising from a Procurement valued at \$50,000 or more (inclusive of GST and all extension options), **must** be recorded in the register within 30 Days of the contract award date.
- (4) A contract **must** remain recorded in the active register for at least 12 months after its completion, thereafter the record may be archived.
- (5) A register of contracts **must** contain the following minimum information:
 - (a) a unique identifier (contract number);
 - (b) the contract title,
 - (c) legal identity of the Supplier;
 - (d) the commencement date and expiry date of the contract (if applicable);
 - (e) the estimated dollar value of the contract at award;
 - (f) the number and total value of approved Variations to date;
 - (g) for Standing Offers, total expenditure (updated annually); and
 - (h) final contract dollar value at final contract completion;
- (6) Where it is not practicable for a State agency to record any of the information required by this Rule, an Authorised Officer of the State agency may approve alternative arrangements. The reasons for the State agency's alternative arrangements **must** be recorded in the State agency's exemption register and communicated to the Department of Finance.

Rule F6 Strategic Forward Procurement Planning

- (1) State agencies **must** undertake a strategic forward procurement planning exercise annually, recording relevant information within a strategic forward procurement plan.
- (2) Strategic forward procurement plans **must** be:
 - (a) based on the next two financial year periods;
 - (b) approved by the State agency's Accountable Authority; and
 - (c) submitted to the Department of Finance by a required date, as notified annually.
- (3) The plan **must**:
 - (a) list anticipated upcoming Procurements over the next two years valued at \$250,000, or more, drawing upon information from:
 - (i) the State agency's contract register;
 - (ii) Procurements arising from asset investment proposals, detailed in the State agency's Strategic Asset Plan (with relevant extract appended); and
 - (iii) the State agency's annual budget allocation (capital and recurring) and approved asset investment program.
 - (b) identify Procurements that may be classified as **Strategic Projects**, for the purpose of commencing early consultation with the Department of Jobs Tourism, Science and Innovation;

- (c) identify Procurements that may be well suited to assist the State agency in meeting relevant Government procurement-connected policy commitments, including, but not limited to engaging:
 - (i) Registered Aboriginal Businesses;
 - (ii) apprentices and trainees;
 - (iii) Australian Disability Enterprises;
 - (iv) regional businesses; and
 - (v) small and medium enterprises; and
- (d) attach from the State agency's contract register, an analysis of material contract Variations that have previously occurred, which may inform procurement planning for the relevant period.

Rule F7 Application for Exemption from Committee Review

- (1) A State agency may apply to the Relevant Review Committee for an exemption from the requirement(s) under Rule C3 (procurement planning information) and/or Rule D7 (evaluation reports) to submit documentation to the Relevant Review Committee for any or all low risk and routine Procurements.
- (2) An application by a State agency for an exemption under this rule **must**:
 - (a) identify, by reference to the strategic forward procurement plan, the Procurement or category of Procurement and identify the procurement documentation; and
 - (b) provide a declaration stating the rationale for the application, approved by an Authorised Officer of the State agency.
- (3) If the Relevant Review Committee endorses the application for exemption in whole or part, then the State agency is not required to submit the exempt procurement documents for review by the committee.
- (4) If after an exemption is granted, the Procurement is reassessed as representing a high risk, by:
 - (a) the State agency; or
 - (b) Department of Finance, if involved in the Procurement,then the State agency or Department of Finance **must** notify the other.
- (5) If a notification is given under paragraph (4), then the exemption is revoked for any Procurement documentation not yet finalised, and **must** be submitted to the Relevant Review Committee.

Rule F8 Works Procurement Review by Relevant Review Committee

- (1) A State agency listed under Rule C1, that procures works without the involvement of the Department of Finance, may apply to the Department of Finance to use a Relevant Review Committee for the purpose of review and assurance of its

procurement planning documentation and procurement evaluation reports, in circumstances where:

- (a) the State Agency does not maintain its own documented assurance and review measures; and
- (b) the Department of Finance agrees to the State agency's request.

