The Council of the City of Cockburn
Audit Risk and Compliance Committee
Minutes

For Thursday, 27 July 2023

These Minutes are confirmed

Presiding Member's signature

_____

Date: 28 September 2023

The Council of the City of Cockburn

Audit, Risk and Compliance Committee, Thursday, 27 July 2023

Table of Contents

The Council of the City of Cockburn

Audit, Risk and Compliance Committee, Thursday, 27 July 2023

Minutes

Attendance

Members
Cr K Allen (Presiding Member)
Cr P Corke
Cr M Separovich

Staff

Mr D Arndt	A/Chief Executive Officer
Ms E Milne	Executive Governance and Strategy
Mr A Lees	Chief Operations Officer
Mr D van Ooran	Chief of Community Services
Ms S Rosita	A/Chief Financial Officer
Ms M Todd	Manager Legal and Compliance
Mr J Fiori	Risk and Governance Advisor
Mr M Lee	Systems Support Officer (IT Support)
Mrs B Pinto	Governance Officer

Guests

Ms C McGowan	Assistant Director, Office of the Auditor General (Dep 6.20pm)
Mr J Ward	Partner, KPMG Australia (Dep 6.20pm)

Observer
Mayor L Howlett
Cr C Reeve-Fowkes

1.   Declaration of Meeting

The Presiding Member declared the meeting open at 6.05pm.

The Presiding Member advised there is currently no Independent Member for this Committee as Mr Geen has resigned. There is an item on tonight's agenda on this matter.

The Presiding Member welcomed Ms Caitlin McGowan from the Office of the Auditor General and Mr John Ward from KPMG.

2.   Appointment of Presiding Member

Nil

3.   Disclaimer

The Presiding Member read the Disclaimer:

Members of the public, who attend Council Meetings, should not act immediately on anything they hear at the Meetings, without first seeking clarification of Council's position.

Persons are advised to wait for written advice from the Council prior to taking action on any matter that they may have before Council.

4.   Acknowledgement of Receipt of Written Declarations of Financial Interests and Conflict of Interest (by Presiding Member)

Nil

5.   Apologies & Leave of Absence

Apology
Cr Dewan
Mr N Mauricio, A/Chief Financial Officer
Ms V Green, Executive Corporate Affairs
Ms C Hanrahan, A/Executive People Experience and Transformation

6.   Public Question Time

Nil

7.   Confirmation of Minutes

7.1   (2023/MINUTE NO 0013) Minutes of the Audit Risk and Compliance Meeting - 25/05/2023

Committee Recommendation
MOVED Cr M Separovich SECONDED Cr P Corke

That Committee confirms the Minutes of the Audit Risk and Compliance Meeting held on Thursday, 25 May 2023 as a true and accurate record.

CARRIED 3/0

8.   Deputations

Nil

9.   Business Left Over from Previous Meeting (if adjourned)

Nil

10.   Declaration by Members who have Not Given Due Consideration to Matters Contained in the Business Paper Presented before the Meeting

Nil

En Bloc Resolution

6.10pm   The following Item was carried en bloc:

| 11.3.2 |

11   Reports - CEO (and Delegates)

11.1   Finance

11.1.1   (2023/MINUTE NO 0014) Audit Plan for Financial Year ending 30 June 2023

Author	A/Head of Finance
Attachments	1. Audit Plan for 2022-2023 **(Confidential)**

Officer Recommendation/Committee Recommendation
MOVED Cr P Corke SECONDED Cr M Separovich
That Council:

(1)   RECEIVES the Audit Plan for auditing the Financial Year ending 30 June 2023 as attached to the Agenda.

CARRIED 3/0

6.20pm   Ms McGowan and Mr Ward departed the meeting and did not return.

Background

The attached External Audit Plan and Strategy document for Financial Year 2023 outlines the purpose and scope of the External Audit and explains the audit methodology and approach to be taken in completing the 2023 Financial Year Audit.

It provides the Audit, Risk and Compliance Committee (ARC) with the opportunity to review the audit focus areas, the auditor's procedures, and the agreed timelines.

The Audit Plan was prepared by KPMG in consultation with the City and approved by the Office of the Auditor General (OAG).

Given the OAG has indicated a preference that their audit plans, management letters and audit closing reports are not made publicly available, this Audit Plan has been made confidential (refer Confidential Attachment.1).

However, the OAG has no issue with the City highlighting key aspects from the Plan in this report.

The OAG tendered out and awarded the performance of the City's audit to KPMG for another financial year. This year will be the fifth year KPMG has audited the City.

Regulation 9 (2) of the *Local Government (Audit) Regulations 1996* states that the principal objective of the external audit is for the auditor to carry out such work as is necessary to form an opinion on whether the accounts are properly kept, and that the Annual Financial Report:

- is prepared in accordance with financial records
- represents fairly the results of the operations of the Local Government as at 30 June, in accordance with Australian Accounting Standards and the *Local Government Act 1995*.

As set out in the ARC Terms of Reference, its duties and responsibilities include discussing with the external auditor the scope and planning of the audit each year.

Submission

N/A

Report

KPMG will conduct an independent audit to enable the OAG to express an opinion regarding the City's 2022-2023 financial statements and the associated financial ratios.

The audit is conducted in accordance with Australian Auditing Standards to provide reasonable assurance that the City's financial report is free of material misstatement.

A key aspect of the audit work is considering the effectiveness of management internal controls and assessing the appropriateness of the City's accounting policies, disclosures, and accounting estimates.

The audit approach outlined in the plan is summarised under the five following areas:

1. Methodologies and activities
2. Materiality
3. Risk assessment
4. Independence
5. Approach to fraud.

A key aspect of the audit planning process is the assessment of inherent audit risks, where the auditor considers the nature of the risk, likelihood of occurrence and the potential impact it could have on the City's financial report.
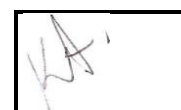
For the 2022-2023 Audit, KPMG have determined the following seven focus areas:

Key	Factors influencing our assessment
Existence and valuation of Infrastructure assets	• Valuation methodology and assumptions can be complex and judgmental • Significant volume of individual assets
Existence and valuation of Fixed assets	• Valuation methodology and assumptions can be complex and judgmental • Significant volume of individual assets
Revenue – rates, fees, operating grants, developer contributions and subsidies	• High volume of transactions that management are required to process accurately • Heighten area of focus for stakeholders
Landfill site – rehabilitation asset and liability	• Calculations, assumptions used and key inputs such as discount and inflation rates can be complex and judgmental • Assessment of expert and calculation methodology
Personnel costs and related liabilities	• Existence and accuracy of payroll related costs • High volume of transactions that management are required to process accurately
Contracts and procurement	• High volume of transactions that management are required to process accurately • Heighten area of focus for stakeholders
Cash and other financial assets	• High volume of transactions of significant value • Significant financial asset balances held

The Audit Plan outlines why these have been chosen as focus areas and the planned audit procedures to be applied in reviewing and assessing them.

There is a revised auditing standard now effective for these and the auditor will increase their focus on assessing the risks of material misstatement.

The standard has been revised, reorganised ad modernised in response to the evolving environment, including in relation to information technology.

Interim audit work for the 2022-2023 audit was completed in June 2023 and the proposed timeline included in the Audit Plan sees end of year audit procedures commencing on 2 October 2023.

According to the Plan, the draft audit report will be presented at the ARC meeting scheduled for 7 December 2023.

The audit opinion from the OAG will be issued on 12 December 2023, accompanied by the management letter.

KPMG and the OAG will be attending the July ARC meeting to present and discuss the attached audit plan for 2022-2023.

Strategic Plans/Policy Implications

Listening & Leading
A community focused, sustainable, accountable, and progressive organisation.
• Best practice Governance, partnerships and value for money.

Budget/Financial Implications

The OAG have provided a quote for the completion of the audit, which is covered within the FY 24 Annual Municipal Budget.

Legal Implications

- *Local Government Act 1995* Sections 5.53, 5.54, 6.4, and Part 7 - Audit
- *Local Government (Audit) Regulations 1996* Regulations 9, 9A and 10
- *Local Government (Financial Management) Regulations 1996* Part 4 - Financial Reports.

Community Consultation

N/A

Risk Management Implications

It is a requirement under the *Local Government Act 1995* for Council to accept the City's Annual Report (including the Financial Report and Auditor's Report) by no later than 31 December each year.

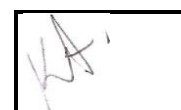Failure to do so will lead to statutory non-compliance.

Appropriate audit planning helps ensure this risk is mitigated.

Advice to Proponent(s)/Submitters

N/A

Implications of Section 3.18(3) *Local Government Act 1995*

Nil

9 of 58

11.2 Community Services

11.2.1   **(2023/MINUTE NO 0015)** **2022 Emergency Management Capability Summary Report**

Responsible Executive	Chief of Community Services
Author	Fire & Emergency Management Manager and Head of Community Safety and Ranger Services
Attachments	1. 2022 Emergency Management Capability Summary Report ⇩

Officer Recommendation/Committee Recommendation

MOVED Cr M Separovich SECONDED Cr P Corke

That Council:

(1) RECEIVES the State Emergency Management Committee (SEMC) City of Cockburn 2022 Emergency Management Capability Summary Report.

CARRIED 3/0

Background

Each year, local governments complete an Annual and Preparedness Report Capability Survey prepared by the State Emergency Management Committee (SEMC) to assess preparedness for large-scale emergency events.

The Emergency Management Capability Summary Report 2022 summarises the key findings from the survey results reviewed by the Department of Fire and Emergency Services (DFES) State Capability Team on the City's highest and lowest capabilities.

The Report is prepared in accordance with the SEMC Emergency Management Capability Framework, which describes the State's collective ability and capacity to prevent, plan for, respond to and recover from large-scale emergencies.

In this framework, capability is divided into seven overarching capability areas and underpinned by 33 core capabilities.

As the results are self-reported, the report and its data should not be taken as conclusive indicators of the City's capabilities, however, provides a useful basis for the City to identify strengths and areas in need of improvement.

The SEMC Emergency Management Framework is currently being reviewed and the revised Capability Framework is expected to be endorsed by SEMC at their October meeting. As a result of the review, the annual survey is not being conducted in 2023.

Submission

N/A

10 of 58

Report

The Emergency Management Capability Report summarises the City's capability based on self-reported responses to the Annual and Preparedness Report Capability Survey in 2021 and 2022.

