

SHIRE OF KOJONUP

Kojonup



Audit & Risk Committee

Minutes

5 November 2024

TERMS OF REFERENCE

AUDIT & RISK COMMITTEE

Established under Section 7.1 of the *Local Government Act 1995 (Act)* - every local government must have an Audit and Risk Committee (ARC).

Terms of Reference

ARC is responsible for assisting and independently advising Council in recommending appropriate actions and controls with regards to audit, risk oversight, governance, finances and systems of internal control.

Its role is to provide oversight related to significant risk exposures and control issues, including fraud risks, governance issues and other matters as necessary or requested by the CEO or Council. This is to ensure the Shire's activities are fully compliant with legislation, regulations, accounting and reporting Standards and that the Shire is executing its responsibility to the community in efficiently utilising their assets.

The ARC is not responsible for the executive management of these functions. The ARC will engage with management in a constructive and professional manner in discharging its advisory responsibilities and formulating its advice to Council.

Duties and Responsibilities:

Members of the ARC are expected to observe the legal and regulatory obligations of the Local Government.

Committee members must not use or disclose information obtained through the ARC except in meeting the ARC's responsibilities, or unless expressly agreed by the President of the Shire.

Committee Members must adhere to the Code of Conduct for Council Members, Committee Members and Candidates and demonstrate behaviour which reflects the Shire's desired culture.

ARC Members are expected to:

1. act in the best interests of the Shire as a whole;
2. apply good analytical skills, objectivity and good judgement;
3. express opinions constructively and openly, raise issues that relate to the ARC's responsibilities and pursue lines of enquiry in relation to the "Risk Controls" the Shire has in place;
4. contribute the time required to meet their responsibilities; and
5. exercise due care, diligence and skill when performing their duties.

Member Duties/Responsibilities:

- Oversee the Shire's risk management, through:
 - a) Biennial review of the Shire's Risk Management Policy;
 - b) Recommending and reviewing the Shire's Risk Appetite Statement in order to recommend the organisation's Risk Tolerance to the Council;
 - c) Reviewing reports on the movement of the Shire's current strategic risks, and the emergence of new strategic risks;
 - d) Overseeing strategic risks which sit outside of the Shire's Risk Appetite ; and
 - e) Monitor and receive reports concerning the development, implementation and on-going management of the Shire's Risk Management Plan and the effectiveness of its Risk Management Framework;
- Overseeing the Shire's processes for managing fraud and corruption, by:
 - a) Performing oversight responsibilities and advising Council;

- b) Enquiring with the CEO and the Office of the Auditor General (OAG) about whether they are aware of any actual, suspected, or alleged fraud or corruption affecting the Shire; and
- c) Reviewing summary reports from the CEO on communication from external parties including regulators that indicate problems in the internal control system or inappropriate management actions.
- Overseeing the Shire's financial management and legislative compliance, by:
 - a) Reviewing the Shire's annual Compliance Audit Return and reporting the results of that review to Council, in accordance with the Local Government (Audit) Regulations 1996;
 - b) Receiving and reviewing reports from the CEO regarding the appropriateness and effectiveness of the Shire's legislative compliance and ensuring any non-compliances are rectified on a timely basis;
 - c) Considering and recommending adoption of the annual financial report to Council;
 - d) Receive and review the biannual reports from the Chief Executive Officer (CEO) regarding the appropriateness and effectiveness of the Shire's risk management, internal controls and legislative compliance and make recommendations to Council; and
 - e) Consider and recommend adoption of the Annual Financial Report to the Council;
- Overseeing the internal audit function, by;
 - a) Assessing and making a recommendation to Council on an Internal Audit Plan to ensure that it comprehensively covers material business risks that may threaten the achievement of strategic objectives and which identifies key risks and control mechanisms;
 - b) Reviewing the quality and timeliness of internal audit reports;
 - c) Monitoring the implementation of internal audit recommendations; and
 - d) Considering the implications of internal audit findings on the organisation, its risks, and controls.
- Fulfilling responsibilities pertaining to external audit, by:
 - a) Reviewing reports from the OAG, including auditor's reports, closing reports and management letters;
 - b) Reviewing management's response to OAG findings and recommendations;
 - c) Monitoring the implementation of recommendations from external audits;
 - d) Reviewing results of relevant OAG audit reports and better practice publications for guidance on good practices, including any assessment by the CEO; and
 - e) Examine the reports of the auditor after receiving a report from the CEO on the matters and:
 - a. determine if any matters raised require action to be taken by the Shire; and
 - b. ensure that appropriate action is taken in respect of those matters.

