



VISION OF COUNCIL

"A thriving and friendly community that recognises our history and embraces cultural diversity and economic opportunity, whilst nurturing our unique natural and built environment."

AGENDA

FOR THE

AUDIT AND RISK COMMITTEE MEETING

14 MAY 2019

OUR VISION

"A thriving and friendly community that recognises our history and embraces cultural diversity and economic opportunity, whilst nurturing our unique natural and built environment."

OUR MISSION

"To deliver affordable and quality Local Government services."

CORE VALUES OF THE SHIRE

The core values that underpin the achievement of the mission will be based on a strong customer service focus and a positive attitude:

Communication

Integrity

Respect

Innovation

Transparency

Courtesy

DISCLAIMER

The purpose of Council Meetings is to discuss, and where possible, make resolutions about items appearing on the agenda. Whilst Council has the power to resolve such items and may in fact, appear to have done so at the meeting, no person should rely on or act on the basis of such decision or on any advice or information provided by a Member or Officer, or on the content of any discussion occurring, during the course of the meeting.

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SHIRE OF BROOME
AUDIT AND RISK COMMITTEE MEETING
TUESDAY 14 MAY 2019
INDEX – AGENDA

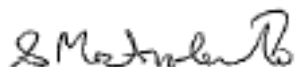
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NOTICE OF MEETING

Dear Committee Member,

The next Audit and Risk Committee of the Shire of Broome will be held on Tuesday, 14 May 2019 in the Council Chambers, Corner Weld and Haas Streets, Broome, commencing at 2:00pm.

Regards

A handwritten signature in dark ink, appearing to read 'S Mastrolembo'.

S MASTROLEMBO
Chief Executive Officer

13/05/2019

1. OFFICIAL OPENING

2. ATTENDANCE AND APOLOGIES

3. DECLARATIONS OF FINANCIAL INTEREST / IMPARTIALITY

4. CONFIRMATION OF MINUTES

RECOMMENDATION:

That the Minutes of the Audit and Risk Committee held on 12 February 2019, as published and circulated, be confirmed as a true and accurate record of that meeting.

5. REPORT OF OFFICERS

5.1 3RD QUARTER FINANCE AND COSTING REVIEW 2018-19

LOCATION/ADDRESS:	Nil
APPLICANT:	Nil
FILE:	FRE02
AUTHOR:	Manager Financial Services
CONTRIBUTOR/S:	Nil
RESPONSIBLE OFFICER:	Director Corporate Services
DISCLOSURE OF INTEREST:	Nil
DATE OF REPORT:	6 May 2018

SUMMARY: The Audit Committee is requested to consider results of the 3rd Quarter Finance and Costing Review (FACR) of the Shire's budget for the period ended 31 March 2019, including forecast estimates and budget recommendations to 30 June 2019.

BACKGROUND

Previous Considerations

OMC 28 June 2018	Item 12.2
OMC 22 November 2018	Item 10.3
OMC 28 February 2019	Item 10.3

Quarter 3 Finance and Costing Review

The Shire of Broome has carried out its 3rd Quarter Finance and Costing Review (FACR) for the 2018/19 Financial Year. This Review of the 2018-2019 Annual Budget is based on actuals and commitments for the first nine months of the year from 1 July 2018 to 31 March 2019, and forecasts for the remainder of the financial year.

This process aims to highlight over and under expenditure of funds and over and under achievement of income targets for the benefit of Executive and Responsible Officers to ensure good fiscal management of their projects and programs.

Once this process is completed, a report is compiled identifying budgets requiring amendments to be adopted by Council. Additionally, a summary provides the financial impact of all proposed budget amendments to the Shire of Broome's adopted end-of-year forecast, to assist Council to make an informed decision.

It should be noted that the 2018/2019 annual budget was adopted at the Ordinary Meeting of Council on 28 June 2018 as a balanced budget. There have been further amendments adopted by Council as part of the Annual Financial Statements for the use of additional carried forward surplus. The result of all amendments prior to the Quarter 3 FACR is a \$126,874 deficit upon the Shire of Broome's forecast end of year position. This \$126,874 of opening deficit relates mainly to the following adopted budget amendments to date:

- \$40,000 additional contribution to the Events Economic Tourism Development funding program as per the adopted minutes OMC 26/4/18 to amend 2018-19 budget upon adoption.
- \$100,000 towards seed funding payable to the revised Broome Future Alliance Ltd as per the adopted minutes of the OMC on 28 June 2018.
- Additional legal fees & Dampier Peninsula NT Appeals - \$75,000
- Singapore Flights – \$58,000

COMMENT

The Quarter 3 FACR commenced on 15 April 2019. The results from this process indicate a deficit forecast financial position to 30 June 2019 of \$151,763 should Council approve the proposed budget amendments.

Officers make every effort to ensure that the net impact of each FACR is as minimal as possible. However, the net deficit forecasted mainly relates to:

- \$208,000 in addition funding provide to the Broome Visitor Centre in the form of \$99,567 cash, a waiver of \$59,345 in property outgoings and \$50,000 to undertake a review of operations;
- \$100,000 towards seed funding payable to the revised Broome Future Alliance Ltd as per the adopted minutes of the OMC on 28 June 2018;
- \$40,000 additional contribution to the Events Economic Tourism Development funding program as per the adopted minutes OMC 26/4/18 amending 2018-19 budget.

The above figure represents a budget forecast should all expenditure and income occur as expected. It does not represent the actual end-of-year position which can only be determined as part of the normal annual financial processes at the end of the financial year.

A comprehensive list of accounts (refer to Attachment 1) has been included for perusal by the committee and summarised by Directorate.

A summary of the results follows:

SHIRE OF BROOME SUMMARY REPORT						
BUDGET IMPACT						
	2018/19 Adopted Budget (Inc) / Exp	FACR Q3 Overall (Income) / Exp (Org Savings not subtracted)	FACR Q3 Org. Exp/(Savings) (by Department)	FACR Q3 Impact (Inc) / Exp (Org Savings subtracted)	YTD Adopted Budget Amendments (Inc) / Exp	YTD Impact (Org Savings Subtracted)
Executive	0	(3,864)	(1,056)	(2,808)	(23,711)	(26,519)
Corporate Services	0	(146,432)	(108,620)	(37,812)	(6,507)	(44,319)
Development and Community	0	279,911	22,200	257,711	(100,792)	156,919
Infrastructure	0	(104,725)	87,476	(192,201)	(108,137)	(300,338)
Impact of Council approved Budget Amendments	0	0	0	0	366,021	366,021
Net impact of Org Savings/Expense	0	0	0	0		0

0,000*	24,889	0	24,889	126,874†	151,763
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CONSULTATION

All amendments have been proposed after consultation with Executive and Responsible Officers at the Shire.

STATUTORY ENVIRONMENT

Local Government (Financial Management) Regulation 1996

r33A. Review of Budget

- (1) Between 1 January and 31 March in each financial year a local government is to carry out a review of its annual budget for that year.
- (2A) The review of an annual budget for a financial year must —
 - (a) consider the local government's financial performance in the period beginning on 1 July and ending no earlier than 31 December in that financial year; and
 - (b) consider the local government's financial position as at the date of the review; and
 - (c) review the outcomes for the end of that financial year that are forecast in the budget.
- (2) Within 30 days after a review of the annual budget of a local government is carried out it is to be submitted to the council.
- (3) A council is to consider a review submitted to it and is to determine* whether or not to adopt the review, any parts of the review or any recommendations made in the review.