Rule F9 Works Procurements over \$1.5 Million – Project Bank Accounts

- (1) State agencies **must** implement **Project Bank Account** arrangements for all works Procurements, where:
 - (a) the value of the construction component of the Procurement is \$1.5 million or greater; and
 - (b) one or more subcontractors will be engaged on the project.
- (2) Paragraph (1) does not apply where:
 - (a) the project delivery method requires the State agency to pay subcontractors directly; or
 - (b) the Deputy Director General – Advisory Services, Department of Finance exempts the State agency from the requirement in a written record.
- (3) An exemption under paragraph (2)(b) **must** be recorded in the State agency's exemption register.

Rule F10 Be Responsive to Complaints

- (1) State agencies **must** ensure appropriate complaint handling procedures are in place, including acknowledging receipt of, and providing a timely response to, any complaints received about Procurement or Procurement Activities.

Rule F11 Contract Management Assurance

- (1) State agencies **must** put measures in place to ensure that contracts are managed in accordance with the contract management or project management plan (where applicable) and that plans are kept current.

Rule F12 Assigning Agency Level Obligations

- (1) Due to machinery of Government arrangements, a State agency which is a department of the Public Service (Lead State Agency), and sub-departments and statutory authorities which are grouped with it (Group State Agencies), may operate a centralised procurement function to support the needs of some or all of those Group State Agencies.

- (2) A Lead State Agency may, where an Authorised Officer of the Department of Finance approves, take responsibility on behalf of some or all Group State Agencies for complying with such procurement rules in this section F as are approved.
- (3) Where such approval is given, the relevant approved procurement rules will apply to the Lead State Agency in respect of the relevant Group State Agencies, and responsibility for compliance with them will not rest with the individual Group State Agencies participating in the arrangement.

Appendix 1 Defined Terms

The following words and phrases have the following meanings when used in the Rules, unless the context otherwise requires.

Word or Phrase	Meaning
Act	<i>Procurement Act 2020</i> (WA)
Accountable Authority	A State agency's accountable authority is as defined in section 3 of the <i>Financial Management Act 2006</i> (WA).
Australian Disability Enterprise	Australian Disability Enterprises (ADEs) are commercial businesses that employ people with disability. A complete list of approved ADEs is available from the Australian Disability Enterprises website (https://buyability.org.au/directory/).
Authorised Officer	For a State agency, the Accountable Authority, or an Officer of the State agency duly delegated or authorised.
Bona Fide Sole Source of Supply	A situation where it has been clearly established that only one Supplier can supply the requirement. This can be established either through a periodic test of the market or consultation with appropriate industry bodies, manufacturers and other sources of expertise.
Buying Rules	The rules of access and buying in relation to Standing Offers. These may be published and made available on the internet as online buyer information.
Common Use Arrangements	Common Use Arrangements are Standing Offer arrangements administered by the Department of Finance, typically available for use by all State agencies and other authorised bodies. <u>Refer to the Department of Finance Authorised Bodies Information Page.</u>
Community Services	Community Services Procurements are those conducted in accordance with the Delivering Community Services in Partnership Policy, and include services: (a) that provide support to sustain and nurture the functioning of individuals and groups;

	<p>(b) to address physical, social and economic disadvantage, maximise their potential; and</p> <p>(c) to enhance community wellbeing.</p> <p>Types of Community Services include (but are not limited to):</p> <p>(a) services that contribute to the building of capacity within the community to respond positively to an identified need;</p> <p>(b) services required to address disadvantage for which a collaborative approach is required with the community;</p> <p>(c) services that encourage the involvement of volunteers, increased business or community support, or the personal empowerment of recipients of the service; or</p> <p>(d) services that contribute to the ability of people to live and participate in the community.</p>
Covered Procurement	<p>A Covered Procurement is a Procurement by a Covered State agency, that is not excluded as described below, where the Total Estimated Value:</p> <p>(a) is equal to or exceeds the monetary value in the table in the Overview section of the Rules; and</p> <p>(b) in all instances where the Total Estimated Value cannot be estimated.</p> <p>A Procurement that falls into any of the categories of Procurement listed in Appendix 3 is excluded.</p> <p>Note: further details can be found at the Commonwealth Department of Foreign Affairs and Trade website: Free Trade Agreements.</p>
Covered State agency	A State agency listed in Appendix 4: List of Covered State Agencies, where 'Yes' appears in the Covered State agency column of the table.
Days	Days means calendar days.
Department of Finance	The Act gives functions and powers to the Chief Executive Officer of the Department of Finance, and the Department of Finance assists with the carrying out of those functions and powers. A reference to the