Seek information or obtain expert advice through the CEO on matters of concern within the scope of the Committee's terms of reference following authorisation from the Council.

Membership

Four (4) Councillors; and

Two (2) Community Members

Supporting Team Members

Manager Financial & Corporate Services
Governance & Rates Officer
Chief Executive Officer or delegated nominee

Meetings

Quarterly for ordinary meetings and as required related to audit functions.

Open to Public: No

Voting: Voting is in accordance with Section 5.21 of the Act.

Confidentiality: All Committee members will be required to adhere to the Shire's confidentiality requirements as per the Code of Conduct for Council Members, Committee Members and Candidates.

Conduct of Meetings: ARC Meetings will be held in accordance with the Act, subsidiary legislation, and the Shire's Standing Orders.

Committee Sitting Fees and Reimbursements

The Shire is prohibited under Section 5.98-5.99 of the Act, and Regulation 30 of the Local Government (Administration) Regulations 1996, to pay a council member a fee for attending the ARC.

Currently, the Shire is prohibited from remunerating independent committee members; however, reimbursement of approved expenses for independent members may be paid to each independent external member in accordance with Section 5.100 of the Act.

The rules regarding remuneration for independent committee members are currently under review as part of the Local Government Reforms (2023). These guidelines are subject to any legislation changes.

MINUTES OF AN AUDIT AND RISK COMMITTEE MEETING
HELD ON 5 NOVEMBER 2024

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MINUTES

1 DECLARATION OF OPENING

The Chairman will declare the meeting open at 9.07am and alert the meeting of the procedures for emergencies including evacuation, designated exits and muster points.

2 ATTENDANCE, APOLOGIES & LEAVE OF ABSENCE

MEMBERS

Cr Roger Bilney	Member (Chairperson)
Cr Mick Mathwin	Member
Cathrine Ivey	Community Member
Jill Mathwin	Community Member

STAFF (OBSERVERS)

Grant Thompson	Chief Executive Officer
Tonya Pearce	Governance & Rates Officer

APOLOGIES

Cr Kerry Mickle	Member
Cr Paul Webb	Member

3 SUMMARY OF RESPONSE TO PREVIOUS QUESTIONS TAKEN ON NOTICE

Nil

4 CONFIRMATION OF MINUTES

Audit & Risk Committee Meeting held 7 August 2024 ([Attachment 4.1](#))

OFFICER RECOMMENDATION/COMMITTEE DECISION

10AR Moved Cr Mathwin

Seconded J Mathwin

That the minutes of the Audit & Risk Committee Meeting held on 7 August 2024 be confirmed as a true and accurate record.

CARRIED 4/0

For: Cr Bilney, Cr Mathwin, J Mathwin, C Ivey

5 BUSINESS ARISING

Nil

6 DECLARATIONS OF INTEREST

Nil

7 SENIOR MANAGEMENT TEAM DISCUSSION

In accordance with the Financial Management Review adopted in February 2019, one senior manager will attend the Audit & Risk Committee on a rotational basis to discuss the following:

- Update on Manager's areas of responsibility and current projects/issues;
- Questions on Notice from the Audit and Risk Committee;
- Management's own recommendations for improvement in key areas.

Darryn Watkins introduced himself and briefed the Committee on his role as the Manager Works & Infrastructure (MWI).

Darryn Watkins left the meeting at 10.04am

8 COMMITTEE TIMETABLE

As a guide and subject to availability, each Audit & Risk Committee agenda will contain the following (list to be expanded at the suggestion of members):

1st Quarter (January – March)

- Committee Status Report
- Compliance Audit Return
- Summary of Risk Management
- Volunteer Management
- Leave Provision Adequacy

2nd Quarter (April – June)

- Committee Status Report
- Summary of Risk Management
- Business Continuity Plan Review

3rd Quarter (July – September)

- Committee Status Report
- Interim Audit Report
- Summary of Risk Management
- Insurance Overview

4th Quarter (October – December)

- Committee Status Report
- Audit Report & Management Letter
- Annual Financial Report
- Annual Report
- Financial Management Review (each 3 years – 2021, 2024...)
- Risk, Legal Compliance & Internal Controls review (each 3 years – 2021, 2024...)
- Summary of Risk Management

The above list will remain at the commencement of each Committee agenda to act as a timetable and enable members to add to the items to be considered.