The City's highest core capability areas in 2022 are sustained recovery, natural buffers, and impact assessments.

The Survey questions were released for a whole of sector response, and intended for multiple non-government organisations, not-for-profits, local and State government agencies.

As a result, there were assessment questions outside of the City's capability or emergency management responsibility, such as horizon scanning, sector information sharing, and evacuation/welfare centres management.

Accordingly, in these areas, the City did not provide a response or referred to the appropriate agency within the Survey.

Compared to other medium to very large metropolitan local governments, the City of Cockburn had notably higher capability across six core (local government responsible) capabilities. See Chart 1 below.
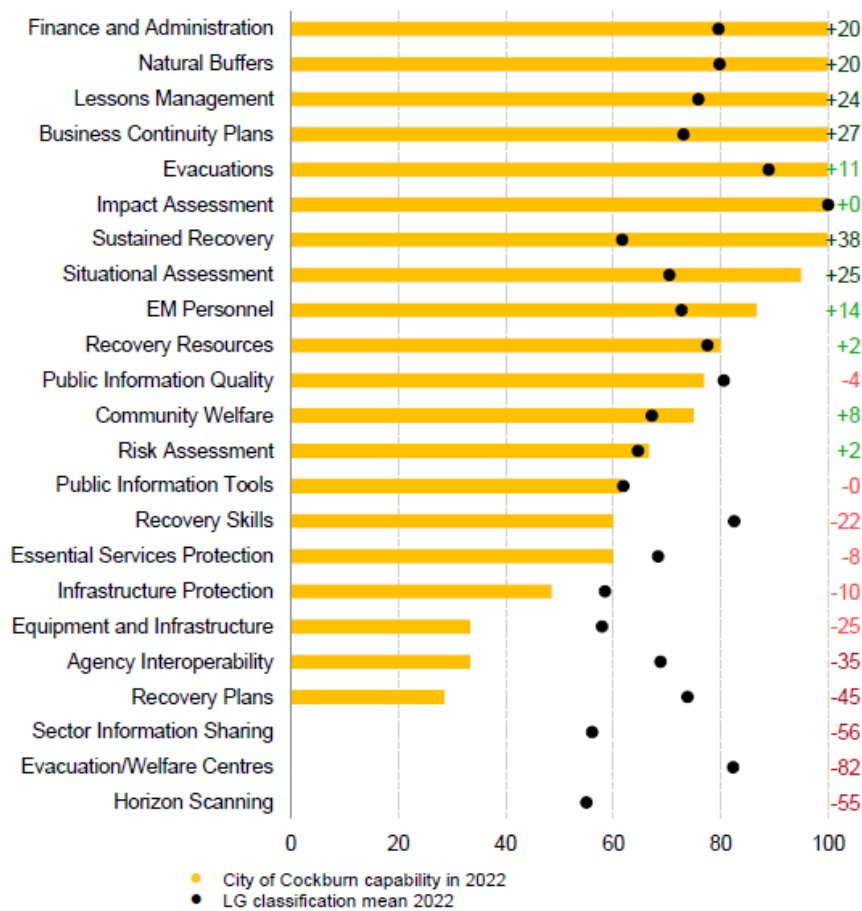

Figure 5: Capability comparison between the City of Cockburn and similar LGs in 2022

Chart 1 - City of Cockburn Capability Comparison

Strategic Plans/Policy Implications

Community, Lifestyle & Security
A vibrant healthy, safe, inclusive and connected community.
• A safe and healthy community that is socially connected.

Listening & Leading
A community focused, sustainable, accountable and progressive organisation.
• Best practice Governance, partnerships and value for money.

Budget/Financial Implications

N/A

Legal Implications

N/A

Community Consultation

N/A

Risk Management Implications

This Report provides insight into the City's emergency management capability and possible areas for improvement.

As the Report is self-reported and response may be influenced by inconsistencies in the way survey questions are responded to, the Report should not be read as a conclusive indicator of the City's capabilities. Therefore, this item attracts a low-risk rating.

Advice to Proponent(s)/Submitters

N/A

Implications of Section 3.18(3) *Local Government Act 1995*
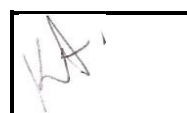
Nil

Government of **Western Australia**
State Emergency Management Committee

2022
SURVEY

EMERGENCY MANAGEMENT
CAPABILITY SUMMARY

Prepared for City of Cockburn

Prepared for

The State Capability Project, undertaken by the Department of Fire and Emergency Services (DFES) State Capability Team on behalf of the State Emergency Management Committee (SEMC), is an initiative of the State Government of Western Australia and is jointly funded under the Commonwealth Government's National Partnership Agreement on Natural Disaster Resilience.

An Australian Government Initiative

Disclaimer

The information contained in this document is provided by the SEMC and the DFES State Capability Team voluntarily as a public service. The results presented are based on responses provided to the Annual and Preparedness Report Capability Survey. The SEMC and the DFES State Capability Team expressly disclaim liability for any act or omission done or not done in reliance on the information and for any consequences, whether direct or indirect, arising from such act or omission.
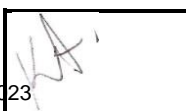
Front cover image courtesy of

Dr Neville Ellis

State Capability Team

Department of Fire and Emergency Services

20 Stockton Bend

Cockburn Central WA 6164

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1

Contents

2

Executive summary

This document provides a summary of the emergency management (EM) capability for the City of Cockburn.

It is based on responses to the Annual and Preparedness Report Capability Survey in 2021 and 2022. Capability is measured in line with the State Emergency Management Committee (SEMC) Emergency Management Capability Framework. It is described using the 23 capability topics relevant for local governments (LGs).

This summary highlights the City's highest and lowest EM capabilities. It also provides information on how the City's capabilities have changed between 2021 and 2022, and how the City compares with other Medium to very large metropolitan LGs. Further detail behind each of the highlighted capabilities is contained within the accompanying Supplement.

The DFES State Capability Team anticipates that this summary will assist the City in identifying areas for improvement, and will help to guide its strategies, priorities and actions. This capability summary is provided to the City for its own use.

Capability strengths

In 2022 the City's highest capabilities were:

Sustained Recovery

Natural Buffers

Impact Assessment

From 2021 to 2022, the City's greatest capability improvements were in:

Natural Buffers

Evacuations

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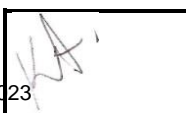
In 2022, when compared with similar LGs, the City had notably greater capability in:

Sustained Recovery	
Situational Assessment	
Natural Buffers	
Lessons Management	
Finance and Administration	
Business Continuity Plans	

Capabilities for attention

In 2022 the City's lowest capabilities were:

Horizon Scanning	
Sector Information Sharing	
Evacuation/Welfare Centres	
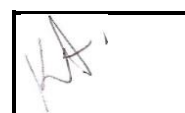
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From 2021 to 2022, the City's largest capability reductions were in:

Sector Information Sharing	
Recovery Plans	
Infrastructure Protection	
Horizon Scanning	
Evacuation/Welfare Centres	

In 2022, when compared with similar LGs, the City had notably lower capability in:

Sector Information Sharing	
Recovery Plans	
Horizon Scanning	
Evacuation/Welfare Centres	
Agency Interoperability	

5
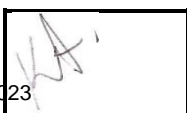
1. Introduction

This emergency management (EM) capability summary for the City of Cockburn provides:

- an overview of the City's EM capability in 2022, with a focus on the highest and lowest EM capabilities;

- how the City's EM capability has changed between 2021 and 2022, with a focus on the largest changes, and;

- how the City compares with other local governments (LGs), with a focus on the greatest differences.

The City has been classed as a Medium to very large metropolitan LG. Further information regarding this classification can be found in section 1.3 and Appendix 2.

This summary is accompanied by a separate supplement, which provides a more detailed account of the questions and responses that underly the capability topic results.

1.1 The survey and the SEMC Emergency Management Capability Framework

This capability summary is based on self-reported responses to the Annual and Preparedness Report Capability Survey in 2021 and 2022. The DFES State Capability Team conducts this survey on behalf of the State Emergency Management Committee (SEMC). The survey questions measure capability in line with the SEMC Emergency Management Capability Framework. In 2022, the survey was completed by 152 organisations in WA, including 123 local governments. Accurate self-reporting of capability is important as it allows LGs to identify their capability strengths and gaps, and to show that improvements are being made over time.

The SEMC Emergency Management Capability Framework describes the State's collective ability and capacity to prevent, plan for, respond to and recover from large-scale emergencies. In this framework, capability is divided into seven overarching capability areas, as depicted in the figure below. These are underpinned by 33 core capabilities. Each core capability is further defined by one or more achievement objectives.

A full copy of the framework is available from https://semc.wa.gov.au/capability-and-preparedness/capability-framework

Figure 1: Graphical representation of the SEMC Emergency Management Capability Framework

6

1.2 LG capability topics

To assess the EM capability of LGs, relevant survey questions were grouped together to create the following 23 capability topics. In general, these topics align with the core capabilities of the State Capability Framework.

A full definition for each capability topic is provided in Appendix 1.

Capability areas and corresponding LG capability topics

Resources
- EM Personnel
- Finance and Administration
- Equipment and Infrastructure

Analysis and Continuous Improvement
- Risk Assessment
- Horizon Scanning
- Lessons Management

Emergency Response
- Situational Assessment
- Evacuations
- Evacuation/Welfare Centres
- Agency Interoperability

Community Involvement
- Sector Informtion Sharing
- Public Information Tools
- Public Information Quality

Impact Management and Recovery
- Community Welfare
- Impact Assessment
- Recovery Resources
- Recovery Skills
- Sustained Recovery
- Recovery Plans

Planning and Mitigation
- Natural Buffers
- Infrastructure Protection
- Essential Services Protection
- Business Continuity Plans

7

1.3   Interpreting the results

Capability topic scores

For each capability topic, a score has been calculated based on the LG's responses to the relevant survey questions. Scores range from 0% to 100%. For each capability topic discussed in this report, the report supplement provides the relevant questions and responses that make up its score.

Self-reported data

As this summary is based on self-reported data, the results should not be read as providing definite conclusions. The results may also be influenced by inconsistencies in the way the survey questions have been answered in different years, potentially implying the City's capability is higher or lower than it actually is. Reducing these inconsistencies in future years will ensure a more accurate reflection of the City's capabilities.