	Department of Finance is to the Department CEO as assisted by the Department of Finance.
Direct Sourcing	The Procurement of goods, services and/or works by placing an order with the Supplier of choice, without seeking any other bids.
Emergency Situation	A situation brought about by unforeseeable event(s) that requires urgent action.
Limited Sourcing	A market approach to more than one Supplier, but not all Suppliers.
Officer	An officer of a State agency assigned by the State agency to manage the relevant Procurement Activity.
Open Advertisement	A market approach open to all Suppliers; or with respect to Standing Offers, all eligible suppliers.
Procurement	<p>Procurement is defined in Part 1 section 4 of the Act to include:</p> <ul style="list-style-type: none"> (a) obtaining goods, services or works by purchase, lease, licence, public private partnerships or other means; and (b) disposing of goods or works. <p>The subject matter in section 9(2) of the Act is not considered Procurement.</p> <p>For further context, see sections 4 and 9 of the Act.</p>
Procurement Activities	Procurement Activities is defined in Part 1 section 4 of the Act to mean decisions or other things done in the course of, or as a result of, a process to procure goods, services or works.
Project Bank Account	<p>A project bank account uses a dedicated trust account to enable payments to be made directly and simultaneously from the State agency to the head contractor and participating subcontractors on a project.</p> <p>Refer to the Department of Finance Project Bank Account Information Page.</p>
Proprietary Product	A product that is identified by reference to a particular trademark or trade name, patent, copyright, design, type, specific origin, producer or supplier.

Registered Aboriginal Business	A business listed in an accepted directory of registered Aboriginal Businesses, as identified in the Aboriginal Procurement Policy Implementation Guide .
Relevant Review Committee	The appropriate review committees are: (a) for goods, services and, where applicable, works Procurements - the State Tender Review Committee; and (b) for Procurements conducted under the Delivering Community Services in Partnership Policy - the Community Services Procurement Review Committee.
Request	The relevant approach to market documentation. This can include a Request for Tender, Request for Proposal, an Expression of Interest documentation, or a Request for Quotation, as the circumstances require.
Significant Operational Risk	A risk will constitute a significant operational risk where it: (a) would impede law enforcement; (b) may prejudice fair competition between suppliers; (c) would prejudice the legitimate commercial interests of particular persons, including the protection of intellectual property; or (d) would otherwise be contrary to the public interest.
Standing Offer	A standing offer is a type of contract that allows for purchases to be made under it during its term of operation and sets out the terms and conditions on which purchases will occur. This includes Standing Offers with a single supplier; or multiple suppliers and Common Use Arrangements.
State agency	State agency has the meaning given by section 5 of the Act. Appendix 4 provides a list of State agencies.
Statutory Authority	Statutory Authority means an entity listed in Schedule 1 of the <i>Financial Management Act 2006</i> (WA), other than a university.