9 COMMITTEE STATUS REPORT

Date	Item Number & Title	Issue	Response	Status
2 November 2022	10.1 – Risk Management Update	Risk Management Framework, Risk Register and Key Organisational Risks Review.	To progress by September 2024	CEO has commenced internal review as presented in the meeting.
2 November 2022	11.2 – Financial Management Review	The recommendations and observations raised within the Report be reported back to the Audit and Risk Committee for monitoring.	FMR adopted by Council, issues currently being addressed by Manager Financial & Corporate Services	Ongoing
5 September 2023	Information Request	Cr P Webb - List of vehicles containing trackers – CEO		Completed
5 September 2023	13.1 - Information Request	CEO and MFCS to look into feasibility of reduction in insurance premiums if the Shire was to increase insurance excesses	Requested with Insurer, assessing impact, not a straight correlation. MFCS to update ARC at next meeting	Commenced, requested status verification from LGIS in writing.
5 September 2023	Documentation	New Organisational Workforce Structure – CEO	To be forwarded to Committee members after announcement of same	Completed, Workforce Plan: A&R recommended to Council.
6 February 2024	10.1 – Risk Dashboard Report	Boscabel Hall	MRS – check if people camping in grounds, arrange Boscabel Hall playground check.	Referred to Police.

Date	Item Number & Title	Issue	Response	Status
6 February 2024	11.3 – Volunteers insurance	Volunteers insurance	CEO to research.	Pending

10 SUMMARY OF RISK MANAGEMENT

10.1 RISK MANAGEMENT UPDATE

Please refer to the following attachments:

- 10.1.1 Risk Actions Report – November 2024

10.2 WORK HEALTH AND SAFETY

The CEO will provide an update on Work Health and Safety matters.

- No current lost time injuries

11 OFFICER REPORTS**11.1 RISK AND LEGISLATIVE COMPLIANCE REVIEW**

AUTHOR	Grant Thompson – Chief Executive Officer
DATE	Wednesday, 30 October 2024
FILE NO	GO.CNM.9
ATTACHMENT(S)	Nil

‘PLACEMAKING’ STRATEGIC COMMUNITY PLAN JULY 2023 TO JUNE 2033 To be “The Cultural Experience Centre of the Great Southern” STRATEGIC/CORPORATE IMPLICATIONS		
Key Strategic Pillar/s	Community Goal/s	Corporate Objective/s
Performance	12. A High Performing Council	12.2 SoK monitoring and reporting

DECLARATION OF INTEREST

Nil

SUMMARY

The purpose of this report is to undertake the required review of systems and procedures in relation to risk management, internal controls and legislative compliance as required by Regulation 17 of the Local Government (Audit) Regulations 1996.

BACKGROUND

Local government Chief Executive Officers are required to carry out at least a triennial review of legislative compliance, internal control and risk management and present the results of the review to the Council’s Audit Committee.

COMMENT

To review the appropriateness and effectiveness of systems and procedures, a set of measurable items is required to enable comparison and/or analysis. The following tables attempt to identify, quantify and track progress of risk management, legislative compliance and internal controls:

Table 1.0 Risk Management Review Items

RISK MANAGEMENT								
	2014	2016	2018	2021	2022	2023	2024	Commentary
Risk Management Plan:								
Is there an Adopted Plan in Place?	✓	✓	✓	✓	✓	✓	✓	
Was it reviewed in the three year period?	n/a	✓	✓	✓	✗	✗	✗	In progress being reviewed by CEO currently
Was the Business Continuity & Disaster Recovery Plan reviewed?	n/a	✓	✓	✓	✓	✓	✓	
Was the Asbestos Management Plan reviewed?	✗	✓	✓	✗	✗	✓	✓	
Risk Register (2014-2018):								
Number of Extreme & High risk items on the register?								
- Springhaven	11	3	2	Change to				
- Office	17	7	4	Risk				
- Council	15	15	10	Management	NA	NA	In Progress	
- Depot	23	7	0	t Framework				
- The Kodja Place	n/a	25	21	2019 - see below				
Risk Register (2019 to 2024):								
Number of Low, Moderate & High Risks (15 Risk Profiles)								
Low				4	4	4		
Moderate				8	8	8		
High				3	3	3		
Is Risk regularly discussed and minuted at staff meetings and various councillor meetings:								
BCDRP - Business Continuity & Disaster Recovery Plan								
WHS - Work Health & Safety								
Springhaven (operational) (audits, BCDRP 2019>)	✗	✓	✓	✓	✓	✓	✓	
Office (WHS inc Audits ongoing 2024/25, BCDRP review & Management review of Risk Actions & Profiles)	✗	✓	✓	✓	✗	✓	✓	
Councillors (Audit & Risk Committee/Council agenda items)	✗	✗	✓	✓	✓	✓	✓	
Depot (WHS Audits ongoing 2024/25, BCDRP review & Management review of Risk Actions & Profiles)	✗	✗	✗	✓	✗	✓	✓	
The Kodja Place (WHS Audits ongoing 2024/25, BCDRP review & Management review of Risk Actions & Profiles)	✗	✗	✗	✓	✗	✓	✓	

Table 2.0 Internal Control Items

INTERNAL CONTROLS		2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Commentary
Policies & Delegations: Was the Delegation Register reviewed (financial year)? Were all Council Policies reviewed? Fraud, Corruption & Misconduct Policy adopted		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	In progress being reviewed by CEO currently Dec-23
		✗	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Budget & Finance: Was Budget adopted prior to 31 August? Was the Budget reviewed on time (between 01/01 & 31/03)? When was the Annual Electors Meeting held? Audit Management Letter - Number of Items Raised		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
		April 5	April 4	March 4	December 4	May 6	March 1	December 3	October 5	Aug 6	July 9	
Integrated Planning: Was the Long Term Financial Plan reviewed? Was the Strategic Community Plan reviewed? Was the Corporate Business Plan reviewed? Was the Asset Management Plan reviewed? Was the Workforce Plan reviewed?		n/a	✓	n/a	✗	✗	✗	✗	✗	✗	in progress	In progress to be reviewed 2025
		n/a	✓	n/a	✓	n/a	✓	n/a	✗	✓	✓	
		✓	✓	✗	✓	✓	✓	✓	✗	✗	✓	
		n/a	✓	n/a	✓	n/a	n/a	n/a	n/a	n/a	✗	
		✓	✓	✗	✓	✓	✓	✗	✗	✗	✓	
Springhaven Lodge: Were Springhaven Policies reviewed by the Council? Springhaven Quality Agency Audit Visits - Issues noted (scheduled audit/unannounced partial audit) - all three yearly (full) audits post 2018 will be unannounced visits		✓	✗	✓	✓	✓	✓	in progress	in progress	✓	✓	Long Term Plans being reviewed in 2025 - LTTP, AMP, P&E, Roads Attached with new structure
		3 out of 127 2.36%	0 out of 44 0%	0 out of 33 0%	0	0 out of 44 0%	Delayed due to pandemic	0 out of 42 0%	Inf. Cntrl Compliant	RN Compliant		Springhaven transition plan executed

Table 3.0 Legislative Compliance

LEGISLATIVE COMPLIANCE												
	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Commentary
Compliance Audit Return (CAR): Was the CAR completed by 31 March each year?	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	1. CBP Adoption - CBP adopted February 2024, outside of 2023 compliance year. 2. significant items reported in the auditor's report, copy of the report given to the Minister within three months of the audit report being received by the local government? Report created but was not sent to Minister.
Number of negative responses	3	8	1	0	1	0	2	3	4	3	3	
Information Statement: Was the review undertaken?	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	
Financial Audit Report Number of Items Raised	2012/13 2	2013/14 1	2014/15 0	2015/16 0	2016/17 1	2017/18 1	2018/19 3	2019/20 5	2020/21 6 (1 sig)	2021/22 5	2022/23 9 (3 sig)	Current Audit not finalised for 23/24 - no metrics