*Absolute majority required.

- (4) Within 30 days after a council has made a determination, a copy of the review and determination is to be provided to the Department.

Local Government Act 1995

6.8. Expenditure from municipal fund not included in annual budget

- 1) A local government is not to incur expenditure from its municipal fund for an additional purpose except where the expenditure —
 - (a) is incurred in a financial year before the adoption of the annual budget by the local government;
 - (b) is authorised in advance by resolution*; or
 - (c) is authorised in advance by the mayor or president in an emergency.
- (1a) In subsection (1) —

“additional purpose” means a purpose for which no expenditure estimate is included in the local government's annual budget.

POLICY IMPLICATIONS

2.1.1 Materiality in Financial Reporting

It should be noted that according to the materiality threshold set in Policy 2.1.1 Materiality in Financial Reporting, should a deficit achieve 1% of Shire's operating revenue (\$422,176) the Shire must formulate an action plan to remedy the over expenditure.

FINANCIAL IMPLICATIONS

The **net result** of the Quarter 3 FACR estimates is a budget deficit position of \$151,763 to 30 June 2019.

RISK

The Finance and Costing Review (FACR) seeks to provide a best estimate of the end-of-year position for the Shire of Broome at 30 June 2019. Contained within the report are recommendations of amendments to budgets which have financial implications on the estimate of the end-of-year position.

The review does not, however, seek to make amendments below the materiality threshold unless strictly necessary. The materiality thresholds are set at \$10,000 for operating budgets and \$20,000 for capital budgets. Should a number of accounts exceed their budget within these thresholds, it poses a risk that the predicted final end-of-year position may be understated.

In order to mitigate this risk, the CEO enacted the FACRs to run quarterly and Executive examine each job and account to ensure compliance. In addition, the monthly report provides variance reporting highlighting any discrepancies against budget.

It should also be noted that should Council decide not to adopt the recommendations, it could lead to some initiatives being delayed or cancelled in order to offset the additional expenditure associated with running the Shire's operations.

STRATEGIC IMPLICATIONS

Our People Goal – Foster a community environment that is accessible, affordable, inclusive, healthy and safe:

Effective communication

Affordable services and initiatives to satisfy community need

Our Prosperity Goal – Create the means to enable local jobs creation and lifestyle affordability for the current and future population:

Affordable and equitable services and infrastructure

Key economic development strategies for the Shire which are aligned to regional outcomes working through recognised planning and development groups/committees

Our Organisation Goal – Continually enhance the Shire's organisational capacity to service the needs of a growing community:

An organisational culture that strives for service excellence

Sustainable and integrated strategic and operational plans

Responsible resource allocation

Improved systems, processes and compliance

VOTING REQUIREMENTS

*Absolute Majority***REPORT RECOMMENDATION:**

That the Audit and Risk Committee recommends that Council:

- 1. Receives the Quarter 3 Finance and Costing Review Report for the period ended 31 March 2019;*
- 2. Adopts the operating and capital budget amendment recommendations for the year ended 30 June 2019 as attached; and*
- 3. Notes a forecast end-of-year position to 30 June 2019 of a \$151,763 deficit position.*

(ABSOLUTE MAJORITY REQUIRED)

Attachments

1. 2018/19 Q3 Finance and Costing Review Report

SHIRE OF BROOME FINANCE & COSTING REVIEW QUARTER 3 2018-19

Account	Job	Description	2018/19 Current Budget	2018/19 YTD Actuals	Proposed Budget Amendment	Proposed Budget	Reserve Movement	Amendment Description	Org. Savings / Expense
OFFICE OF THE CEO									
ADMIN1 - Chief Executive Officer - S Mastrolemo									
22121		Kimberley Zone - SOB's Members Costs - Op Exp - Kimberley Zone	25,000	8,061	-12,000	13,000		Estimated savings having only one Zone meeting remaining	
22124		Contribution to Kimberley Zone Secretariat	55,000	51,500	-3,500	51,500		Savings from reduction of member contribution to only \$51.5K this year	
22125		WARCA (WA Regional Capitals Alliance) - Op Exp - Other Governance	35,000	19,256	-10,000	25,000		Savings from deferral of next meeting occurring in Karratha in July	
22230		Legal Exps Op Exp - Other Governance	25,000	564	-20,000	5,000		Savings expected from absence of contentious legal matters	-20,000
23015		Executive Travel & Accom - Op Exp - Other Governance	25,000	13,491	-5,000	20,000		Savings	
			165,000	92,862	-50,500	114,500			-20,000
CS3 - Manager People and Culture - R Sharland									
142042		Performance Based Rewards - Gen Admin	13,081	10,270	4,000	17,081		Increased cost in Gratuity Policy 2.2.7 due to exiting employees with existing long term service recognition.	4,000
142043		Organisational Training - General	230,000	112,333	-34,000	196,000		Organisational training budget has been reviewed and adjusted down due to competing priorities across the association	-34,000
142044		Uniform - Op Exp - General Admin O'Heads	20,000	19,250	4,600	24,600		Forecast total cost based on actual rate of spending due to new starters	
142046		Recruitment Expenses - Op Exp - General Admin O'Heads	90,000	120,582	40,000	130,000		Additional expenditure due to vacancies in senior roles within the organisation	40,000
142191		Relocation & Removal Costs - All Staff - Op Exp - Corp Gov	30,000	16,217	21,217	51,217		Increase due to vacancies of senior roles - 1 Director and 2 Manager roles	21,217
142261		Occupation Health & Safety - Op Exp - General Admin O'Heads	27,000	3,788	10,000	37,000		OH&S Incident investigation (Library)	10,000
142390		Reimb Bonuses Rebates & Sundry Income Inc GST - Op Inc - General Admin O'Heads	-5,000	-15,416	-10,000	-15,000		Reimbursement of training costs shared with Kimberley Zone members plus 20%	-10,000
148281	148281	Works Staff Training - Op Exp	52,091	33,026	-10,000	42,091		RO: ES5 Works Coordinator - Training undertaken had been spent from organisational training budget	-10,000
148282	148286	Works Medicals - Op Exp - Works Operations	5,450	0	-5,250	200		RO: ES5 Works Coordinator - HR cover the cost budget amendment to HR cover overspend	
142481		HR Operating Grants Rec'd - Op Inc - Gen Admin	0	-2,273	-2,273	-2,273		Trainee education grant received.	-2,273
			462,622	297,777	18,294	480,916			18,944
ES7 - Special Projects Coordinator - J Macmath									
108001		New Refuse Site Exp - Op Exp - Regional Resource Recovery Park	245,000	77,260	-70,000	175,000		Funds carried over from prior year that remained unspent and proposed to be transferred back to RRRP reserve.	
101895		Transfer to Regional Resource Recovery Park Reserve - Cap Exp - Reg Res Rec Pk MUN	282,624	29,275	70,000	352,624	70,000	RO: BA Coordinator Financial Services - Unspent funds from prior year from account 108001 - New Refuse Site Exp - RRRP	
1367218		CIDC Led Initiatives - Op Exp - Economic Services Special Projects	254,503	136,189	135,808	390,311		Reallocate remaining CIDC account funds into the CIDC Activation Initiative Budget as per April Steering Committee Budget Report. Includes RED Grant (\$50,000) and BBRF Grant (\$32,739) funds reimbursing expenditure	
1367208		Other Employment Costs - Op Exp - Economic Services Special Projects	9,515	5,078	113	9,628		Funds transferred into 1367218 as per April Steering Committee Budget Report	
1367220	ELP2018	2018 Activation Initiative Grants - Op Exp	53,874	25,375	-24,840	29,034		Funds transferred into 1367218 as per April Steering Committee Budget Report	