Strategic Project	<p>A project that meets the requirements to be declared a strategic project under the <i>Western Australian Jobs Act 2017</i> (WA).</p> <p>Further information can be found at the WA Industry Link Information Page.</p>
Sub-department	<p>Sub-department has the meaning given in section 3 of the <i>Financial Management Act 2006</i> (WA).</p>
Sufficient Time	<p>Sufficient Time means the period of time necessary to allow Suppliers to obtain the approach to market documentation and submit a response, taking into account:</p> <ul style="list-style-type: none"> (a) the required minimum advertising time limits; and (b) whether any additional time should be added to the minimum advertising time limit to take into account: <ul style="list-style-type: none"> (i) the nature and complexity of the Procurement; (ii) the time necessary for submission of responses from foreign as well as domestic locations; and (iii) the State agency's own reasonable needs.
Supplier	<p>A party that supplies or is seeking to supply goods, services or works.</p>
Total Estimated Value	<p>The total estimated value of a Procurement is a monetary value of the total cost of the Procurement to the State agency, including all extension options, and is inclusive of GST.</p> <p>For Standing Offers, the total estimated value is the anticipated expenditure of all individual contracts established under it.</p>
Tenders WA	<p>The government's electronic lodgement platform providing direct access to government contracting information, including early tender advice to Suppliers, advertising of Requests, electronic tender lodgement, and award information of government contracts valued at \$50,000 and above.</p>

Variation	<p>A variation is an agreed change to the contract (for example, in scope or in price).</p> <p>Variations do not include:</p> <ul style="list-style-type: none">(a) exercising an extension option provided within the original contract; or(b) spending more (or less) under a Standing Offer arrangement than originally estimated (where there is no contractual maximum expenditure cap).
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Appendix 2 Approvals and Exemptions

This table summarises available approvals and exemptions to certain Rules.

REQUIREMENTS			
Rule	Approval or exemption justified in writing	Recorded in Exemption Register (See Rule F4)	Department of Finance Involvement
Rule C2.2	Exemption from purchasing off mandatory CUAs in Emergency Situations.	Yes	No
Rule C2.3	Approval to establish a contract term exceeding 5 years at contract commencement.	Yes	No
Rule C2.4	Approval to establish a Cooperative Procurement Arrangement	No	Depends on the nature of the arrangement. See table in Rule C2.4
Rule C2.5	Approval of Standing Offers that are mandatory outside the metropolitan region.	No	No
Rule C3	Exemption from the requirement to take procurement planning documentation to the Relevant Review Committee.	Yes	Only if Rule C3(3)(b) applies
Rule C5.2 / Rule C5.3	Exemption from the procurement method under Rule C5.2.	Yes (Rule C5.3)	Required to seek advice if the Department of Finance is involved in the Procurement under Rule C1

Rule D2.4	Approval to specify a Proprietary Product, where no alternatives considered.	No	Only for Covered Procurements
Rule D7	Exemption from the requirement to take procurement evaluation report to the Relevant Review Committee.	Yes	Only if Rule D7(4)(b) applies
Rule D8.2	Exemption from publishing contract award details on Tenders WA.	Yes	No
Rule E1	Exemption from developing a project or contract management plan.	Yes	No
Rule E2.2	Approval of contract Variations	No	Refer to Rule E2.1 for when advice is required.
Rule E3.2	Exemption from publishing expenditure update details on Tenders WA.	Yes	No
Rule F9	Exemption from using Project Bank Accounts	Yes	Yes

Appendix 3 Excluded Covered Procurement

The Covered Procurement rules do not apply to:

- procurement relating to the goods or services of handicapped persons, of philanthropic or not for profit institutions (including Procurements of Community Services under the Delivering Community Services in Partnership Policy), or of prison labour;
- the acquisition or leasing of land, existing buildings or other immovable property or the rights thereon;
- a government agency procuring goods or services from other Commonwealth, State, Territory or local government entities and provision of goods or services by or between Commonwealth, State, Territory or local government entities;
- purchases funded by international grants, loans or other assistance, where the provision of such assistance is subject to conditions inconsistent with the free trade agreements;
- non-contractual agreements or any form of assistance, including loans, equity infusions, fiscal incentives, subsidies, guarantees, cooperative agreements and sponsorship arrangements;
- purchases funded by grants and sponsorship payments from persons not listed in Annex 15-A of the ACIFTA, or Annex 13-A of the AHKFTA, or Annex 15-A of the AUSFTA, or Annex 15-A of the CPTPP, or Annex 13 of the JAEPA, or Annex 12-A of the KAFTA, or Annex 14-A of the PAFTA, or Annex 3A of the SAFTA, or Annexes 1, 2 or 3 of the WTOGPA;;
- procurement for the direct purpose of providing international assistance (including development aid);
- procurement of research and development services, but not the procurement of inputs to research and development undertaken by a government agency;
- engagement of an expert or neutral person, including engaging counsel or barristers, for any current or anticipated litigation or dispute;
- procurement of goods or services, including construction, outside Australian territory, for consumption outside Australian territory;
- procurement or acquisition of fiscal agency or depository services, liquidation and management services for regulated financial institutions, or services related to the sale, redemption and distribution services of public debt;
- procurement of plasma fractionation services; and
- procurement of government advertising services.

Excluded procurements are still required to be undertaken in accordance with the Western Australian Procurement Rules and other government procurement-connected policies.

Note – Excluded Measures or Practices

The relevant Government Procurement chapters of the Free Trade Agreements do not prevent State agencies from adopting or maintaining measures:

- necessary to protect public morals, order or safety;
- necessary to protect human, animal or plant life or health (including environmental measures necessary for that purpose);
- necessary to protect intellectual property;

provided the measure is not applied as a form of arbitrary or unjustified discrimination against an FTA party or a disguised restriction on international trade.

The following measures are also exempted:

- measures to protect essential security interests;
- any form of preference to benefit small and medium enterprises;
- measures to protect national treasures of artistic, historic, or archaeological value;
- measures for the health and welfare of indigenous people; and
- measures for the economic and social advancement of indigenous people.

Covered State agencies seeking to undertake a procurement or adopt a practice or measure connected with one or more of these objectives may wish to seek advice from the Department of Finance before doing so.

Appendix 4 List of Covered State Agencies (for the purposes of Free Trade Agreements)

State Agency Name	Covered State Agency
Agricultural Produce Commission	No
Animal Resources Authority	No
Botanic Gardens and Parks Authority	Yes
Building and Construction Industry Training Board	No
Central Regional TAFE	No
Chemistry Centre (WA)	No
Child and Adolescent Health Service	Yes
Combat Sports Commission	No
Commissioner for Children and Young People	No
Commissioner of Main Roads	Yes
Construction Industry Long Service Leave Payments Board	No
Corruption and Crime Commission	Yes
Country Housing Authority	No
Department of Biodiversity, Conservation and Attractions	Yes
Department of Communities	Yes
Department of Education	Yes
Department of Finance	Yes
Department of Fire and Emergency Services	Yes
Department of Health	Yes
Department of Jobs, Tourism, Science and Innovation	Yes

State Agency Name	Covered State Agency
Department of Justice	Yes
Department of Local Government, Sport and Cultural Industries	Yes
Department of Mines, Industry Regulation and Safety	Yes
Department of Planning, Lands and Heritage	Yes
Department of Primary Industries and Regional Development	Yes
Department of the Premier and Cabinet	Yes
Department of the Registrar, Western Australian Industrial Relations Commission	Yes
Department of Training and Workforce Development	Yes
Department of Transport	Yes
Department of Treasury	Yes
Department of Water and Environmental Regulation	Yes
Disability Services Commission	Yes
East Metropolitan Health Service	Yes
Economic Regulation Authority	No
Energy Policy WA	Yes
Fire and Emergency Services Superannuation Board	No
Forest Products Commission	No
Gaming and Wagering Commission of Western Australia	No
Gascoyne Development Commission	Yes
Gold Corporation	No
Goldfields-Esperance Development Commission	Yes
Government Employees Superannuation Board	No