Nonetheless, the summary provides a useful starting point for the City in identifying its strengths and areas that may need improvement.

Comparison with similar LGs

Section 4 of this document compares the City's capability with the averaged capability of similar LGs. The classification of similar LGs is based on population numbers, population density and degree of remoteness, in line with the Australian Classification of Local Governments (refer to footnote).

The City has been classified as a **Medium to very large metropolitan LG**. LGs within this class are defined as LGs with a population of more than 30,000 and more than 600 persons per square kilometre.

A map showing the classification of each Western Australian LG is shown in Appendix 2. The following LGs have been classified as **Medium to very large metropolitan LG,** and their distribution is displayed in the map below:

- Bayswater
- Belmont
- Canning
- Cockburn
- Fremantle
- Gosnells
- Joondalup
- Melville
- South Perth
- Stirling
- Victoria Park
- Vincent

These classifications are based on a combination of LG classes from the Australian Classification of Local Governments (ACLG), using the 2020/21 classifications as provided by the WA Dept. of Local Government, Sport and Cultural Interests (DLGSC).

8

Distribution of Medium to very large metropolitan LG
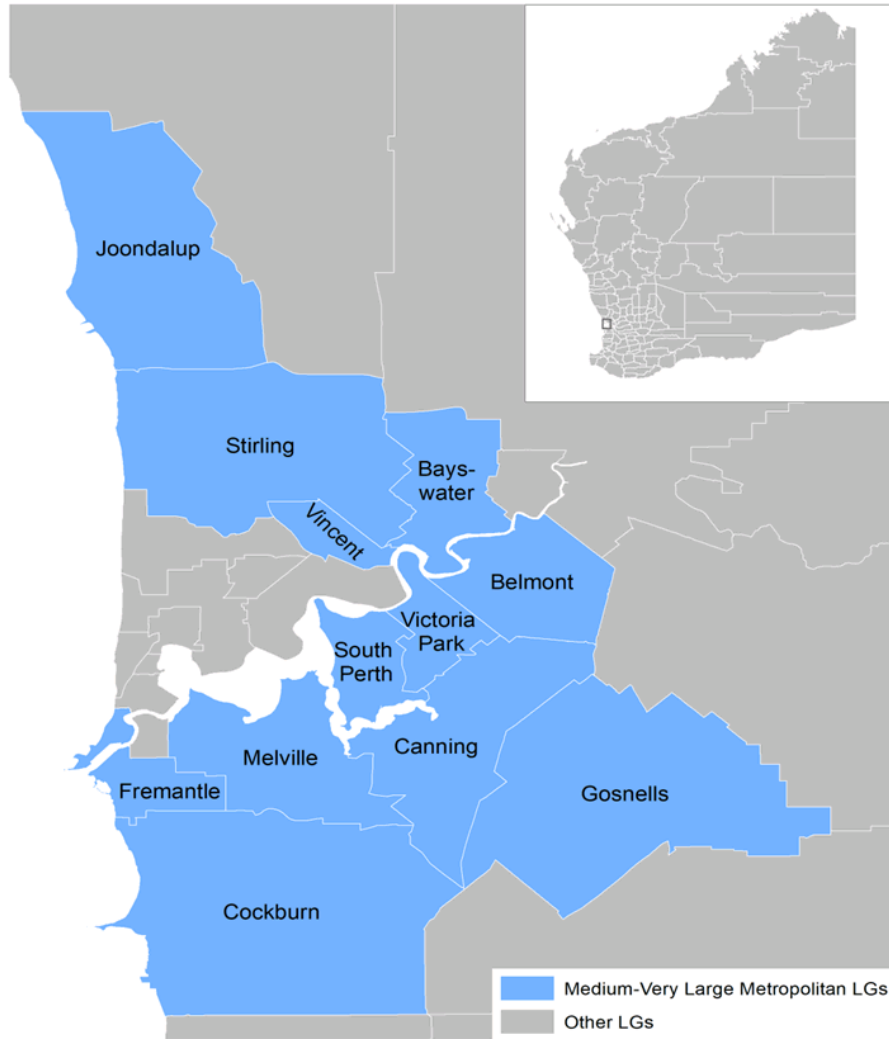
Figure 2: Map showing the distribution of Western Australian LGs classed as Medium to very large metropolitan LG, based on the Australian Classification of Local Governments (see section 1.3)

9

2. The City of Cockburn's emergency management capability in 2022

An overview of the City's EM capability in 2022 is provided below. The closer the result is to 100%, the stronger the City's capability is for that topic. The topics are presented in order of highest capability at the top, to the lowest at the bottom.

Topic	Score
Finance and Administration	100%
Natural Buffers	100%
Lessons Management	100%
Business Continuity Plans	100%
Evacuations	100%
Impact Assessment	100%
Sustained Recovery	100%
Situational Assessment	95%
EM Personnel	87%
Recovery Resources	80%
Public Information Quality	77%
Community Welfare	75%
Risk Assessment	67%
Public Information Tools	62%
Recovery Skills	60%
Essential Services Protection	60%
Infrastructure Protection	49%
Equipment and Infrastructure	33%
Agency Interoperability	33%
Recovery Plans	29%
Sector Information Sharing	0%
Evacuation/Welfare Centres	0%
Horizon Scanning	0%

Figure 3: City of Cockburn's capability topic scores for 2022

10
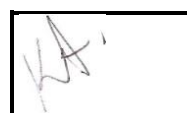
2.1 The City's highest capabilities in 2022

In 2022 the City's highest capabilities were:

Sustained Recovery		In 2022 the City's capability score for Sustained Recovery was 100%.
Natural Buffers		In 2022 the City's capability score for Natural Buffers was 100%.
Impact Assessment		In 2022 the City's capability score for Impact Assessment was 100%.

2.2 The City's lowest capabilities in 2022

In 2022 the City's lowest capabilities were:

Horizon Scanning		In 2022 the City's capability score for Horizon Scanning was 0%.
Sector Information Sharing		In 2022 the City's capability score for Sector Information Sharing was 0%.
Evacuation/Welfare Centres		In 2022 the City's capability score for Evacuation/Welfare Centres was 0%.

3. Capability comparison for the City of Cockburn: 2021 to 2022

A comparison of the City's reported capability in 2021 and 2022 is provided below.

The yellow bars represent the 2022 data, with the capability topics presented in order from highest to lowest. Improvements in capability from 2021 to 2022 are indicated by green arrows (dark green arrows = greatest improvements), and reported reductions by red arrows (dark red arrows = greatest reductions). The information represented in this graph is also provided as a table in Appendix 3.
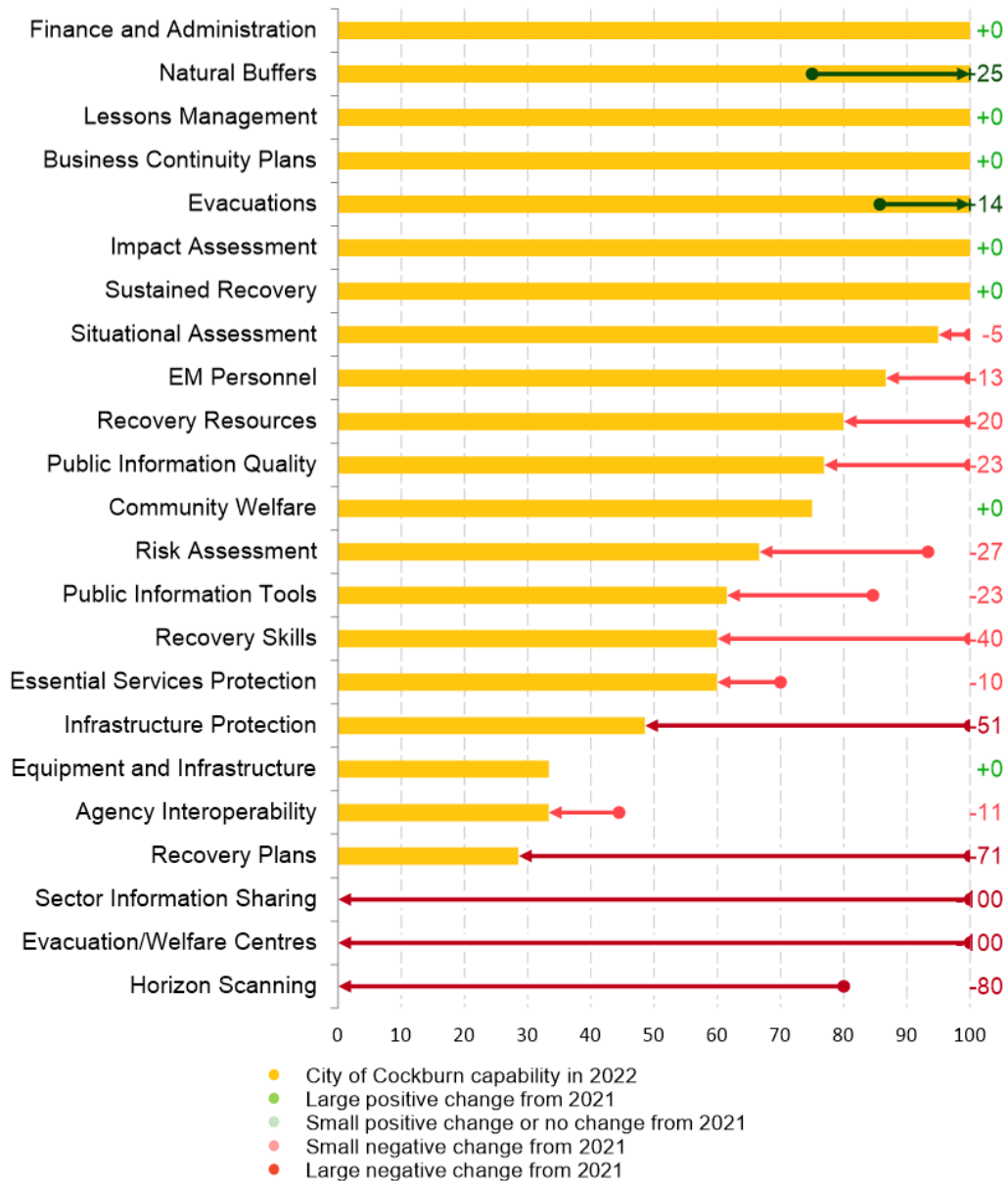
Figure 4: Capability comparison for City of Cockburn: 2021 to 2022

12

3.1 Capabilities where the City scored 100% in 2021 and 2022

The City scored 100% for this capability in both 2021 and 2022:

Sustained Recovery	
Natural Buffers	
Lessons Management	
Impact Assessment	
Finance and Administration	
Evacuations	
Business Continuity Plans	

3.2 The City's greatest capability improvements

From 2021 to 2022, the City's greatest capability improvements were in:

Natural Buffers		In 2022 the City's capability score for Natural Buffers was 100%.
Evacuations		In 2022 the City's capability score for Evacuations was 100%.