CONSULTATION

Governance & Rates Officer

STATUTORY REQUIREMENTS*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 sub regulation**(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.***POLICY IMPLICATIONS**

Nil

FINANCIAL IMPLICATIONS

Nil

RISK MANAGEMENT IMPLICATIONS

RISK MANAGEMENT FRAMEWORK			
Risk Profile	Risk Description/Cause	Key Control	Current Action
<i>Compliance</i>	<i>Failure to correctly identify, interpret, assess, respond and communicate laws and regulations as a result of an inadequate compliance framework. This includes new or proposed regulatory and legislative changes, in addition to the failure to maintain updated internal & public domain legal documentation.</i>	<i>Three year legislative review of compliance (Reg. 17)</i>	<i>Triennial reporting</i>
<i>Adequate</i>			
IMPLICATIONS			

Compliance with Regulation 17 of the Local Government (Audit) Regulations 1996 is a primary tool of the risk management process and one that is required by legislation. It is a triennial review of our systems and processes reported to the Council via the Audit and Risk Committee and, as such, is available publicly.

ASSET MANAGEMENT IMPLICATIONS

Nil

SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION/COMMITTEE DECISION

11AR/24 Moved C Ivey

Seconded Cr Mathwin

That the Audit & Risk Committee recommend to Council that the 2024 Risk and Legislative Compliance Review, as required under Regulation 17 of the Local Government (Audit) Regulations 1996 on the appropriateness and effectiveness of the Shire of Kojonup's systems and procedures in relation to risk management, internal control and legislative compliance as outlined in this report, be adopted.

CARRIED 4/0

For: Cr Bilney, Cr Mathwin, J Mathwin, C Ivey

11.2 INSURANCE POLICIES 2024/2025

AUTHOR	Jill Johnson – Manager Financial & Corporate Services
DATE	Wednesday, 30 October 2024
FILE NO	RM.REG.1
ATTACHMENT(S)	11.2.1 - Vehicle and Plant Register 11.2.2 - Property Register

‘PLACEMAKING’ STRATEGIC COMMUNITY PLAN JULY 2023 TO JUNE 2033 To be “The Cultural Experience Centre of the Great Southern” STRATEGIC/CORPORATE IMPLICATIONS		
Key Strategic Pillar/s	Community Goal/s	Corporate Objective/s
Performance	12. A High Performing Council	12.2 SoK monitoring and reporting

DECLARATION OF INTEREST

Nil

SUMMARY

The purpose of this report is to inform the Audit and Risk Committee of the insurance levels and associated costs held by the Shire of Kojonup (Shire) for the 2024/2025 financial year.

BACKGROUND

Insurance is one of the Shire’s largest annual expenses and most important risk management tasks and, therefore, it is appropriate that the Council, in addition to staff, be comfortable with the levels of insurance taken out.

COMMENT

The Shire of Kojonup obtains insurance cover through LGIS (Local Government Insurance Services). LGIS is partly owned by WALGA and offers insurance through its Scheme Membership and also through policies taken out with insurers. It is able to obtain policies from main stream insurance at a reduced rate as it brokers on behalf of all scheme members.

Below is a list of insurances held by the Shire for the 2024/2025 financial year including the insurance provider, limit of liability and the cost of premium.

There has been an overall increase of 7.61% on last year; this is, however, lower than the predicted 15% forecast.

- LGIS Property has a scheme portfolio rate increase of 2%.
- LGIS Motor Vehicle Fleet has decreased.
- Workcare has an increase from 3% to 4% due to 5yr claims loss ratio at 195% and a lift in salaries.