State Agency Name	Covered State Agency
Great Southern Development Commission	Yes
Health and Disability Services Complaints Office	No
Health Support Services	Yes
Heritage Council of Western Australia	Yes
Housing Authority	Yes
Infrastructure WA	No
Insurance Commission of Western Australia	No
Keep Australia Beautiful Council (W.A.)	No
Kimberley Development Commission	Yes
Landcare Trust	No
Law Reform Commission of Western Australia	Yes
Legal Aid Commission of Western Australia	No
Legal Contribution Trust	No
Legal Costs Committee	No
Local Health Authorities Analytical Committee	No
Lotteries Commission	No
Mental Health Commission	No
Metropolitan Cemeteries Board	No
Metropolitan Redevelopment Authority	No
Mid West Development Commission	Yes
Minerals Research Institute of Western Australia	Yes
North Metropolitan Health Service	Yes
North Metropolitan TAFE	No

State Agency Name	Covered State Agency
North Regional TAFE	No
Office of the Auditor General	Yes
Office of the Director of Public Prosecutions	Yes
Office of the Information Commissioner	Yes
Office of the Inspector of Custodial Services	Yes
Parliamentary Commissioner for Administrative Investigations	Yes
Parliamentary Inspector of the Corruption and Crime Commission	No
PathWest Laboratory Medicine WA	Yes
Peel Development Commission	Yes
Perth Theatre Trust	No
Pilbara Development Commission	Yes
Potato Marketing Corporation of Western Australia	No
Professional Standards Council	No
Public Sector Commission	Yes
Public Transport Authority of Western Australia	Yes
Public Trustee	No
Quadriplegic Centre	Yes
Racing and Wagering Western Australia	No
Racing Penalties Appeal Tribunal of Western Australia	No
Rottnest Island Authority	Yes
Rural Business Development Corporation	Yes
School Curriculum and Standards Authority	Yes
Small Business Development Corporation	Yes

State Agency Name	Covered State Agency
South Metropolitan Health Service	Yes
South Metropolitan TAFE	No
South Regional TAFE	No
South West Development Commission	Yes
Swan Bells Foundation Incorporated	No
The Aboriginal Affairs Planning Authority	No
The ANZAC Day Trust	No
The Board of the Art Gallery of Western Australia	No
The Burswood Park Board	No
The Coal Miners' Welfare Board of Western Australia	No
The Library Board of Western Australia	Yes
The National Trust of Australia (W.A.)	Yes
The Queen Elizabeth II Medical Centre Trust	No
The Western Australia Museum	No
Trustees of the Public Education Endowment	No
WA Country Health Service	Yes
Western Australia Police	Yes
Western Australian Building Management Authority	No
Western Australian Coastal Shipping Commission	No
Western Australian Electoral Commission	Yes
Western Australian Energy Disputes Arbitrator	No
Western Australian Greyhound Racing Association	No
Western Australian Health Promotion Foundation	No

State Agency Name	Covered State Agency
Western Australian Institute of Sport	No
Western Australian Land Information Authority	Yes
Western Australian Meat Industry Authority	No
Western Australian Planning Commission	Yes
Western Australian Sports Centre Trust	Yes
Western Australian Tourism Commission	Yes
Western Australian Treasury Corporation	No
Wheatbelt Development Commission	Yes
WorkCover Western Australia Authority	No
Zoological Parks Authority	Yes

Entities controlled by a Minister, or by a State agency listed above, used to procure goods, services or works (generally statutory bodies corporate) are also State agencies under section 5(1)(b) of the Act.

- For example, this includes the Department of Finance exercising the powers under the *Public Works Act 1902* (WA) to contract as the Minister for Works.

Note:

The table above is not an exhaustive list of entities to which the various Free Trade Agreements apply. The entities listed below are not State agencies under the Act, but are covered by the Free Trade Agreements. Those entities may contact the Department of Finance for further information, if required, when undertaking Procurements above the relevant threshold.

- Governor's Establishment;
- Parliamentary Services Department;
- Legislative Assembly;
- Legislative Council;
- Salaries and Allowances Tribunal; and
- Swan River Trust.