Account	Job	Description	2018/19 Current Budget	2018/19 YTD Actuals	Proposed Budget Amendment	Proposed Budget	Reserve Movement	Amendment Description	Org. Savings / Expense
1367301		Grants & Contributions Received - Op Inc - Economic Services Special Projects	0	0	-82,739	-82,739		\$50,000 RED Grant committed for Chinatown Discovery Festival, though will not become available until May 2019. Another \$32,739 of BBRF to be received in 19/20 but intended to offset Chinatown Discovery Festival expenses incurred in 18/19.	
			845,516	273,177	28,342	873,858	70,000		0

OVERALL OFFICE OF THE CEO - DEPT. SAVINGS/EXPENSE	-3,864	OFFICE OF THE CEO - ORG. SAVINGS/EXPENSE	-1,056
RESERVE MOVEMENT - OFFICE OF THE CEO	70,000		
OFFICE OF THE CEO - NET IMPACT (EXC. ORG.SAVINGS/EXPENSE)	-2,808		

DEVELOPMENT & COMMUNITY

DS1 - Director Development & Community - A Stuyt									
105054	105055	Coastal Management Operational - Op Exp -Prot of Environment	29,500	9,430	-9,500	20,000		In-kind component of the budget that is not likely to be spent	
106038		Legal Expenses - Development Services	100,000	79,908	-10,000	90,000		Amount not likely to be spent at completion of the final work on Dampier Peninsula appeals. Full amount covered by the existing PO.	-10,000
106039		Planning Appeals - Op Exp - Town Planning/ Regional Devel	10,000	707	-2,000	8,000		Minor reduction due to no appeal work to date. Funds may be required should a planning appeal or any further action be required.	-2,000
106106	106123	Project - LPS & LPS6 - Op Exp - Development Services	50,000	3,000	21,830	71,830		Transfer from account 106055 to cover Building Height Tech Review as per PO 89116.	
106030	106055	Planning General Project Consult - Op Exp Town Planning/Reg Dev	135,000	55,867	-21,830	113,170		\$21K transferred to account 106123 to cover delivery of Building Heights Technical Review. The \$21K component is made up of original \$15K for consultants and \$6K of savings from the Cable Beach Tech studies.	
132414		Broome Visitor Centre - Rent & Recoup Income - Op Inc	-260,444	-228,052	59,345	-201,099		PM3 - Property and Leasing Senior Officer - P McBride 'April 2019 OMC resolution to waive \$50,345 of current outgoings in arrears from P/C.	
132050		Broome Visitor Centre Complex- Op Exp - Tourism & Area Promotion	150,036	169,569	50,000	200,036		April 2019 OMC resolution to allocate \$50,000 to undertake an independent external operational review, needs analysis and options report to identify how the Broome Visitor Centre can be a sustainable venture moving forward.	
132070		Broome Visitor Centre - Annual Subsidy - Op Exp - Tourism & Area Promot	110,000	110,000	95,567	205,567		April 2019 OMC resolution to allocate an immediate funding of \$90,567.	
106390		Reimbursements Received - Development Services	-5,000	664	5,000	0		No reimbursements allocated this year. \$644 incorrectly allocated - relates to expenses associated with the submission of a doc	
			319,092	201,092	188,412	507,504			

BRAC1 - Manager Sport & Recreation - C Zepnick									
113708		Grant Funded Operational Expense - Rec Serv	25,000	4,410	-10,000	15,000		Lower take up. Corresponds with decrease in 113751.	
113751		Operating Grants & Contributions Rec'd - Recreation Services - Op Inc	-45,000	0	10,000	-35,000		KidSport funding reduced to reflect reduced expenditure. Linked to Account 113708	
117010	117011	Aquatic Building & Pool General Maint Exp	10,000	6,499	8,855	18,855		Waiting on Every Club funding agreement to be finalised. Project brief submitted Aquatic UV disinfection that was proposed to be funded through FACB 3.	
117140		BRAC Equipment - Dry Programs - Op Exp - BRAC - Dry	8,000	8,529	2,500	10,500		Potential cost of relocating junior sporting groups to school fields. (note Council decision 2016 not to charge venue hire for junior sport)	

Account	Job	Description	2018/19 Current Budget	2018/19 YTD Actuals	Proposed Budget Amendment	Proposed Budget	Reserve Movement	Amendment Description	Org. Savings / Expense
117160		Salary - Op Exp - BRAC Dry	15,984	6,922	-5,000	10,984		Salary savings	-5,000
117171		Salary - Op Exp - Holiday Prog Exps - BRAC Dry	29,341	17,957	-5,000	24,341		Salary savings	-5,000
113704		Consultants - Op Exp - Rec Services	8,990	4,545	-4,000	4,990		BRAC1 - Manager Sport and Recreation - C Zepnick 'Operational savings identified to offset BVC expenditure arising from April 2019 OMC	
1140211		General Operating Exp - Swim Areas & Beach Life Guard	240,243	123,323	-7,000	233,243		BRAC1 - Manager Sport and Recreation - C Zepnick 'Operational savings identified to offset BVC expenditure arising from April 2019 OMC	
117252		Introductory Programs - Op Inc - BRAC Dry	-8,000	-6,056	-4,000	-12,000		Floorball and Futsal in term 2 will see income increase in this account	
			284,558	166,128	-13,645	270,913			

BS1 - Manager Planning & Building Services - K Wood									
133410		Stat Fees & Lic - Building Permits	-50,000	-29,678	10,000	-40,000		Number of building permits received in comparison from this time last financial year has decreased by 30% (down 32 applications from FY17/18). Has also been a 30% decrease in value of works which impacts upon revenue.	10,000
106039		Planning Appeals - Op Exp - Town Planning/ Regional Devel	10,000	707	-1,500	8,500		BS1 - Manager Building and Planning - K Wood 'Operational savings identified to offset BVC expenditure arising from April 2019 OMC	
106040		Advertising - Op Exp - Town Planning/Regional Devel	4,000	1,136	-1,000	3,000		BS1 - Manager Building and Planning - K Wood 'Operational savings identified to offset BVC expenditure arising from April 2019 OMC	
			-36,000	-27,835	7,500	-28,500			