13

3.3   The City's largest capability reductions

From 2021 to 2022, the City's largest capability reductions were in:

Sector Information Sharing		In 2022 the City's capability score for Sector Information Sharing was 0%.
Recovery Plans		In 2022 the City's capability score for Recovery Plans was 29%.
Infrastructure Protection		In 2022 the City's capability score for Infrastructure Protection was 49%.
Horizon Scanning		In 2022 the City's capability score for Horizon Scanning was 0%.
Evacuation/Welfare Centres		In 2022 the City's capability score for Evacuation/Welfare Centres was 0%.

4. Capability comparison between the City of Cockburn and similar LGs in 2022

The City has been classified as a Medium to very large metropolitan LG. A 2022 comparison between the City's capability and the averaged capability of the other Medium to very large metropolitan LG is provided below.

The City's capability is represented by the yellow bars. The averaged capability of the other Medium to very large metropolitan LG is indicated by the black dots.

The coloured numbers to the right indicate the difference between the City's capability and the averaged capability of similar LGs. Dark green has been used where the City has notably more capability, and dark red where the City has notably less. The information represented in this graph is also provided as a table in Appendix 4.
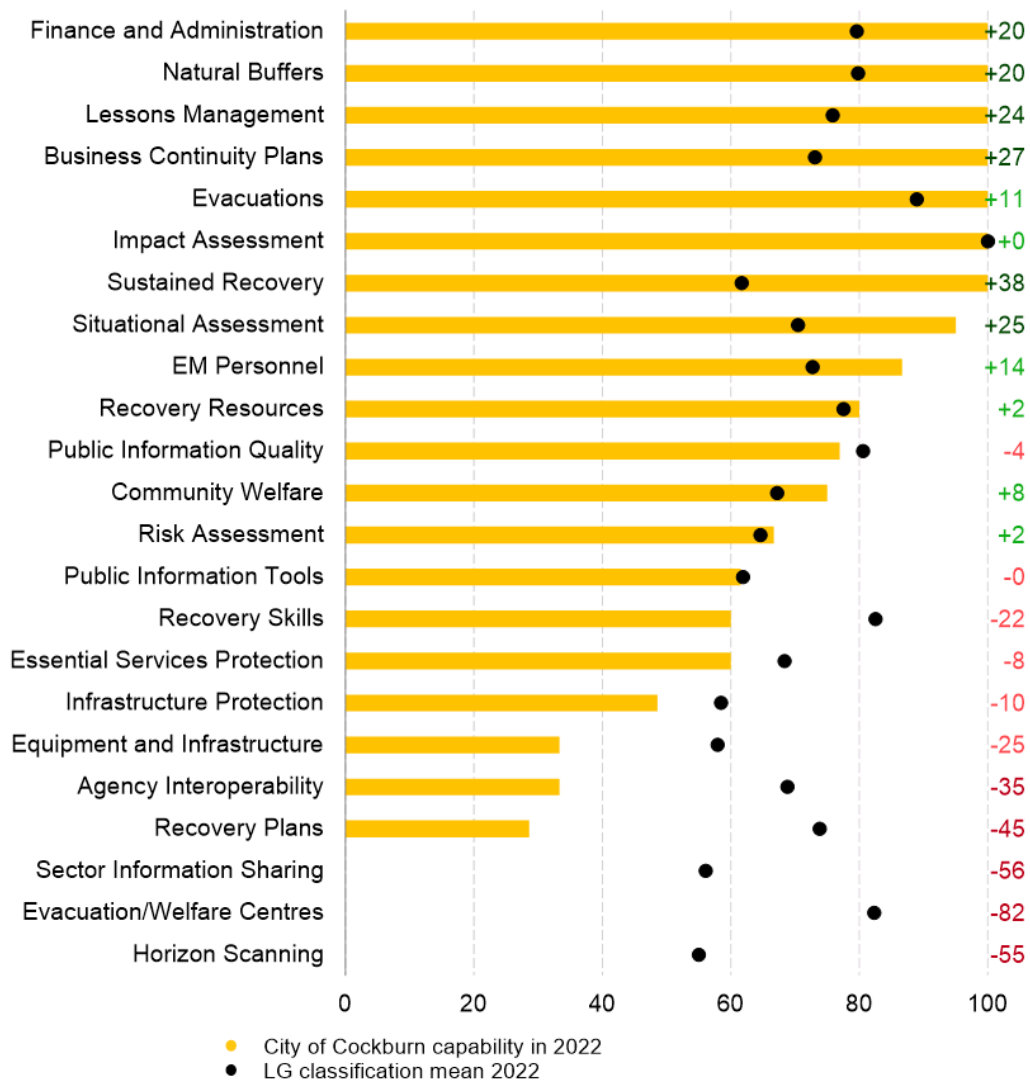
Figure 5: Capability comparison between the City of Cockburn and similar LGs in 2022

15

4.1 Capabilities where the City was notably higher than similar LGs

In 2022, the City had notably higher capability than the average of other Medium to very large metropolitan LG for:

Sustained Recovery		In 2022 the City's capability score for Sustained Recovery was 100%.
Situational Assessment		In 2022 the City's capability score for Situational Assessment was 95%.
Natural Buffers		In 2022 the City's capability score for Natural Buffers was 100%.
Lessons Management		In 2022 the City's capability score for Lessons Management was 100%.
Finance and Administration		In 2022 the City's capability score for Finance and Administration was 100%.
Business Continuity Plans		In 2022 the City's capability score for Business Continuity Plans was 100%.

16

4.2 Capabilities where the City was notably lower than similar LGs

In 2022, the City had notably lower capability than the average of other Medium to very large metropolitan LG for:

Sector Information Sharing		In 2022 the City's capability score for Sector Information Sharing was 0%.
Recovery Plans		In 2022 the City's capability score for Recovery Plans was 29%.
Horizon Scanning		In 2022 the City's capability score for Horizon Scanning was 0%.
Evacuation/Welfare Centres		In 2022 the City's capability score for Evacuation/Welfare Centres was 0%.
Agency Interoperability		In 2022 the City's capability score for Agency Interoperability was 33%.

17

Appendix 1: LG capability topic descriptions

Framework Capability Area	LG Capability Topic	Capability Topic Description
Analysis and Continuous Improvement	Risk Assessment	The Risk Assessment capability topic is based on: • the level of skills the LG has to conduct EM risk assessments • the extent the LG uses the risk assessment findings (e.g., to improve processes or implement treatments) • the status of the LG's risk register (i.e. not yet started, in progress, complete)
	Horizon Scanning	The Horizon Scanning capability topic is based on: • the extent the LG keeps informed of best practice through reviewing recent hazard information • the extent the LG monitors events occurring within the state, interstate and internationally
	Lessons Management	The Lessons Management capability topic is based on: • the extent the LG evaluates its performance following an incident, emergency or exercise • the extent the LG assesses and/or amends its plans, processes or procedures based on recent hazard information, incidents, emergency response, recovery and exercises • whether the LG has processes in place to review and monitor the outcomes of the amendments made

18

Framework Capability Area	LG Capability Topic	Capability Topic Description
Community Involvement	Sector Information Sharing	The Sector Information Sharing capability topic is based on: • the extent the LG shares information about individual risks, vulnerable elements and treatment options with state government agencies, other local governments, business/industry and communities

	Public Information Tools	The Public Information Tools capability topic is based on:
		• whether the LG uses the following types of media to provide emergency/hazard information to the public during the prevention, preparedness and recovery phases:
		  - traditional media (radio, television, newspapers, SMS/text messaging, bulk email, websites)
		  - social media (Facebook, Twitter, Instagram, YouTube)
		  - local media (newsletters, pamphlets/brochures, public talks/meetings)

	Public Information Quality	The Public Information Quality capability topic is based on:
		• the extent the LG has communications personnel available
		• whether the LG has procedures in place to ensure that emergency/hazard information is coordinated, timely, reliable, actionable, clear, consistent and accessible
		• the extent the LG's emergency/hazard information caters for:
		  - culturally and linguistically diverse groups
		  - people with a disability/special needs
		  - people with lower skills in literacy and numeracy
		  - the elderly
		  - tourists

19

Framework Capability Area	LG Capability Topic	Capability Topic Description
Planning and Mitigation	Natural Buffers	The Natural Buffers capability topic is based on: • the extent the LG ensures that natural buffers* which may aid in community protection are identified, protected, maintained and/or enhanced and monitored * Examples of natural buffers include mangroves or wetlands to mitigate flooding, vegetation to protect against slope instability or heatwave, and dune systems to mitigate coastal erosion.