Policy	2023/2024 Premium	2024/2025 Premium	Insurer	Liability	Interest Protected
LGIS Bushfire	\$57,866	\$59,244	Scheme	\$750k	Volunteer Bushfire members, medical expenses, loss of salary/wages and death benefits
LGIS Liability	\$45,012	\$48,613	Scheme	\$500m	Public liability - Death or Personal Injury, Loss or Damage to Property
Casual Hirers Liability	\$ 0	\$0	Covered by Scheme	\$10m	Legal liability to third parties for death, illness or personal injury and loss of damage to property at hired facility
Commercial Crime and Cyber Liability	\$4,617	\$4,645	Scheme	\$400k	Direct financial loss sustained by member
LGIS Property	\$114,555	\$118,670	Scheme	\$600m	Physical loss, destruction or damage to property including machinery breakdown and electronic equipment
LGIS Workcare	\$164,175	\$203,553	Scheme	\$500k	Workers Compensation and Injury Management including Journey Accident Cover
Corporate Travel	\$878	\$854	Scheme	\$10m	External Journey beyond 50km
Management Liability	\$41,950	\$41,950	Scheme	\$4.25m	Councillors and Officers Liability and Employment practices Liability
Marine Cargo	\$725	\$797	JLT	\$400k	All goods &/or interests belonging &/or appertaining whilst in transit by land, air, water and parcel post
Motor Vehicle	\$79,685	\$75,783	Scheme	\$3.2m	All motor vehicles and trailers owned leased or mortgaged under hire purchase or hired in or let out. Includes volunteer bushfire brigade members' vehicles.
Personal Accident - Volunteers, Councillors	\$517	\$508	Scheme	\$300k	Elected members and volunteers if injured or die whilst engaged in work for the Shire if said work is authorised by the Shire
Medical Malpractice Liability	\$7,519	N/A	Vero Insurance	\$20m	Cover of Medical Practice lawsuits for Springhaven no longer required.
TOTAL	\$517,499	\$554,617			

CONSULTATION

David Woods – Account Manager, LGIS

Grant Thompson – Chief Executive Officer

Jill Johnson – Manager Finance & Corporate Services

STATUTORY REQUIREMENTS

Local Government Act 1995 Section 5.42(1)

Delegation Register – Admin 007 – Entering into Contracts of Insurance

The Chief Executive Officer (CEO) is Delegated Authority to enter into appropriate contracts of insurance. In exercising the delegation, the CEO is to have regard to the provisions of the Annual Budget.

Section 5.49(2) (Workers' compensation arrangement) of the *Local Government Act 1995* states:
(2) *WALGA is to establish and manage, for the benefit of itself and any eligible body that chooses to participate, a group self-insurance arrangement against liability to pay compensation under the WCIM Act.*

POLICY IMPLICATIONS

2.1.8 – Financial Governance – Management of financial risk prudently, having regard to economic circumstances.

FINANCIAL IMPLICATIONS

Insurance is the most important risk management task undertaken each year. Insurance is the Shire's single largest ongoing external cost and without adequate cover the Shire is extremely exposed to financial and property loss and open to liability.

RISK MANAGEMENT IMPLICATIONS

Without sufficient insurance cover the Shire runs the risk of being unable to maintain its current level of service in the event of a major/catastrophic loss and possibly exposes itself to litigation costs if not adequately insured.

ASSET MANAGEMENT IMPLICATIONS

Nil

SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION/COMMITTEE DECISION

12AR/24 Moved J Mathwin

Seconded Cr Mathwin

That the Audit & Risk Committee recommend to Council that the information regarding the levels of the Shire of Kojonup's insurance for the 2024/2025 financial year be noted.

CARRIED 4/0

For: Cr Bilney, Cr Mathwin, J Mathwin, C Ivey

11.3 WORKFORCE & DIVERSITY PLAN – JULY 2023 to JUNE 2027

AUTHOR	Grant Thompson – Chief Executive Officer
DATE	Thursday, 31 October 2024
FILE NO	CM.CIR.1
ATTACHMENT(S)	11.3.1 – 7151-D WDP Kojonup (2) 11.3.2 – Organisational Structure October 2024

‘PLACEMAKING’ STRATEGIC COMMUNITY PLAN JULY 2023 TO JUNE 2033 To be “The Cultural Experience Centre of the Great Southern” STRATEGIC/CORPORATE IMPLICATIONS		
Integrated Planning Requirement		
Key Pillar	Community Outcomes	Corporate Actions
Performance	12. A High Performing Council.	12.3 Values and culture Growth