CMS2 - Manager Community & Economic Development - M Davis									
23040		Youth Development Programme & Working Group - Op Exp - Other Governance	36,545	5,047	-6,000	30,545		Decreased cost of Youth Week Event costs having secured partnership/grant through Headspace. YAC Camp reduced	
23052		Volunteers Day Program Op Exp - Other Governance	2,000	0	1,000	3,000		Increase to reflect successful \$1000 Grant from Volunteers Australia	
82611		Consultants - Op Exp - Community Services	70,000	0	-70,000	0		Expenses for strategy and action plan to address homelessness in Broome is reliant on 100% grant funding. Department of Communities has advised no funding is available	
82617		Community Development Strategy - Op Exp - Community Services	15,000	8,917	-1,000	14,000		Only \$14K to be used by completion of remaining community safety clinics and wrap up (Male Oval)	
82670		Grant Income - Comm Services	-75,000	0	75,000	0		Expenses for strategy and action plan to address homelessness in Broome is reliant on 100% grant funding. Department of Communities has advised no funding is available. In addition, no income identified to assist with	
82675		Grants For Community Programs - Op Inc - Community Services	-15,000	-1,000	-4,880	-19,880		Additional grants \$10880 WAPOL and \$1000 Volunteer Australia. \$8000 DoC totalling \$19,880	
			33,545	12,964	-5,880	27,665			

CMS3 - Events and Economic Development Coordinator - R Chappell									
22174		Sundry In Kind Donations Op Exp - Other Governance	164,236	184,078	33,000	197,236		Additional funds for EETD in line with the actual payout based on approved funding agreements, OMC decisions. (\$212,007 approved in 17/18)	33,000
116184	116199	Christmas Deco and Street Party Works - Op Exp	67,879	44,649	-5,000	62,879		Final cost have been ascertained and identified \$5,000 to be moved to provide support for the Cable Beach Polo event	
116184	116197	Australia Day Concert & Fireworks Events Op Exp - Other Cult	10,950	9,999	-1,500	9,450		Final cost have been ascertained and identified \$1,500 savings	
1161840	116198	Sundry Community Events	0	6,409	23,900	23,900		\$17,500 cancellation payment of Opera Under the Stars and to cover the existing charges in the account of \$6,400	17,500
1138332		Grant Income & Contributions - Op Inc - Other Culture	-30,000	-2,364	5,000	-25,000		Only grant expected for Reconciliation Week is \$20,000 which is still awaiting notification from Lotterywest.	

Account	Job	Description	2018/19 Current Budget	2018/19 YTD Actuals	Proposed Budget Amendment	Proposed Budget	Reserve Movement	Amendment Description	Org. Savings / Expense
			213,065	242,772	55,400	268,465			
CMS4 - Venue Supervisor - D Lockwood									
116483		Broome Civic Centre Operational Grants & Contributions - Op Inc - Bme Civic Centre	-55,000	0	55,000	0		Raise the Roof grant received \$80,000 in 17/18 and held in reserve account 116511 has been transferred out from reserve in Q2 FACR. This income from Reserve transfer that occurred in Q2 FACR substitutes this grant.	
116489		Operational Expenses - Broome Civic Centre - Production/Events	53,000	51,511	6,000	59,000		Expenditure increased due to additional shows.	
116540		Broome Civic Centre Reimbursements Received - Op Inc - Bme Civic Centre	-43,000	-25,798	6,000	-37,000		Hires haven't required security services resulting in lesser reimbursement.	
116541		Broome Civic Centre Venue Income - Op Income - Bme Civic Centre	-185,067	-108,770	15,500	-169,567		Venue hire est by EOFY to be \$46K - due to smaller events occurring using Sammy Room rather than Jimmy Chi. This was partly offset by exceeding budget on ticket.	15500
116492		Sundry Consultant Expenses - Broome Civic Centre - Op Exp MUN	60,000	40,000	-10,000	50,000		Savings through Operational Review RFQ process	
			-170,067	-43,058	72,500	-97,567			
HS1 - Manager Health & Ranger Services - J Kneipp									
51400		Fines - Op Inc - Fire Prevention	-2,500	0	2,500	0		2018 Bushfire season fines are likely to be issued by 30 June.	
52040		Pound Fees Animal Destruction & Disposal - Op Exp - Animal Control	80,000	39,790	5,000	85,000		Increased stray animal pick up. Additional \$5K required.	
52400		Animal Fines & Penalties - Op Inc - Animal Control	-12,000	-891	9,000	-3,000		Not likely to achieve budget. Tracking lower than normal.	
53018		Rangers Equipment - Op Exp - Ranger Operations	7,500	955	-3,500	4,000		Savings estimated upon completion of remaining work on ranger Ute - Graphic Design \$1.5k, and production/installation \$2,500.	
53257	53271	Cable Beach Vehicle Ramp Signage Upgrade - Cap Exp - Oth Law Ord & PS	17,500	0	-17,500	0		RFQ still outstanding and not likely to acquire by EOFY. To be revisited in 19/20 Q1 when sufficient staffing level is in place.	-17,500
53257	53270	Fire Danger Rating Signs: Old Broome Rd/Cape Leveque Rd (Electronic Board)	14,300	0	-14,300	0		RFQ still outstanding and not likely to acquire by EOFY. To be revisited in 19/20 Q1 when sufficient staffing level is in place.	-14,300
74280		Other Minor Expenditure - Op Exp - Preventive - Inspection/Admin	46,890	7,763	-3,500	43,390		Likely savings upon completion of the last trip to North and South Inspections.	
74414		Water Sampling (Not Swimming Pools) - Op Inc - Health Service Inspect	-2,860	-365	1,460	-1,400		Likely to program only 20 remaining Inspections by EOFY.	
75020		Mosquito Control & Pest Control - Op Exp - Preventive Service-Pest Control	14,084	5,477	-5,000	9,084		Unlikely to expend any further funds this financial year. Need to acquit agreed expenditure with DOH and retain surplus funds in case of Mosquito outbreak.	
75030		Eradication Fleas/Rodents - Op Exp - Preventive Service-Pest Control	2,000	841	-1,000	1,000		An order for this year will be put through soon but only expected to require \$1K.	
75391		Grants and Contributions Rec'd Op Inc - Prev Svcs - Pest Control	-2,000	-3,026	-1,036	-3,036		Higher amount billed to DOH for \$3.3K to be received in Q4.	
76020		Analytical Expenses - Op Exp - Preventive Services Other	22,000	13,492	-4,000	18,000		Savings expected. Remaining funds will be required in Q4.	
53015		Relief Staff Exp - Op Exp - Ranger Operations	46,575	46,575	16,708	63,283		Casual Ranger relief staff to be funded by salary savings of Development and Community Directorate of \$66.50 per hour ex GST for 4 38-hour work week plus \$600 return airfare, a month's accommodation at \$150 per night and Casual Ranger relief staff to be funded by salary savings of Development and Community Directorate.	16,708
82600		Salary - Op Exp - Community Services	371,918	251,747	-4,177	367,741		Casual Ranger relief staff to be funded by salary savings of Development and Community Directorate.	-4,177
106010		Salary - Op Exp - Planning	493,083	317,552	-4,177	488,906		Casual Ranger relief staff to be funded by salary savings of Development and Community Directorate.	-4,177
106100		Salary - Op Exp - Development Services	424,889	334,502	-4,177	420,712		Casual Ranger relief staff to be funded by salary savings of Development and Community Directorate.	-4,177
133010		Salary - Op Exp - Building Control	166,826	146,790	-4,177	162,649		Casual Ranger relief staff to be funded by salary savings of Development and Community Directorate.	-4,177
53018		Rangers Equipment - Op Exp - Ranger Operations	7,500	955	-1,500	6,000		HS1 - Manager Health & Ranger Services - J Kneipp Operational savings identified to offset BVC expenditure arising from April 2019 OMC.	