	Infrastructure Protection	The Infrastructure Protection capability topic is based on:
		• whether the LG identifies the likely impact hazards may have on critical infrastructure and important community assets
		• the extent the LG has plans in place to protect:
		   - critical infrastructure
		   - important community assets
		   - residential property
		   - assets supporting livelihood
		   - cultural places

	Essential Services Protection	The Essential Services Protection capability topic is based on: • whether the LG has plans in place to protect the continuity of its own power, telecommunications, water, sewerage, fuel, food distribution, shelter/accommodation and local government services • whether the LG has plans in place to protect its community's road networks and local government services
	Business Continuity Plans	The Business Continuity Plans capability topic is based on: • whether the LG's business continuity plan considers EM hazard specific risks and fatigue management strategies • the extent the LG considers its business continuity plan to be effective

20

Framework Capability Area	LG Capability Topic	Capability Topic Description
Resources	EM Personnel	The EM Personnel capability topic is based on: • the extent the LG's EM personnel (for response, recovery, prevention/mitigation) are trained, capable, supported and sufficient in numbers
	Finance and Administration	The Finance and Administration capability topic is based on: • whether the LG can track expenditure for particular emergencies (e.g. individual cost codes) • whether funding (for proactive measures and mitigation, emergency response and recovery) is considered available, sufficient and accessible

	Equipment and Infrastructure	The Equipment and Infrastructure capability topic is based on:
		• whether the LG can manage multiple concurrent emergencies with existing infrastructure and equipment
		• the extent the LG has plans in place for equipment to address:
		  - mobilisation
		  - pre-deployment
		  - peak surges
		  - redundancies for outages

Framework Capability Area	LG Capability Topic	Capability Topic Description

Emergency Response	Situational Assessment	The Situational Assessment capability topic is based on:
		• whether situational assessments developed by the LG during emergencies determine:
		  - the nature and extent of the hazard
		  - vulnerable elements
		  - the resources required
		• the extent the LG considers the situational assessments it develops during emergencies to be effective

	Evacuations	The Evacuations capability topic is based on: • whether the LG has the ability, plans and sufficient resources to coordinate/support directed (compulsory) evacuations and recommended (voluntary) evacuations • the extent that pre-emergency evacuation planning is included in the LG's Local Emergency Management Arrangements (LEMA)
	Evacuation/Welfare Centres	The Evacuation/Welfare Centres capability topic is based on: • whether the LG's evacuation/welfare centres can maintain the provision of food, potable water, shelter and power

	Agency Interoperability	The Agency Interoperability capability topic is based on:
		• whether the LG has a memorandum of understanding (MOU) with other local governments for assistance during large-scale emergencies
		• whether the LG has established protocols/structures for emergencies that define the interrelationships between stakeholders
		• the extent that coordination structures during an emergency are considered:
		  - effective
		  - interoperable with other agencies
		  - functional
		  - manageable/serviceable
		  - consider recovery implications
		• the extent the LG's communication systems during an emergency are considered effective and interoperable with other agencies

22

Framework Capability Area	LG Capability Topic	Capability Topic Description

Impact Management and Recovery	Community Welfare	The Community Welfare capability topic is based on:
		• the extent the LG has strategies in place for the timely re-establishment of community activities (e.g., cultural and community events, schools) following an emergency
		• whether the LG provides community services that are timely, available and sufficient
		• the extent the LG has plans in place to manage:
		  - directly impacted persons
		  - family and friends of impacted persons
		  - short term and ongoing mental health/wellbeing support

	Impact Assessment	The Impact Assessment capability topic is based on:
		• whether the LG can contribute to a comprehensive impact assessment
		• whether the LG uses the findings from a comprehensive impact assessment to inform:
		  - recovery coordination
		  - EM planning
		  - prevention/mitigation priorities

	Recovery Resources	The Recovery Resources capability topic is based on: • the extent the LG has the resources to support the reconstruction/restoration of built, social, economic and natural environments
	Recovery Skills	The Recovery Skills capability topic is based on: • the extent the LG has the skills to support the reconstruction/restoration of built, social, economic and natural environments
	Sustained Recovery	The Sustained Recovery capability topic is based on: • the extent the LG has sufficient resources to sustain a recovery response for 3, 6, 12 and 18 or more months

	Recovery Plans	The Recovery Plans capability topic is based on:
		• whether the LG's recovery plan includes inputs from:
		  - hazard management agencies (HMAs)
		  - combat agencies/supporting organisations
		  - essential service providers (ESPs)
		  - other local governments
		  - non-government organisations (NGOs)
		  - business/industry
		  - communities
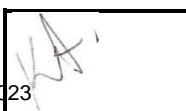
Appendix 2: Distribution of Western Australian LGs by classification

The below map shows the distribution of Western Australian LGs by their classification (refer to footnote).
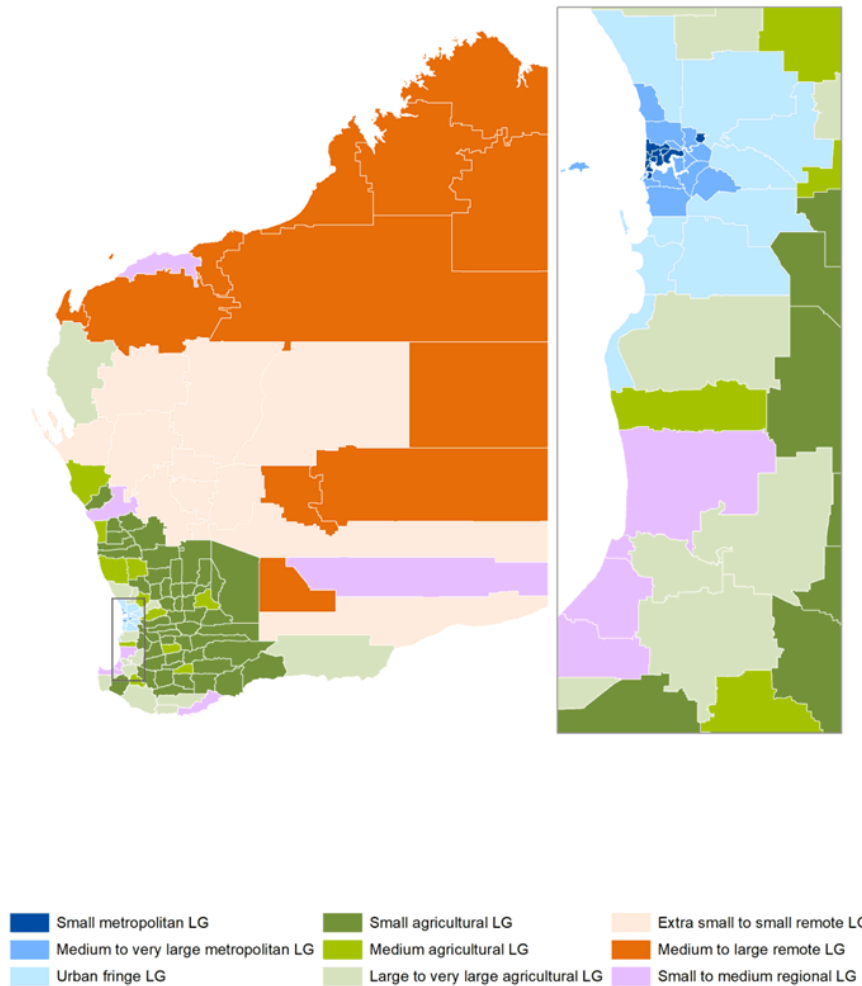
■ Small metropolitan LG	■ Small agricultural LG	■ Extra small to small remote LG
■ Medium to very large metropolitan LG	■ Medium agricultural LG	■ Medium to large remote LG
■ Urban fringe LG	■ Large to very large agricultural LG	■ Small to medium regional LG

These classifications are based on a combination of LG classes from the Australian Classification of Local Governments (ACLG), using the 2020/21 classifications as provided by the WA Dept. of Local Government, Sport and Cultural Interests (DLGSC).

24

Appendix 3: Capability comparison for the City of Cockburn: 2021 to 2022

The below table contains the City's scores for each capability topic in 2021 and 2022, and the difference between the two years.

Capability topics	City of Cockburn 2021	City of Cockburn 2022	Difference
Sustained Recovery	100%	100%	0
Natural Buffers	75%	100%	25
Lessons Management	100%	100%	0
Impact Assessment	100%	100%	0
Finance and Administration	100%	100%	0
Evacuations	86%	100%	14
Business Continuity Plans	100%	100%	0
Situational Assessment	100%	95%	-5
EM Personnel	100%	87%	-13
Recovery Resources	100%	80%	-20
Public Information Quality	100%	77%	-23
Community Welfare	75%	75%	0
Risk Assessment	93%	67%	-27
Public Information Tools	85%	62%	-23
Recovery Skills	100%	60%	-40
Essential Services Protection	70%	60%	-10
Infrastructure Protection	100%	49%	-51
Equipment and Infrastructure	33%	33%	0
Agency Interoperability	44%	33%	-11
Recovery Plans	100%	29%	-71
Sector Information Sharing	100%	0%	-100
Horizon Scanning	80%	0%	-80
Evacuation/Welfare Centres	100%	0%	-100

Note: Scores are rounded to the nearest 1%

25
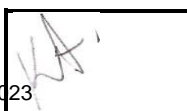
Appendix 4: Capability comparison between the City of Cockburn and similar LGs in 2022

The below table compares the City's capability scores in 2022 with the averaged capability scores for Medium to very large metropolitan LG in the same year.

Capability topics	City of Cockburn 2022	Similar LG average 2022	Difference
Sustained Recovery	100%	62%	38
Natural Buffers	100%	80%	20
Lessons Management	100%	76%	24
Impact Assessment	100%	100%	0
Finance and Administration	100%	80%	20
Evacuations	100%	89%	11
Business Continuity Plans	100%	73%	27
Situational Assessment	95%	70%	25
EM Personnel	87%	73%	14
Recovery Resources	80%	78%	2
Public Information Quality	77%	81%	-4
Community Welfare	75%	67%	8
Risk Assessment	67%	65%	2
Public Information Tools	62%	62%	0
Recovery Skills	60%	82%	-22
Essential Services Protection	60%	68%	-8
Infrastructure Protection	49%	58%	-10
Equipment and Infrastructure	33%	58%	-25
Agency Interoperability	33%	69%	-35
Recovery Plans	29%	74%	-45
Sector Information Sharing	0%	56%	-56
Horizon Scanning	0%	55%	-55
Evacuation/Welfare Centres	0%	82%	-82

Note: Scores are rounded to the nearest 1%

11.3 Governance and Strategy

11.3.1   (2023/MINUTE NO 0016) Risk Register Review Report

Responsible Executive	Executive Governance and Strategy
Author	Risk and Governance Advisor
Attachments	N/A

Officer Recommendation/
MOVED Cr P Corke SECONDED Cr M Separovich
The Committee recommends Council:

(1)   RECEIVES the Risk Register Review Report.

Committee Recommendation
MOVED Cr K Allen SECONDED Cr M Separovich
That Council:

(1)   DEFERS the Risk Register Review report to the next ARC Meeting until a
         further review of the Risk Register is undertaken.

CARRIED 3/0

Reason

On review there were a number of queries in relation to the timeframes mentioned in
the Risk Register which were outdated, hence a further review was requested.

Background

This report provides an update to the Audit, Risk and Compliance Committee (ARC)
on the City of Cockburn (the City) Enterprise Risk Register, comprising seven
strategic and 243 operational risks.

A previous report of the risk register was considered by the ARC on 21 July 2022.