DECLARATION OF INTEREST

Nil

SUMMARY

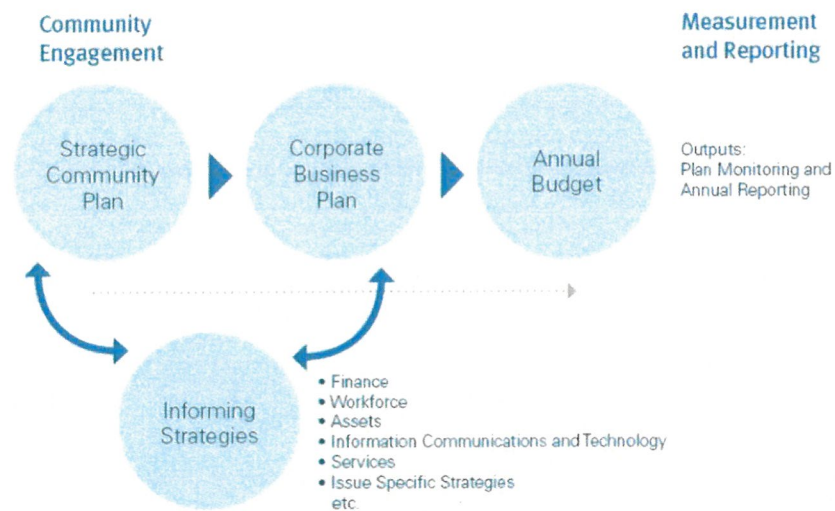
The purpose of this report is to consider recommending to Council the adoption of the Shire of Kojonup’s (Shire) Workforce & Diversity Plan as an informing and guiding document for the Corporate Business Plan 2023-2027 (Plan).

BACKGROUND

The Shire of Kojonup’s first Corporate Business Plan was adopted in 2013 and a desktop review was undertaken in 2015. A SMART strategy was created in 2017 and has been the subject of a major re-write in 2023, now titled “*Placemaking Strategy*”.

The Corporate Business Plan is the Shire’s internal execution component of the integrated planning and reporting process for local government in Western Australia.

This process can be summarised as follows:



Elements of Integrated Planning and Reporting Framework

COMMENT

Kojonup's Corporate Business Plan (CBP) results in a four-year business plan and four-year actions to focus our internal resources to complete.

The Workforce plan overlays another guiding document to structure the Shire to align to its strategic deliverables.

Placemaking sets the strategic direction for the Community for the next ten (10) years, the Corporate Business Plan directs the execution of the Strategic initiatives and the Workforce and Diversity Plan recommends how the Chief Executive Officer (CEO) will resource the Shire with the relevant roles.

As a result of consultation, the vision for the Shire of Kojonup is to be:

"THE CULTURAL EXPERIENCE CENTRE OF THE GREAT SOUTHERN"

Placemaking sets out four (4) 'key pillars' or areas of focus for the community. These are as follows:

1. Lifestyle;
2. Visitation;
3. Economics; and
4. Performance.

These key pillars, and the re-aligned strategic goals, give the Shire direction on investment, services, and management of assets. The next step is to build the Corporate Business Plan focusing on achieving these strategic outcomes; this CBP will determine the future financial and budget decisions for the next four years.

It is envisaged that decisions the Shire ratifies and executes will be measured against achieving these deliverables. The Corporate Business Plan directs all of the Shire's decision making and resources to align to the strategic outcomes.

The Workforce and Diversity Plan guides the CEO to create a most effective structure to achieve the strategic deliverables.

The attached Workforce plan outlines changes required to align to the new structure and build a workforce that can deliver those strategic and corporate initiatives.

‘Placemaking’ contains achievable milestones and goals and, if implemented effectively, may grow Kojonup as a population and a hub for a cultural experience in the Great Southern Region.

It is requested that the A&R Committee, after due consideration, recommend to Council the Workforce and Diversity Plan be adopted by the Council.

CONSULTATION

Development of Kojonup’s Workforce and Diversity Plan was undertaken as a part of collecting data from the Strategic Community Planning (SCP) process.