Account	Job	Description	2018/19 Current Budget	2018/19 YTD Actuals	Proposed Budget Amendment	Proposed Budget	Reserve Movement	Amendment Description	Org. Savings / Expense
53060		Impounding of Vehicles Expense - Op Exp - Other Law Order & Public Safety	15,000	2,645	-4,000	11,000		HS1 - Manager Health & Ranger Services - J Kneipp *Operational savings identified to offset BVC expenditure arising from April 2019 OMC	
53286		Warning Signs Maintenance - Op Exp - Other Law Order & Public Safety	1,000	0	-1,000	0		HS1 - Manager Health & Ranger Services - J Kneipp *Operational savings identified to offset BVC expenditure arising from April 2019 OMC	
52282		Other Minor Exp - Op Exp - Ranger Operations	0	0	-5,000	-5,000		HS1 - Manager Health & Ranger Services - J Kneipp *Operational savings identified to offset BVC expenditure arising from April 2019 OMC	
75020		Mosquito Control & Pest Control - Op Exp - Preventive Service- Pest Control	14,084	5,477	-1,000	13,084		HS1 - Manager Health & Ranger Services - J Kneipp *Operational savings identified to offset BVC expenditure arising from April 2019 OMC	
124910		Parking Fines - Op Inc - Parking Facilities	-25,000	-3,469	20,000	-5,000		Rectification of infringement templates and Chinatown development activity has reduced income in FY18/19. Amount of EOBY likely to be no more than \$5K	
			1,700,789	1,166,808	-24,376	1,676,413	0		

OVERALL DEVELOPMENT & COMMUNITY - DEPT. SAVINGS/EXPENSE	279,911	DEVELOPMENT & COMMUNITY - ORG. SAVINGS/EXPENSE	22,200
RESERVE MOVEMENT - DEVELOPMENT & COMMUNITY	0		
DEVELOPMENT & COMMUNITY - NET IMPACT	257,711		

CORPORATE SERVICES

CS1 - Director Corporate Services - J Watt									
23451		Staff EBA Review Provision - Op Exp - Other Gov	10,000	0	-10,000	0		Contingency funds for EBA IR issues no longer required	-10,000
24060		Broome Shire Council Allowances Members Op Exp - Members	251,887	188,914	-4,313	247,575		3 monthly payments no longer required for 1 elected member position	
142012		Relieving Staff Exp - DCS - Gen Admin	10,000	111	-10,000	0		Fund allocated to cover staff vacancy in preparation for EOBY audit no longer required	-10,000
142231		Consultants Corp Serv - Op Exp - Corp Gov Support	83,000	7,805	38,000	121,000		Savings from the deferral of the revaluation or plant and equipment asset class following amendments to the FMR. \$50K increase from 142231 for Business Improvement Consultants	
142002		Salary - Op Exp - Corp Serv Directorate	269,565	140,386	-100,000	169,565		Unable to recruit Business Improvement Coordinator. \$50K savings and \$50K reduction (transfer to 142231)	-50,000
142003		Superannuation Employee Expense - Corp Service Directorate	35,176	13,337	-10,000	25,176		Unable to recruit Business Improvement Coordinator	-10,000
			659,628	350,553	-96,313	563,316			

CS2 - Manager Financial Services - A Santiago									
82600		Salary - Op Exp - Community Services	371,918	251,747	-59,752	312,166		70% of estimated salaries and wages savings to be transferred to POS reserve (Note: certain accounts selected to shorten the list of amendments.)	
106010		Salary - Op Exp - Planning	493,083	317,522	-99,356	393,727		70% of estimated salaries and wages savings to be transferred to POS reserve (Note: certain accounts selected to shorten the list of amendments.)	
106100		Salary - Op Exp - Development Services	424,889	334,502	-10,107	414,782		70% of estimated salaries and wages savings to be transferred to POS reserve (Note: certain accounts selected to shorten the list of amendments.)	
106107		Superannuation Employee Expense - Development Services	57,928	37,746	-4,785	53,143		70% of estimated salaries and wages savings to be transferred to POS reserve (Note: certain accounts selected to shorten the list of amendments.)	
122204		Street Lighting - Mnthly Elect Accts & Insurance - Op Exp - Road Operating Exp	441,830	287,298	-60,000	381,830		Estimated power savings to be transferred to POS reserve (Note: certain accounts selected to shorten the list of amendments.)	

Account	Job	Description	2018/19 Current Budget	2018/19 YTD Actuals	Proposed Budget Amendment	Proposed Budget	Reserve Movement	Amendment Description	Org. Savings / Expense
113000	113040	Cable Beach - P&G Maint	56,440	28,737	-3,000	53,440		Estimated water savings to be transferred to POS reserve (Note: certain accounts selected to shorten the list of amendments.)	
111989		Transfer to POS Reserve - Cap Exp - Parks & Ovals	1,009,197	5,528	237,000	1,246,197	237,000	Estimated salaries, wages, power and water savings to be transferred to POS reserve	
32492		Back Rates - Op Inc - Rates	-24,279	-2,899	21,380	-2,899		Work still being done on Djirindjin airport but not expected to be completed by end of June	21,380
			2,831,006	1,260,180	21,380	2,852,386			

CS4 - Manager Governance - D Kennedy									
24280		Sundry Expenses - Op Exp - Members	7,060	1,189	-1,000	6,060		Savings.	
142070		Printing & Stationery - Op Exp - General Admin O'Heads	20,000	10,334	-4,000	16,000		Savings on estimated expenditure required for D&C mail outs	
142090		Postage & Freight - Op Exp - General Administration O'Heads	24,000	15,730	-2,500	21,500		Savings on estimated expenditure required for D&C mail outs	
142100		Advertising - Op Exp - General Administration O'Heads	3,000	734	-1,000	2,000		Savings on public notices.	
142233		Consultants Administration Dept - Op Exp - Corp Gov Support	7,000	6,835	-3,000	4,000		\$5K allocated to Attain licence - journal to 146102	
			61,060	34,821	-11,500	49,560			

CS6 - Manager Information Technology - P Smith									
146110		Minor Assets<\$5000 - IT Exp MUN	80,350	68,485	-10,000	70,350		Savings on equipment replacement budget.	
146111		IT Contract Consultants - Exp	177,945	62,543	-78,000	99,945		Savings from GIS contract. \$28K for Digital Strategy transferred to reserve	-50,000
141995		Transfer to Equip & Insurance Reserve IT Operations Cap Exp MUN	3,816	391	28,000	31,816	28,000	RO: BA Coordinator Financial Services: Savings from GIS contract. \$28K for Digital Strategy transferred to reserve	
			181,761	62,934	-50,000	131,761			