This report covers the status of the City's Enterprise Risk Register during 21 July
2022 to 27 July 2023 (the Period).

The City's Risk Register is recorded in RMSS, the City's cloud-based online
enterprise risk management solution, brought online for the City on 26 April 2022.

Submission

N/A

Report

Risk register

Table 1 below illustrates the changes to the City's risk register during the Period, which decreased 12%, from 284 to 250.

All risks rankings indicate the residual risk.

There are 11 risks, all operational risks, with residual risk ratings Substantial or greater, including 1 High and 2 Extreme risks.

The composition of the 250 risks in the risk register are presented in Figure 1 and superimposed on a risk heat map in Figure 2 below.

Table 1: 2022 - 2023 Changes in the risk register

Residual risk level	Number of risks		Change in number
	On 21 July 2022	**On 27 July 2023**	
Low risks	136	112	-24
Moderate risks	134	127	-7
Substantial risks	11	8	-3
High risks	1	1	0
Extreme risks	2	2	0
Total risk register	**284**	**250**	**-34**
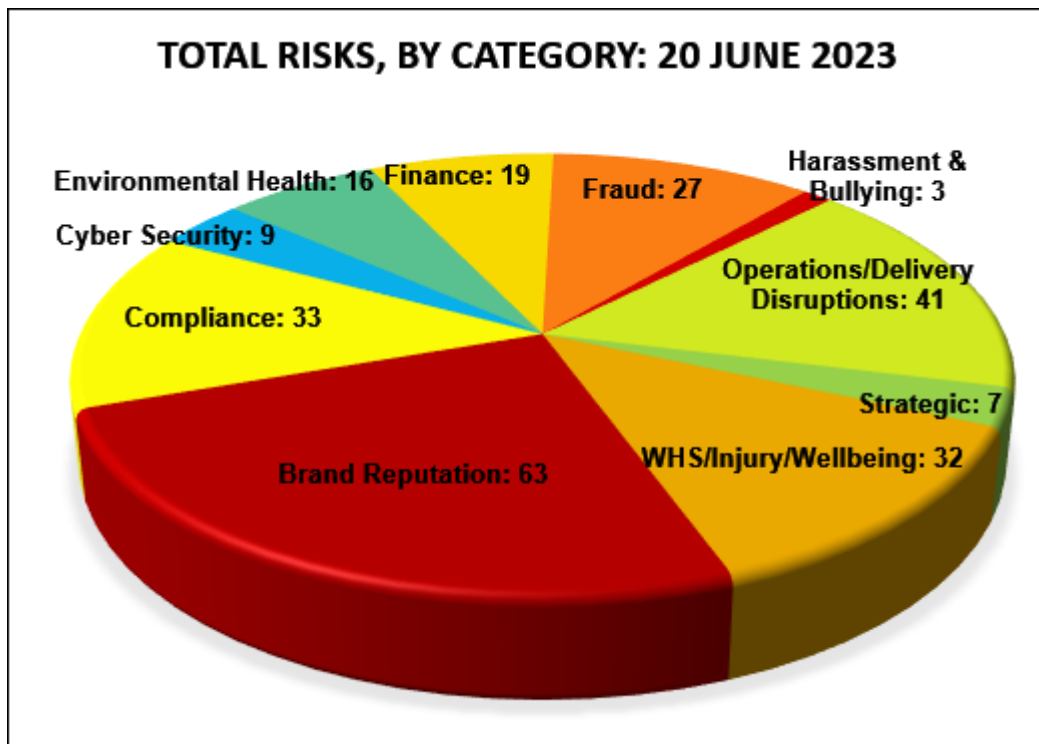
Figure 1: Composition of Risk Register on 27 July 2023
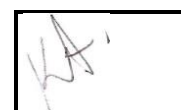
The Risk Register heat map in Figure 2 below shows the top 3 ranked risks identified are 1 High and 2 Extreme risks.

These top three risks are climate change related:

		Likelihood				
		Rare 1	**Unlikely 2**	**Possible 3**	**Likely 4**	**Almost Certain 5**
Consequence	**Insignificant 1**	Low 1 7 Risks	Low 2	Low 3	Low 4	Moderate 5
	Minor 2	Low 2 9 Risks	Low 4 69 Risks	Moderate 6 10 Risks	Moderate 8 3 Risks	Substantial 10 2 Risks
	Major 3	Low 3 22 Risks	Moderate 6 68 Risks	Moderate 9 30 Risks	Substantial 12 1 Risk	High 15
	Critical 4	Low 4 5 Risks	Moderate 8 16 Risks	Substantial 12 2 Risks	High 16 1 Risk	Extreme 20
	Catastrophic 5	Moderate 5	Substantial 10 3 Risks	High 15	Extreme 20 2 Risks	Extreme 25

Figure 2: Residual risk register heat map superimposed on the risk matrix

1. RMSS Risk ID 8 *Community infrastructure damage from climate change impacts*,

   Risk description - Reduced public safety, health and wellbeing caused by climate change impacts (changes to rainfall and increased bushfires, temperatures and extreme weather events)
   Catastrophic 5 consequence X Likely 4 likelihood
   = <u>Extreme 20</u> risk ranking

3. RMSS Risk ID 9 Public health decline from climate change,

   Risk description - Reduced public safety, health and wellbeing caused by climate change impacts (changes to rainfall and increased bushfires, temperatures and extreme weather events)
   Catastrophic 5 consequence X Likely 4 likelihood
   = <u>Extreme 20</u> risk ranking

4. RMSS Risk ID 10 *Biodiversity loss from climate change impact*,

Risk description - Damage to or loss of biodiversity and natural habitats caused by climate change impacts (decreased rainfall and increased bushfires, temperatures and extreme weather events)

Critical 4 consequence X Likely 4 likelihood = <u>High 16</u> risk ranking

The City's climate change related top 3 risks ranking is echoed across Australian local governments, which since 2018 have ranked natural disaster / disaster or catastrophes in the top 5 risks identified in their community [JLT Public Sector Risk Report 2023, JLT Risk Solutions Pty Ltd].

<u>Strategic Risks</u>

The status of the identified 7 strategic risks is presented in Table 2 below.

Table 2: Status of Strategic risks

RMSS Risk ID	Risk name	Risk description	Consequence	Likelihood	Residual risk	Risk owner
1	Business continuity and crisis management	Failure to provide business continuity of the City's core services in the event of a major crisis / emergency.	Major 3	Possible 3	Moderate 9	**Emma Milne** Executive Governance and Strategy
Action update						
1. *City of Cockburn Local Emergency Management Arramgements 2018* is currently being reviewed by Fire and Emergency Management Services – estimated completion is Q2 FY23-24; 2. Draft *City of Cockburn Business Continuity Reponse Plan* is currently being reviewed by Governance and Strategy Division before being presented to ExCo for approval – estimated completion is Q1 FY23-24; 3. *City of Cockburn Crisis Communication Plan* is currently being reviewed by Communications and Marketing Services. An intial Response Playbook was presented on 6 June 2023 to ExCo, which was well received; 4. *City of Cockburn Disaster Recovery Design Document (IT)* will be reviewed when the next ICT Manager is appointed – estimated completion is Q2 FY23-24.						
2	Strategic direction	Lack of clear and aligned strategic vision, direction and implementation.	Critical 4	Unlikely 2	Moderate 8	**Emma Milne** Executive Governance and Strategy

RMSS Risk ID	Risk name	Risk description	Consequence	Likelihood	Residual risk	Risk owner
Update 1. Detailed audit of informing strategies and their associated financial implications is undeway to support the *City of Cockburn Long Term Financial Plan 2019-2020 to 2032-2033*- estimated completion date is Q2 FY23-24.						
3	Project management planning	Failure to consistently plan for capital works projects	Major 3	Possible 3	Moderate 9	**Anton Lees** Chief of Operations
Update 1. The City of Cockburn Asset Management Plans (AMPs) inform the Project Management Offce for major capital works. This service will continue to reatain the risk and manage it by ensuring that AMPs are up to date in order fro oter Service Units to effectively utilise the data.						
4	Stakeholder relationships	Failure to develop and maintain strategic partnerships and relationships with government agencies and other key stakeholders.	Major 3	Possible 3	Moderate 9	**Victoria Green** Executive Corporate Affairs
Update 1. The City of Cockburn has implemented a Stakeholder Management System for selected staff. The system contains updated information on key stakeholders and staff, including members of parliament, businesses and other influencers. The system is remotely accessible, cloud-based with Australian servers to prevent loss of data.						
5	Built and natural environment	Failure to maintain the City's built and natural environment and resources in a sustainable manner.	Major 3	Possible 3	Moderate 9	**Carol Catherwood** A/Chief of Built and Natural Environment
Update 1. Identified actions within the Climate Change Strategy and Natural Area Management Strategy continue to be implemented. Regular inspections, maintenance and repairs continue to be undertaken on City facilities; 2. Asset management team organise the CoC Marina and Coastal Asset Management Plan 2020 - 2024. A maintenance inspection was conducted by M P Rogers & Associates, and the *City of Cockburn Marina and Coastal Assets Report* was provided in July 2022. This helped decision-making for projects in the next financial year; 3. A number of the actions from the Recommended Implementation Plan of the *Coogee Beach Foreshore Management Plan 2020* have been completed - including sand bypassing, benefit distribution analysis, Coogee Beach Jetty upgrade, swimming						

RMSS Risk ID	Risk name	Risk description	Consequence	Likelihood	Residual risk	Risk owner
		enclosure lease renewed, disabled accessway completed, Surf Lifesaving Club tower been installed.				
6	Technology use and change	Failure to identify, manage and capitalise on the effective and efficient use of changing technology.	Critical 4	Unlikely 2	Moderate 8	**Nelson Mauricio** A/Chief Financial Officer

Update

1. A contract employee specialising in cyber security was appointed to drive the action plan with the ultimate aim to obtain ISO 27001 certification. An ISO 27001 audit is scheduled for December 2023;

2. The City is continuing to implement the findings from the 2019 OAG performance audit;

3. The *City of Cockburn Information and Cyber Security Policy*, approved by the CEO in September 2019 is currently being reviewed.