Appendix 5 Rules applicable to procuring under the Market-led Proposals Policy

Only the following Rules are applicable when purchasing under the Market-led Proposals Policy:

- Rule A1 Achieve Value for Money
- Rule B Act Ethically – With Integrity and Accountability
- Rule C2.4 Seek Approval for Cooperative Procurements
- Rule C2.5 Standing Offer Arrangements with Regional Impact
- Rule C2.6 Manage Risk
- Rule D6.2 Negotiate Fairly
- Rule D8 Contract Award Details
- Rule D9 Debrief Suppliers
- Rule E Contract Management



Purchasing Council Policy

Responsible directorate: Corporate Services

Objective: To outline the City's commitment and approach to achieving value for money in an equitable and transparent manner when purchasing goods and services.

1. Application:

The Purchasing Policy and the associated purchasing protocols will apply to all employees within the City involved in the purchase of goods and services for the City.

2. Statement:

The City is committed to developing and maintaining purchasing systems and practices that ensure goods and services are obtained in an equitable and transparent manner that complies with applicable legislation and delivers value for money.

3. Details:

3.1. Procurement principles:

All employees of the City are expected to observe the highest standards of ethics and integrity when undertaking purchasing activities and act in an honest, fair and professional manner consistent with the City's values. Ethical behaviour includes avoiding any conflict of interest and/or disclosing any potential conflict of interest.

The following principles, standards and behaviours must be observed at all stages of the purchasing process.

- a. All purchasing practices are carried out in compliance with the applicable legislation including the *Local Government Act 1995* and the *Local Government (Function and General) Regulations 1996*.
- b. Purchasing practices will be in compliance with the City's purchasing protocols and the Code of Conduct.
- c. All purchasing decisions will remain free from bias and all suppliers will be treated equitably and fairly.

- d. All processes, evaluations and decisions shall be transparent, free from bias and fully documented.
- e. Any actual or perceived conflict of interest will be scrupulously avoided and declared.
- f. Detailed information provided to the City by a supplier will be treated as commercial-in confidence and not released to a third party unless authorised by the supplier or required by law.
- g. All transactions are fully documented, recorded and stored in compliance with applicable legislation and audit requirements.

3.2. Value for money:

The value for money principle underlies all procurement activities, which measures the benefits realisable by the City from the whole-of-life costs. Value for money does not mean obtaining the lowest quote, but includes taking into account the financial viability of suppliers, past contractor performance, safety and quality standards, timely supply, risk exposure and other relevant service considerations.

A strong element of competition will be applied through tendering and quotation processes. Where a higher priced offer is recommended there should be clear and demonstrable benefits over and above lower priced offers.

3.3. Buying local:

Where possible, suppliers operating within the City of Joondalup are to be given the opportunity to quote for goods and services required by the City. However, it is recognised that not every category of goods and services required by the City will lend itself to supply by local businesses.

3.4. Purchasing protocols:

Purchasing practices must be carried out in compliance with the following City purchasing protocols:

- Purchasing of Goods and Services
- Tenders for Providing Goods and Services
- Quotations for Providing Goods and Services
- Purchasing Goods and Services Under Panels of Pre-Qualified Suppliers

3.5. Quotation thresholds:

Quotations are required for all purchases made on behalf of the City with a value ranging from \$5,001 to \$250,000 as detailed in the following table:

Expenditure level	Quotation requirements
Up to \$5,000	No quotations required. Direct purchase by authorised officers.
\$5,001 to \$10,000	A minimum of two verbal quotations required with the exception of artists or performers as set out below. A record of the details of quotations received is to be made in accordance with the purchasing protocols and clause 3.6 of this Policy.
\$5,001 to \$10,000 Summer season events only	<p>One verbal/written quotation required by officers within Leisure and Cultural Services for unique artists or performers at events including, but not limited to:</p> <ul style="list-style-type: none"> • Music in the Park • Valentine's Concert • Joondalup Festival <p>A record of details of the quotation received is to be made in accordance with the purchasing protocols and clause 3.6 of this Policy.</p>
\$10,001 to \$50,000	<p>A minimum of two written quotations required with specifications of requirements.</p> <p>Formal request for quotation (RFQ) documents are to be issued by Business Units and a record of the details of written quotations received is to be made in accordance with the purchasing protocols and clause 3.6 of this Policy</p>
\$50,001 to \$250,000	<p>A minimum of three written quotations are required with full specifications using quotation documents in accordance with the purchasing protocols as applicable.</p> <p>Formal request for quotation (RFQ) documents are to be issued by Business Units and a record of the details of written quotations received is to be made in accordance with the purchasing protocols and clause 3.6 of this Policy</p>

Quotations may be obtained from either:

- Greater likelihood of achieving objectives
- an existing panel of pre-qualified suppliers administered by the City (refer clause 3.9); or
- a pre-qualified supplier on the WALGA Preferred Supply Program or State Government Common Use arrangement; or
- from the open market.

Where the City has a requirement for goods or services and the consideration under the resultant contract is, or is expected to be, more than \$250,000 or worth more than \$250,000, a public tender must be called, unless any of the provisions of clause 11 (2) or 24AB of the *Local Government (Functions and General) Regulations 1996* applies.

3.6. Sustainable procurement:

Sustainable procurement is defined as the purchasing of goods and services that have less environmental and social impacts than competing products and services. Where appropriate, the City will consider environmental and social impacts along with value for money outcomes when making purchasing decisions.

3.7. Australian disability enterprises:

Disability enterprises are not-for-profit organisations operating as commercial businesses providing employment opportunities for people with disability. Where appropriate, the City will invite quotations from relevant Australian disability enterprises for the supply of goods and services.

3.8. Recordkeeping information:

All written information and documentation related to purchases is to be retained and stored in accordance with the City's Recordkeeping Plan including outgoing and incoming documents, quotations received, recommendation forms, supporting information and other correspondence related to each quotation.

3.9. Panels of pre-qualified suppliers:

- a. The City may establish panels of pre-qualified suppliers in instances where goods or services are required on a continuing basis and multiple suppliers are due to the volume of work and/or the capacity of suppliers in the relevant field.
- b. Panels will be established in accordance with the provisions of Part 4, Division 3 of the *Local Government (Functions and General) Regulations 1996*.
- c. Panels may be established for one supply requirement, or a number of similar supply requirements under defined categories within the panel. A panel shall be established with not less than two members. Panels shall not be established for a term exceeding three years.
- d. The invitation to join the panel advertised through State-wide notice will contain the following:
 - A brief description of the goods or services that the members of the panel of pre-qualified suppliers will be expected to supply.
 - The term of the panel.
 - The evaluation criteria by which applications will be assessed.
 - The expected number of panel members.
 - How work will be distributed amongst panel members.
- e. All submissions will be evaluated and ranked in accordance with the terms and conditions of the invitation and based on the information provided in each offer.
- f. The suppliers that best demonstrate their ability to deliver the goods and/or services to the expected standard at a competitive price will be invited to join the panel.

- g. At the commencement of each panel of pre-qualified suppliers, a communications plan will be developed. This will set out how all communication between the City and panel of pre-qualified suppliers will take place during the term of the panel.
- h. Quotations will be obtained from panel members by either:
 - Issuing a quotation for each purchase to all pre-qualified suppliers in the panel. The selection decision will be based on pre-determined evaluation criteria forming part of the invitation to quote to assess the suitability of the supplier for particular items of work.
 - Contracts under the pre-qualified panel will be awarded on the basis of value for money in every instance.
- i. All pre-qualified supply panels will be established as local panels in the City's electronic quotation system. Each quotation process, including the invitation to quote, clarifications with panel members, quotations received, and notification of award will be made only through this system. Officers will store all information pertaining to each purchase in the City's records management system.

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