OVERALL CORPORATE SERVICES - DEPT. SAVINGS/EXPENSE -146,432

CORPORATE SERVICES - ORG. SAVINGS/EXPENSE -108,620

RESERVE MOVEMENT - CORP 265,000

CORPORATE SERVICES - NET IMPACT (E) -37,812

INFRASTRUCTURE SERVICES

ES1 - Director Infrastructure - A Graffen									
122204		Street Lighting - Mnthly Elect Accts & Insurance - Op Exp - Road Operation Exp	441,830	287,298	-14,000	427,830		Streetslights power savings	-14,000
143013		Superannuation Employee Expense - Engineering	87,495	54,059	-12,000	75,495		Savings from vacancies	-12,000
1042510		Vehicles & Mobile Plant New - Cap Exp - Sanitation Other	45,000	0	-15,170	29,830		Savings from purchase of Caged Tipper w/ Hydraulic Bin Lift	
101513		Transfer to Equip & Insurance ReserTransfer to Plant Reserve - Cap Exp - Refuse Siteve IT Operations Cap Exp	0	0	15,170	15,170	15,170	RO: BA Coordinator Financial Services - Savings from purchase of Caged Tipper w/hydraulic bin lift (account 1042510)	
1181401		Town Beach Redevelopment -Other Infra New - Cap Exp	4,686,712	4,454,497	40,000	4,726,712		All funds committed and still awaiting installation of stairs.	
1181402		Town Beach Redevelopment - Fishing Platform & Amenities -Other Infra New - Cap Exp	271,138	0	31,408	302,546		RFO for Ablution Block closed. RFO for installation is pending Heritage approval of design.	
113371		Royalties For Regions Loc Govt Non Op Grant - Op Inc - Other Recreation & Sport	-271,138	0	-31,408	-302,546		RO: BA - Coordinator Financial Services: Grant funding increase with corresponding increase in Expense 1181402	
1367504		Grants & Contr. Received Non Op - Cap Inc - Economic Services Special Projects	-3,450,000	-2,950,000	-230,000	-3,680,000		Interest on DPTD Grants held in WAIC deposit that is likely to be allowed to be spent on the project resulting in additional expense of equal amount	

Account	Job	Description	2018/19 Current Budget	2018/19 YTD Actuals	Proposed Budget Amendment	Proposed Budget	Reserve Movement	Amendment Description	Org. Savings / Expense
1367405	1367412	Public Art (funded from Reserve) - Other Infra New - Cap Ex	580,000	92,701	-273,632	306,368		Reserve funds originally allocated to Chinatown Public Art that has been pulled back and to be transferred back to Public Art Reserve to fund the Chinatown Entry Statement Project in 19/20. Further \$115,000 reduction to reallocate funds to Carnarvon Contingency (Yawuru storylines interpretation).	
1033499		Transfer to Public Art Reserve - Cap Exp - Other Community Amenities MUN	3,816	391	158,632	162,448	158,632	RO: BA Coordinator Financial Services - Unspent Chinatown Public Art funds to be transferred back to reserve to fund the Chinatown Entry Statement	
1367404	1367408	Carnarvon St Upgrade - Cap Ex	4,463,692	4,424,002	115,000	4,578,692		Additional \$115,000 reduction of Public Art component of Chinatown Project to reallocate funds to Carnarvon Contingency (Yawuru storylines interpretation).	
1367211		****DO NOT USE**** Chinatown Revitalisation Consultant and Other Expense	75,000	93,164	-47,500	27,500		Kimberley Centre Feasibility closeout position at \$27,500 only. Funds reclassified to construction works.	
1367405	1367413	Chinatown Public Wi-Fi Project - Other Infra New - Cap Ex	0	150	120,000	120,000		RO: Manager Information Technology - To separate the Public Wifi Project from the Carnarvon Upgrade Budget and reflect most recent estimate of	
148287		Workshop Renewal - Fabrication Area - Op Ex	4,786	124	-3,000	1,786		ESS - Works Coordinator - D Greaves Operational savings identified to offset BVC expenditure arising from April 2019 OMC	
148292		Tool Replacement - Op Exp - Depot Operations	13,200	5,814	-3,000	10,200		ESS - Works Coordinator - D Greaves Operational savings identified to offset BVC expenditure arising from April 2019 OMC	
148298		Depot Training - Op Exp - Depot Operations	14,158	1,034	-2,800	11,358		ESS - Works Coordinator - D Greaves Operational savings identified to offset BVC expenditure arising from April 2019 OMC	
102202	102202	Drainage - Works Maint	151,828	160,163	-3,000	148,828		ESS - Works Coordinator - D Greaves Operational savings identified to offset BVC expenditure arising from April 2019 OMC	
121217	121217	Urban Street House Number - Works Maint	34,749	16,063	-4,000	30,749		ESS - Works Coordinator - D Greaves Operational savings identified to offset BVC expenditure arising from April 2019 OMC	
121990	121990	Carpark - Works Maint	46,216	12,883	-5,000	41,216		ESS - Works Coordinator - D Greaves Operational savings identified to offset BVC expenditure arising from April 2019 OMC	
122000	121025	Sector 2 Cable Beach - Works Maint	267,768	104,433	-3,000	264,768		ESS - Works Coordinator - D Greaves Operational savings identified to offset BVC expenditure arising from April 2019 OMC	
122000	121026	Sector 3 Old Broome - Works Maint	276,552	175,273	-2,000	274,552		ESS - Works Coordinator - D Greaves Operational savings identified to offset BVC expenditure arising from April 2019 OMC	
122000	121027	Sector 4 Sunset Park - Works Maint	214,063	36,630	-2,500	211,563		ESS - Works Coordinator - D Greaves Operational savings identified to offset BVC expenditure arising from April 2019 OMC	
122000	121028	Sector 5 Roebuck Est - Works Maint	261,375	25,367	-2,000	259,375		ESS - Works Coordinator - D Greaves Operational savings identified to offset BVC expenditure arising from April 2019 OMC	
122000	121029	Sector 6 Broome North / Blue Haze - Works Maint	149,242	64,162	-3,000	146,242		ESS - Works Coordinator - D Greaves Operational savings identified to offset BVC expenditure arising from April 2019 OMC	
113000	113043	Town Beach - P&G Maint	175,577	110,665	-2,000	173,577		ESS - Works Coordinator - D Greaves Operational savings identified to offset BVC expenditure arising from April 2019 OMC	
113000	113543	Town Beach Water Park - P&G Maint	88,152	99,957	-3,500	84,652		ESS - Works Coordinator - D Greaves Operational savings identified to offset BVC expenditure arising from April 2019 OMC	
107071	107071	Male Oval Ablutions - Operating Expense - Op Exp	43,373	32,206	-3,000	40,373		ESS - Works Coordinator - D Greaves Operational savings identified to offset BVC expenditure arising from April 2019 OMC	
132310	132310	Roebuck Bay CP - Planned Maint & Minor Works - Op Exp	36,320	12,464	-2,500	33,820		ESS - Works Coordinator - D Greaves Operational savings identified to offset BVC expenditure arising from April 2019 OMC	