RMSS Risk ID	Risk name	Risk description	Consequence	Likelihood	Residual risk	Risk owner
7	Financial sustainability	Erosion of Council's financial sustainability.	Critical 4	Unlikely 2	Moderate 8	**Nelson Mauricio** A/Chief Financial Officer

Update

1. Annual capital expenditure and operational expenditure budget processes and sign off (at multiple levels, including controllable operational expenditure measures) – accept this risk by informed decision;

2. Legislative restrictions on investments - take on the risk in order to pursue opportunity (income)
3. *City of Cockburn Long Term Financial Plan 2019-2020 to 2032-2033* – take on the risk by informed decision;
 4. Economic forecasting - take on the risk by informed decision;
 5. A complete documentation review of the new contract systems and processes (post *CiAnywhere*), including Ethics Statement, was scheduled for completion in March 2023;
6. *City of Cockburn Workforce Plan 2022 -202*6 endorsed at the Special Council meeting on 23 June 2022. Includes strategies to ensure that Cockburn is an employer of choice and that the outcomes of the Community Strategic Plan and Corporate Business Plan can be achieved in line with the commitment;
7. City of Cockburn Asset Management Plans (AMP) and updated by the Operations team. Data collection for each asset class is undertaken on a regularly basis enabling plan accuracy. Renewal budgets are populated in accordance with the relevant AMP;
8. Public Sector Commission training for staff on the City's fraud and misconduct practices.

Operational risks

The status of the identified 11 operational risks rated at residual risk Substantial or greater is presented in Table 3 below.

Table 3: Status of Operational risks rated ≥ *Substantial*

RMSS Risk ID	Risk name	Risk description	Consequence	Likelihood	Residual risk	Risk owner
8	Community infrastructure damage from climate change impacts [Environmental Health risk]	Reduced public safety, health and wellbeing caused by climate change impacts (changes to rainfall and increased bushfires, temperatures and extreme weather events).	Catastrophic 5	Likely 4	Extreme 20	**Rory Garven** [ExCo member: Daniel Arndt]

Action update

1. New Council buildings incorporate standard BAU ESD guidelines. The sustainability policy also requires all new buildings to invest an additional 3% of construction costs to be allocated to ESD over and above best practise;

2. Cockburn DFES representative and City's Bushfire Control Officers undertake annual assessments prior to the bushfire season in November. Any works that are identified as required are undertaken. Works completed by November each year;

3. *Bushfire Risk Management Plan* draft was presented to July 2022 OCM, and will be submitted for final adoption in 2023 after community and DFES consultation. Local Emergency Management Arrangement was reviewed by the City's LEMC, in accordnace with SEMP Policy.

3. Action will require an audit of City buildings - climate change resilience report. Fee proposal and funding to be requested 2022/23FY;

4. State planning policy means the City does not approve dvelopment in the flood prone areas. Bush rife assessments are required, wind assessments are required. All the various climate change matters are dealt with by the state policies which the City implements in each and every decision made. This is in all of the City's processes and the manager and coordinator update policies accordingly.

RMSS Risk ID	Risk name	Risk description	Consequence	Likelihood	Residual risk	Risk owner
9	Public health decline from climate change [Environmental Health risk]	Reduced public safety, health and wellbeing caused by climate change impacts (changes to rainfall and increased bushfires, temperatures, and extreme weather events).	Catastrophic 5	Likely 4	Extreme 20	**Rory Garven** [ExCo member: Daniel Arndt]

Update

1. At present the City has a Climate Change Strategy, under which there are numerous actions by the City's service units including responses such as public messaging when the Department of Health (WA) declares a heatwave for Perth. This primarily requires action by communications for messaging on the City's website, *Facebook* and other social media and the Senior Centre acting to advise their vulnerable members of the risk;

2. The City's Public Health Plan is being finalised for publication of an updated version this FY.   The plan will include actions that assist in the reduction of climate change risk to the public including heat stress, increases in mosquito and vector borne disease, food poisoning, nuisance species, bushfires, pandemics, extreme weather events, etc.;

3 The *Bushfire Risk Management Plan* draft was presented to July 2022 OCM, and will be submitted for final adoption in 2023 after community and DFES consultation. Local Emergency Management Arrangement was reviewed by the City's LEMC, in accordnace with SEMP Policy.

10	Biodiversity loss from climate change impacts [Compliance risk]	Damage to or loss of biodiversity and natural habitat, caused by climate change impacts (decreased rainfall and increased bushfires, temperatures, and extreme weather events).	Critical 4	Likely 4	High 16	**Rory Garven** [ExCo member: Daniel Arndt]

Update

1. Coastal Adaptation Plan (CAP) actions implemented as required. Sand by-passing and back passing undertaken in July/August 2022. Artificial reef installed in April 2022. Benefit Distribution Analysis commissioned in December 2022. CAP document to be reviewed and CHARMAPS to be prepared which will identify specific areas of concern. To be completed by June 2024;

RMSS Risk ID	Risk name	Risk description	Consequence	Likelihood	Residual risk	Risk owner
2. Review into alternative sand sorces commissioned and to be finalised by January 2023; 3. The coastal monitoring program is undertaken annually in partnership with Cockburn Cement. Additonal monitoring the success of the Engineered Fringing Reef; 3. Foreshore Management Plan to be reviewed in 2023 with latest climate change data. Design study for CY O' Connor to commence in January 2023.						
11	Coastal impacts from sea level rise [Environmental Health risk]	Legal liability and damage to or loss of natural environment, infrastructure, and coastal land, caused by sea level rise.	Major 3	Likely 4	Substantial 12	**Chris Beaton** [ExCo member: Daniel Arndt]
**Update** 1. Coastal monitoring program continues to be undertaken and assessed twice per annum in winter and summer. Additional monitoring undertaken for Engineered Fringing Reef. Data is reviewed to assess effectiveness and any areas of concern by the City's Coastal Engineer. Information sharing agreement in place between Cockburn Cement and the City. 2. Site specific management plans to be prepared and updated based on current climate scenarios. To be completed by June 2023. 3. Obtained legal advice to clarify the liability of the City in the event of coastal climate change risk scenarios - ongoing. 3. Foreshore Management Plan to be reviewed in 2023 with latest climate change data. Design study for CY O' Connor to commence in January 2023.						
12	Community support [Financial risk]	Failure to obtain community support for strategic planning functions.	Critical 4	Possible 3	Substantial 12	**Carol Catherwood** [ExCo member: Daniel Arndt]
**Update** 1. Most strategic planning projects have advertising processes (controlled by state government) rather than community engagement. Planners only undertake community engagement for specific and occasional projects. These are carried out in line with an approved community engagement plan (approved by Corporate Affairs).						

RMSS Risk ID	Risk name	Risk description	Consequence	Likelihood	Residual risk	Risk owner
14	*PerfectGym* at Cockburn ARC [Cyber security risk]	Personally identifiable information (PII) breach by allowing anyone using *Amazon* to send email on behalf of cockburnarc.com.au	Critical 4	Possible 3	Substantial 12	**Andrew Tomlinson** [ExCo member: David van Ooran]

Update

1. *PerfectGym* is aware of this issue through recent penetrations tests they have conducted, and stated that they had hoped to resolve this problem by September 2022;

2. The Cockburn Aquatic and Recreation Centre management stated that there is some risk but it isn't a case that anyone can access the system, they would have to have in depth knowledge as a hacker. Not anyone in Amazon can do this, it would need an individual with high level understanding of hacking;

3. Penetration testing by *PerfectGym* in another local government in October 2023 has shown that high/medium items with SMTP (Amazon) is one of the tasks resolved.

RMSS Risk ID	Risk name	Risk description	Consequence	Likelihood	Residual risk	Risk owner
15	Landfill capping [Environmental Health risk]	Failure to fund the capping of existing exposed landfill cells.	Catastrophic 5	Unlikely 2	Substantial 10	**Lou Vieira** [ExCo member: Anton Lees]

Update

1. Post Closure Leachate Management and Rehabilitation Financial Model is on track;

2. The Henderson Waste and Recycling Park (HWRP) Financial Model requires that significant funds are available to meet the City's obligations under our Licence requirements in capping and post closure for 2019-2020;

3. An Information Paper was prepared for the capping of Cell 6 for Executive. The Draft Waste Strategy and appendix - 10 Year Financial Plan, has been reviewed by the Executive who has accepted the capping and post closure costs;

4. The City's Landfill consultant is currently preparing the cap design for submission to the Department of Water and Environmental Regulation (DWER) and for inclusion in the Tender for the Capping Construction Contractor;

5. The Executive has confirmed, through the Landfill Financial Rehabilitation Model, that $5 million will be available in 2021-2020 budget for the capping of Cell 6 and the remaining uncapped cells (when all the available airspace is consumed;

6. Cell 6 was capped in 2020. The City has reduced gate rate for major customers to attract

RMSS Risk ID	Risk name	Risk description	Consequence	Likelihood	Residual risk	Risk owner
	tonnes in order to complete 3 other open cells that will require capping in the next 2 decades; and					
	7. The cost to cap the remaining cells (4, 5 and 7) is $17.5M and the operating cost to manage the Site until 2063 is $10.5m The current Reserve balance is $12.5m. With the energy from waste plants due for completion in 2022, there is a narrow window for landfill to generate sufficient income through the sale of airspace to establish a reserve of a minimum of $28m. The current strategy to increase the Waste and Recycling Reserve will not be adequate.					
16	Reduced water availability from decreased rainfall [Compliance risk]	Decreased liveability, reduced water availability, loss of urban vegetation and biodiversity caused by climate change impacts (decreased rainfall).	Minor 2	Almost certain 5	Substantial 10	**Rory Garven** [ExCo member: Daniel Arndt]

Update

1. Water Sensitive Urban Design initiatives continue to be implemented for all Council facilities. Assessments also undertaken for private development by Subdivision engineers;

2. Water Efficiency Action Plan and associated actions approved by Water Corporation in March each year;

3. Water audits undertaken for Council facilities (top 10 water users) annually. Measures identified to be undertaken to reduce water use are implemented within budget constraints;

4. Liaison with Water Corporation and DWER undertaken annually in October. Water Efficiency Action Plan and associated actions also approved by Water Corporation in March each year;

5. Urban Forest Plan actions continue to be implemented. Review of UFP currently underway. Urban Forest Officer approved for 23/24 budget.