STATUTORY REQUIREMENTS

As part of the integrated planning and reporting process for local governments in WA, Local Government (Administration) Regulations 1996 require:

‘19C. Corporate Business Plans, requirements for (Act s. 5.56)

- (1) A local government is to ensure that a strategic community plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending 30 June 2013.*
- (2) A strategic community plan for a district is to cover the period specified in the plan, which is to be at least 10 financial years.*
- (3) A strategic community plan for a district is to set out the vision, aspirations and objectives of the community in the district.*
- (4) A local government is to review the current strategic community plan for its district at least once every 4 years.*
- (5) In making or reviewing a strategic community plan, a local government is to have regard to —*
 - a) the capacity of its current resources and the anticipated capacity of its future resources; and*
 - b) strategic performance indicators and the ways of measuring its strategic performance by the application of those indicators; and*
 - c) demographic trends.*
- (6) Subject to subregulation (9), a local government may modify its strategic community plan, including extending the period the plan is made in respect of.*
- (7) A council is to consider a strategic community plan, or modifications of such a plan, submitted to it and is to determine* whether or not to adopt the plan or the modifications.*

**Absolute majority required.*
- (8) If a strategic community plan is, or modifications of a strategic community plan are, adopted by the council, the plan or modified plan applies to the district for the period specified in the plan.*

- (9) *A local government is to ensure that the electors and ratepayers of its district are consulted during the development of a strategic community plan and when preparing modifications of a strategic community plan.*
- (10) *A strategic community plan for a district is to contain a description of the involvement of the electors and ratepayers of the district in the development of the plan or the preparation of modifications of the plan.'*

Long term planning will also be completed as an essential measure of good governance as a part of the Corporate Business Plan.

POLICY IMPLICATIONS

Nil

FINANCIAL IMPLICATIONS

Placemaking guides the future direction and vision for the Shire. The Corporate Business Plan will be primarily based on the contents of the SCP and will then flow into future budget and financial considerations.

Placemaking strategies have an unforeseen financial impact that, until the initiatives have been developed further, cannot be forecast at this stage. The adoption of the report by the Council does not have a direct financial impact.

RISK MANAGEMENT IMPLICATIONS

RISK MANAGEMENT FRAMEWORK			
Risk Profile	Risk Description/Cause	Key Control	Current Action
<i>Risk rating – Nil</i>			
IMPLICATIONS			
The Workforce & Diversity Plan is a vital document guiding the future structure and workforce actions of the Shire; legislation requires timely review of this document and this item is in accordance with said legislation thereby mitigating risk of non-compliance.			

ASSET MANAGEMENT IMPLICATIONS

Nil

SOUTHERN LINK VROC (VOLUNTARY REGIONAL ORGANISATION OF COUNCILS) IMPLICATIONS

Nil

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION/COMMITTEE DECISION

13AR/24 Moved C Ivey

Seconded Cr Mathwin

That the Audit and Risk Committee recommend the Shire of Kojonup's Workforce and Diversity Plan 2023-2027, as attached, to Council for adoption.

CARRIED 4/0

For: Cr Bilney, Cr Mathwin, J Mathwin, C Ivey

12 CEO UPDATES

- 12.1 Springhaven Major Transaction Update – Business Plan, Business Sale Agreement, Lease Agreements.

CEO updated the A&R Committee on the finalisation of the transition to Hall & Prior. Committee noted the transaction is completed.

- 12.2 Risk Framework and Risk Assessment Review Update

CEO presented the Risk Framework and Risk Assessment review methodology, seeking committee input into the identified organizational risks, controls and other information.

CEO to update and finalise the Risk Framework based on comments and present for adoption to the next A&R Committee.

13 OTHER ITEMS FOR DISCUSSION OR FURTHER RESEARCH AS RAISED BY MEMBERS

14 NEXT MEETING

The next meeting of the Audit and Risk Committee is scheduled to be held to align to the next Audit Process in 5 February 2025 at 9:00am.

15 CLOSURE

There being no further business to discuss, the Chairperson thanked members for their attendance and declared the meeting closed at 11.41am.

ATTACHMENTS (SEPARATE)

4.1 – Unconfirmed Audit & Risk Committee Minutes 7 August 2024

10.1.1 - Risk Actions Report – November 2024

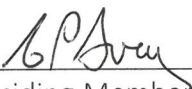
11.2.1 - Vehicle and Plant Register

11.2.2 - Property Register

11.3.1 – 7151-D WDP Kojonup (2)

11.3.2 – Organisational Structure October 2024

Confirmed on 5 February 2025 as a true record –



Presiding Member

05/02/2025
Date