Account	Job	Description	2018/19 Current Budget	2018/19 YTD Actuals	Proposed Budget Amendment	Proposed Budget	Reserve Movement	Amendment Description	Org. Savings / Expense
143033		Title Searches/Survey Info - Op Exp - Engineering Office	10,000	5,548	-4,000	6,000		ES5 - Works Coordinator - D Greaves Operational savings identified to offset BVC expenditure arising from April 2019 OMC	
104270	104299	Short St-Paspeley Camarvon Street New Drainage Const - Cap Exp	730,000	54,059	-115,334	614,666		ES9 - Manager Engineering - P Collins \$115,334.27 of 19/20 Budget residual to be allocated to this project in order to offset the \$115,334.27 budget that was given up as savings in FACR 3 18/19 to fund the BVC	
1367402		Chinatown Revitalisation Project Management - Cap Exp - Economic Services Special Projects	669,268	600,567	314,015	983,283		Increase Superintendency and Engineering Consultancy costs due to complexity of CRP and time related expenses due to extension of time	
			#####	8,219,375	6,881	#####			

ES3 - Manager Works - J Welshman									
52950		Proceeds From Sale of Assets - Cap Inc- Ranger Operations	-13,000	-6,818	6,182	-6,818		Less income from trade-ins	
107540	107541	Cemeteries Other Infrastructure Upgrade - Cap Exp- Oth Com A	54,440	0	-54,440	0		Car park deferred to prioritise on the internal road network. To be transferred to POS Reserve	
107989		Transfer to POS Reserve - Cap Exp - Other Community Amenities	0	0	54,440	54,440	54,440	RO: Coordinator Financial Services: Cemetery car park deferred to prioritise on the internal road network (from 107541)	
125300	VARPATH	Various Footpath Renewal - Renewal Construction - Cap Exp	417,928	269,841	10,000	427,928		Additional \$10,000 required to complete exposed aggregate path on Male Oval near toilet existing budget committed.	
145103		Plant Parts & Repairs - Op Exp - Plant Operation	266,300	288,496	62,000	328,300		Overspend due to Bomag compactor (funded through WME Reserve)	
1052510		Transfer From Refuse Site Reserve - Sanitation Other	-45,000	0	-62,000	-107,000	-62,000	RO: BA Coordinator Financial Services - Overspend on Bomag compactor (expense in 145103).	
145105		Plant Fuel & Oil - Op Exp - Plant Operation	327,481	249,169	-40,000	287,481		Savings	
148060		Relief Staff Op Exp - Depot Ops	125,070	146,480	40,000	165,070		Current casual staff from April to June to replace staff on LSL. 1 x \$50/hr = \$25,000. Casual staff to fill positions \$15,000	
148608		Transfer from Leave Reserve - Depot Operations	0	0	-25,000	-25,000	-25,000	RO: BA Coordinator Financial Services - Transfer from reserve to cover LSL expenses incurred in account 148060	
148070		Salary - Op Exp - Depot (Management)	34,709	7,705	-15,000	19,709		Savings to cover relief staff	-15,000
148279	148279	Apprentice Training - Depot	2,500	0	40,000	42,500		Allocation for two trainees @\$20 (approx)/hr from March to June inclusive Salary savings to cover the cost (up to June end) approved to be funded by amount held in reserve for unspent grants from Rio Tinto.	
148230		Transfer to Restricted Cash Reserve - Cap Exp - Depot Operations	0	0	-40,000	-40,000	-40,000	Allocation for two trainees @\$20 (approx)/hr from March to June inclusive Salary savings to cover the cost (up to June end) approved to be funded by amount held in reserve for unspent grants from Rio Tinto.	
148290		Plant Equip & Tools Over \$5000 - Depot (Excluding Vehicles)	12,000	0	-12,000	0		Air compressor in good condition, push purchase out to next year. Transfer back to plant reserve	
142988		Transfer to Plant Reserve - Cap Exp - Engineering Office	424,500	3,746	12,000	436,500	12,000	Air compressor in good condition, push purchase out to next year. Transfer back to plant reserve	
			1,606,928	958,621	-23,818	1,583,110			

ES5 - Works Coordinator - D Greaves									
121776		Rds To Recovery Non Op Grant for Urban Rds - Non Op Inc	231,305	231,305	0	231,305		Budget remained at \$231,305 but now allocated to 121776 Hamersley St. Upgrade at \$225,000 and \$141,758 to RRU Dampier.	
122000	121029	Sector 6 Broome North / Blue Haze - Works Maint	149,242	64,162	-15,000	134,242		Timing of Works. Increased focus on Sector 1, 3 and 7. Additional Works to tie in with Roundabout Reconstruction.	
122000	121027	Sector 4 Sunset Park - Works Maint	214,063	36,630	-20,000	194,063		Timing of Works. Increased focus on Sector 1, 3 and 7. Additional Works to tie in with Roundabout Reconstruction.	

Account	Job	Description	2018/19 Current Budget	2018/19 YTD Actuals	Proposed Budget Amendment	Proposed Budget	Reserve Movement	Amendment Description	Org. Savings / Expense
122000	121025	Sector 2 Cable Beach - Works Maint	267,768	104,433	-20,000	247,768		Timing of Works. Increased focus on Sector 1, 3 and 7. Additional Works to tie in with Roundabout Reconstruction.	
122000	121028	Sector 5 Roebuck Est - Works Maint	261,375	25,367	-30,000	231,375		Timing of Works. Increased focus on Sector 1, 3 and 7. Additional Works to tie in with Roundabout Reconstruction.	
122000	121011	Sector 1 Chinatown - Works Maint	177,285	100,813	40,000	217,285		Timing of Works. Increased focus on Sector 1, 3 and 7. Additional Works to tie in with Roundabout Reconstruction.	
123000	123000	Mtce Streets, Rds - Rural Summary Budget Only -No Post-Op Exp	972,054	0	-20,000	952,054		RFQ 19-24 Materials purchase PO in the system. \$20K savings.	
125140	125222	Hunter Street - Footpath Construction	150,000	0	81,000	231,000		Budget Allocation for Pembroke Street carried over to Hunter Street. Estimate for Stage 1 and Stage 2	
			2,423,092	562,711	16,000	2,439,092			

ES8 - Waste Coordinator - T Parkinson									
101030	101052	Vandalism Repair Exps - Op Exp - San Gen Refuse	2,000	5,321	8,000	10,000		Cost of ongoing fence repairs from break in.	
101031	101037	Liquid Waste - Works - Op Exp - San Gen Refuse	49,500	19,741	-20,000	29,500		Savings from contractors not disposing of liquid waste directly.	
101515		Transfer to Refuse Reserve - Cap Exp - Sanitation Gen Refuse	58,836	8,111	12,000	70,836	12,000	Net surplus from budget amendments of Sanitation transferred to reserves.	
			110,336	33,172	0	110,336			