RMSS Risk ID	Risk name	Risk description	Consequence	Likelihood	Residual risk	Risk owner
17	Urban forest decline from climate change [Compliance risk]	Urban forest decline caused by climate change impacts (increased temperatures and decreased rainfall).	Minor 2	Almost certain 5	Substantial 10	**Lou Vieira** [ExCo member: Anton Lees]

Update

1.This risk is not something that is immediately tangible, Operation has reviewed the risk and decided that the City will continue to retain the risk and buildings will be upgraded as

RMSS Risk ID	Risk name	Risk description	Consequence	Likelihood	Residual risk	Risk owner
		required, as per the asset management planning processes of the City of Cockburn;				

2. Bushfire Risk Assessments are done as a planning condition. If a building is required to have one prepared, it has been;

3. The *Bush Fire Management Plan* and *Local Emergency Management Plan* is reviewed in consultation with DFES, selected areas added to GIS system.fire management – ongoing.

RMSS Risk ID	Risk name	Risk description	Consequence	Likelihood	Residual risk	Risk owner
288	Child safe organisation [WHS risk]	Failure by the City of Cockburn to resource for, and anticipate legislative requirements, to comply with the National Principles for Child Safe Organisations	Catastrophic 5	Unlikely 2	Substantial 10	**David van Ooran** Chief of Community Services

Action update

1. The document *City of Cockburn Administration Policy Notifiable and Reportable Conduct* [ECM Doc Set ID: 11385253] was endorsed by ExCo on 14 February 2023;

2. The promotion of awareness through employee training or inductions of the National Principles for Child Safe Organisations as outlined by the *Child Safe Organisations National Principles*, Australian Human Rights Commission, Sydney 2018, have not been addressed yet. The risk owner would like to discuss this topic further with the Executive People Experience & Transformation, and the Executive Governance & Strategy. It is planned for this to occur in the month of June 2023;

3. The development and promotion of an organisational framework comprising people and experience to assist the City to comply with Western Australian government legislation by supporting employees has not been addresses yet due to competing priorities. The risk owner would like to discuss this topic further with the Executive People Experience & Transformation, and the Executive Governance & Strategy. It is planned for this to occur in the month of June 2023.

RMSS Risk ID	Risk name	Risk description	Consequence	Likelihood	Residual risk	Risk owner
289	Workplace psychosocial hazards [WHS (Bullying and harassment) risk]	Inability to provide for workers a safe work place free from exposure to bullying and harassment	Catastrophic 5	Unlikely 2	Substantial 10	**Chantelle Hanrahan** Executive People Experience and Transformation

Update

RMSS Risk ID	Risk name	Risk description	Consequence	Likelihood	Residual risk	Risk owner

1. Development and implementation of People Experience Management Framework to ensure Employees and People Leaders and appropriately informed and educated on reasonable and respectful workplace behaviours. Training is being rolled out on bullying and harassment across the organisation, commencing with Council and SLT on 18 August 2022;

2. Bullying and Harassment Policy drafted, and endorsement will be sought by the end of 2022. Training has been undertaken by all members of SLT.

3. *The Cockburn Way* is being rolled out across the business and 100% completion is expected by 1 December 2022.

4. The City needs to develop a register of those individuals whose interactions have been known to be problematic in the past. Based on such a register, when a meeting is proposed between a City worker and an individual on the register, the City worker will ensure that the meeting is conducted via Teams 365 and advise meeting attendants that the meeting will be recorded;

5. Whenever a meeting with a problematic person on the register is to be held, the City facilitator conducting the meeting is to check meeting room capacity and ensure that the meeting room with the smallest meeting capacity is selected for the meeting. This will be part of the Draft HR guidelines to mitigate and minimise the risk of exposure of workers to bullying and harassment in City's workplaces;

6. Capacity limits for Administration Building Function, Dining and meeting rooms are shown to staff when booking through the outlook calendar;

7. Consultation will take place with the Head of Community Safety and Ranger Services and City Facilities Coordinator to establish criteria and practicality of fitting duress alarms to meeting rooms;

8. Guidelines setting out the expected behaviours of our members of the public that the City considers to be acceptable and unacceptable for its employees, elected members or contractors to encounter have been drafted. These guidelines were and circulated for peer review from these business / service units: Customer Experience, Advocacy and Engagement, Operations and Maintenance, Community Services Division, Civic Services, Built and Natural Environment Division. The Executive Corporate Affairs is to decide on how these guidelines will be adopted by the City;

9. Developing a meeting protocol which is to be either verbalised (similar to "Welcome to Country") prior to the commencement of the meeting or signposted whenever a meeting is conducted that will be attended by a person on the problematic people's register;

10. Drafted Guidelines and circulated for peer review from Manager Legal and Compliance for assessment criteria for a range of proportionate responses to deal with such individuals, e.g., requiring communication be in written form only;

11. WHS and OD team to create Safety Induction for all Employees and People Leaders to ensure that everyone is informed of psychosocial hazards and how this risk is mitigated for them. This will form part of the action items from the Safety Audit that was

RMSS Risk ID	Risk name	Risk description	Consequence	Likelihood	Residual risk	Risk owner
		completed in August 2019;				
		12. Contractor management process to be assessed and updated to ensure compliance with legislation;				
		13. The City has a WHS policy and this policy is reiterated through induction for new workers. The policy will be reviewed to include psychosocial hazards in the workplace. A variety of workplace risk assessments are conducted by the workers before activities are commenced. In addition, should a worker encounter any hazards or experience any injuries, they or their line manager is expected to report these events through the event reporting process.				

Strategic Plans/Policy Implications

Listening & Leading
A community focused, sustainable, accountable and progressive organisation.
• Best practice Governance, partnerships and value for money.
• Employer of choice focusing on equity, innovation and technology.

Budget/Financial Implications

N/A

Legal Implications

Local Government (Audit) Regulations 1996
17. CEO to review certain systems and procedures
(1)   The CEO is to review the appropriateness and effectiveness of a local
*   government's systems and procedures in relation to —*
*   (a)   risk management; and*
*   (b)   internal control; and*
*   (c)   legislative compliance.*
(2)   The review may relate to any or all of the matters referred to in subregulation
*   (1)(a), (b) and (c), but each of those matters is to be the subject of a review not*
*   less than once in every 3 financial years.*
(3)   The CEO is to report to the audit committee the results of that review.

Community Consultation

N/A

Risk Management Implications

Risk management oversight and review is a function of the Audit Risk and Compliance Committee.

The ARC is required to review the City's Strategic and Operational Risk as part of the City's risk management practices.

The ARCs oversight of the risk register review report supports continuous improvement of risk management processes.

The risk maturity improvement plan previously considered by the ARC and Council will see further improvements delivered on the City's risk reporting practices in the future.

Advice to Proponent(s)/Submitters

N/A

Implications of Section 3.18(3) *Local Government Act 1995*

N/A

11.3.2   **(2023/MINUTE NO 0017)** Audit Risk and Compliance Committee - Independent Member

Responsible Executive	Executive Governance and Strategy
Author	Manager Legal and Compliance
Attachments	N/A

Officer Recommendation/Committee Recommendation

MOVED Cr P Corke SECONDED Cr M Separovich

That Council:

(1)   REQUESTS the CEO commences advertisement for an external Independent Member of the Audit Risk and Compliance Committee.

<u>**CARRIED 3/0**</u>

Background

In 2018, the Audit and Strategic Finance Committee (ASFC) resolved that it would be prudent to include an Independent Member on the Committee.

The City has supported the appointment of an independent member of the Audit Risk and Compliance Committee since that time.

On 14 June 2023 the City's Independent Member of the Audit Risk and Compliance Committee (ARC), Glyn Geen resigned.

The ARC now only comprises of Elected Members and there is an opportunity for the City to seek a new independent member for the ARC.

The Local Government Amendment Bill 2023 will see the requirement for an independent member of the City's audit committee become mandatory.

The changes will also see local governments have the liberty to make payment to independent members of committees (within the prescribed amounts).

At this time, local governments are unable to pay a fee to independent members.

Submission

N/A

Report

The input of a professional person external to the organisation has proved to be a useful mechanism for providing professional expertise and advice on matters within the Committee's brief.

It is considered an added layer of value to have this external view of the operations and responsibilities of the Committee provided by a person with external expertise in Audit related functions, which are very wide ranging in a local government environment.
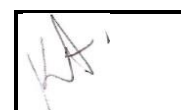
Appointment of independent members for local government audit committees has become a best practice approach within the sector.

Currently the City is unable to pay a professional fee for services to a member of the ARC who is not an Elected Member or Employee.

The introduction of a new s5.100 of the *Local Government Act 1995* will allow committee members who are not council members or employees to receive fees and expenses for their services.

The fees and expenses to be reimbursed will be determined by the Salaries and Allowances Tribunal under the *Salaries and Allowances Act 1975*.

If the determination is a range, the fee will be set by the local government within that range.

It is expected these changes will take effect in later 2024.

It is recommended that Council continues with this practice and advertises for an independent member to be appointed for a period of two years and reviewed after each twelve months.

The applicants will be assessed, and a report presented to the ARC, and ultimately Council for decision.

Strategic Plans/Policy Implications

Listening & Leading
A community focused, sustainable, accountable and progressive organisation.
• Best practice Governance, partnerships and value for money.
• High quality and effective community engagement and customer service experiences.

Budget/Financial Implications

There are no financial implications from the recommendation in this report.

Any advertising expenses will be met from existing budget allocations.

The local government reform will see changes to the *Local Government Act 1995* which will create provisions for local governments to make payment to independent committee members, in accordance with the prescribed amounts set by the Salaries and Allowances Tribunal.

When those changes are in place, a report will be presented to Council to amend the budget if required.

Legal Implications

Section 7.1A of the *Local Government Act 1995* refers.

Community Consultation

N/A

Risk Management Implications

Appointment of an independent member is best practice, and a common audit recommendation due to the benefit and value of professional advice and expertise afforded by an external.
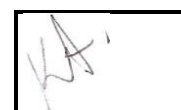
There is a low risk associated with opting not to continue with the practice of appointing and independent member to the City's audit committee.

Advice to Proponent(s)/Submitters

N/A

Implications of Section 3.18(3) *Local Government Act 1995*

Nil

12. Motions of Which Previous Notice Has Been Given

Nil

13. Notices Of Motion Given At The Meeting For Consideration At Next Meeting

Nil

14. New Business of an Urgent Nature Introduced by Members or Officers

Nil

15. Matters to be Noted for Investigation, Without Debate

Nil

16. Confidential Business

Nil

17. Closure of Meeting

There being no further business, the Presiding Member closed the meeting at 6.32pm.