ES9 - Manager Engineering - P Collins									
104600	104695	Hamersley St Upgrade Drainage - Infra Cap Exp	112,728	49,862	-62,866	49,862		Project Complete. reallocate \$62,866 to Short Street Drainage (Acc:104299)	
113552	113607	Town Beach Reserve Upgrade - Cap Exp - P&G	0	0	48,000	48,000		Budget allocation for external costs of Shire allocated works on Greenspace Project as per Item 12.3 of April OMC.	24,476
121100	121113	Hamersley St Upgrade Construction - Cap Exp	897,901	502,395	0	897,901		RO: Works Coordinator - Budget remained at \$897,901 but amended to be budgeted as follows: \$225,000 RTR (originally allocated in Hunter Street Stage 2) \$303,841 RRG (originally \$322,114 but reduced by \$18,273) \$292,294 RFR (originally \$nil but RFR funding transferred from 1181403 Catalina Boat Parking) \$nil Reserves (originally \$420,000 but reduced to zero due to transfer of Reserve funding to Hunter St RTR grant and	
1181405		Town Beach Redevelopment - Greenspace & Waterpark - Cap Exp	4,197,885	317,835	250,000	4,447,885		RO: Director Infrastructure Services Town Beach Redevelopment - Greenspace and Waterpark - now proposed to be funded as follows: \$2,847,706 RFR (originally \$2.8M but increased by \$47,706 from RFR funds of Catalina Car Park) \$402,706 Reserves (originally \$250,000 but increased by Reserves originally allocated to Hamersley) Project proposed to be funded as follows: \$nil RTR (originally \$366,758 but reallocated to Hamersley and Dampier) \$362,447 RRG (originally \$388,486 but reduced by the \$26,039 shortfall in funding) \$315,000 reserves (originally \$225,000 but increased from Hamersley reserve funding) \$200,402 Muel (originally \$42,605 but increased due to	
121101	121552	Hunter St Renewal Rd Infra Const - Capex (was Herbert st)	797,849	100,290	170,000	967,849			80,000

Account	Job	Description	2018/19 Current Budget	2018/19 YTD Actuals	Proposed Budget Amendment	Proposed Budget	Reserve Movement	Amendment Description	Org. Savings / Expense
121101	RRU	Urban Reveals Renewal Program - Various (Sealing Contractor) - Cap Ex - Renewal	427,887	125,537	0	427,887		Budget remains at \$427,887 but proposed to be funded as: \$141,758 RTR (originally \$nil but increased from Hunter street RTR funds) \$286,129 muni (originally \$427,887 but reduced by the RTR funds from Hunter St.)	
1181403		Town Beach Redevelopment - Catalina Boat Ramp Carpark - Car Parks New - Cap Exp	378,373	0	-340,000	38,373		Reallocate \$340K to 121113 Hammersley Extension. Works completed through Hammersley Street Extension account	
104270	104299	Short St-Paspeley Camarvon Street New Drainage Const - Cap Exp	730,000	54,059	62,866	792,866		Reallocate \$62,866 savings from Hammersley St. Drainage upgrade to Short St. drainage	
107034		Broome Cemetery Survey & Other - Op Exp - Other Comm Amen	7,000	1,172	-4,000	3,000		Reallocated \$4,000 to Hunter St Stage 2 (Acc:121552)	
121100	RU226	Black Spot - Dakas St Refuge Island - Rd Upgrade Cap Exp	86,088	84,429	-46,000	40,088		Project complete - Saving from using shire staff.	
121779		Regional Rd Group (RRG) Urban Rd Const Funding - Non Op Inc - Rd Const	-710,600	-284,875	44,312	-666,288		RO: Manager Engineering -Reduction overall RRG \$26,039 Hunter St \$18,373 for Hammersley St \$366,758 RTR originally allocated 100% to Hunter Street Stage 2 now allocated as \$225,000 to Hammersley Extension and \$141,758 to RTR Damper	
121776		Rds To Recovery Non Op Grant for Urban Rds - Non Op Inc	366,758	231,305	0	366,758		\$570K Transfer from Reserves originally allocated as \$420K for Hammersley Extension, \$250K Town Beach Greenspace,. Now allocated as \$335K Town Beach Greenspace and	
121960		Transfer From Road Reserve Road Construction - Cap Inc	1,435,577	0	0	1,435,577		Timing of grants \$9000 1st Quater Grant (24/08/18) \$9000 FAGS (15/11/18)	
121761		Aboriginal Roads Non Op Grant from MRWA - Op Inc - Rd Const	-76,000	-27,000	49,000	-27,000		Timing of grants Current funding rec'd Dakas \$45,914 (80%) Camarvon \$28,668 (40%)	
121771		Black Spot State Non Op Grant	-57,392	-92,168	-34,776	-92,168		Footpath One Mile to Jigal Drive to be completed by end of April. Contribution from Landcorp recognised in Q1 FACR and unspent funds from this project to be	
125140	JDFOOT	Jigal Drive Pedestrian Connection to Chinatown and Cable Beach - Cap Exp	1,232,900	221,065	-731,485	501,415	-731,485	Footpath One Mile to Jigal Drive to be completed by end of April. Contribution from Landcorp recognised in Q1 FACR and unspent funds from this project to be	
125507		Transfer to Road Reserve - St Lighting - Cap Exp	728,878	0	731,485	1,460,363	731,485	Footpath One Mile to Jigal Drive to be completed by end of April. Contribution from Landcorp recognised in Q1 FACR and unspent funds from this project to be	
143033		Title Searches/Survey Info - Op Exp - Engineering Office	10,000	5,548	-3,000	7,000		Expect \$3K savings - Nearmaps licence through 146102	
143485		Subdivision Engineering Supervision Charges - Op Inc - Eng Off	-14,625	-200	14,000	-625		Revenue not likely to be realised due to limited sub-division / development requiring engineering inspections / review	
			#####	1,289,253	147,536	#####			

PK3 - Parks Coordinator - C Hankinson									
102010	102012	Rural Rubbish Bins Servicing - CCC Maint	79,711	79,206	-5,000	74,711		Savings	
102010	102013	Urban Rubbish Bins Servicing - CCC Maint	366,782	368,613	-8,000	358,782		Savings	
102060	102060	Orange Bag Litter Programme - CCC Maint	7,875	6,757	-2,000	5,875		Savings	
107029	107029	Japanese Cemetery- P&G Maint	30,932	16,761	-3,500	27,432		Repair cost of holes in fencing.	
113000	113045	Gibson Park - P&G Maint	79,279	35,272	-3,500	75,779		Budget for materials no longer likely to be needed.	
113000	113046	Nursery - Operating Exp	167,972	145,010	3,000	170,972		Additional cost of soil mix and fertilizers.	
113000	113582	Solway Park - P&G Maint	57,323	35,101	-1,000	56,323		Budget for materials no longer likely to be needed.	
113000	113051	Weed Eradication Program - P&G Maint	19,086	2,199	-3,800	15,286		Budget for materials no longer likely to be needed.	
113000	113076	Koel Park - P&G Maint	51,919	29,213	-1,000	50,919		Budget for materials no longer likely to be needed.	

Account	Job	Description	2018/19 Current Budget	2018/19 YTD Actuals	Proposed Budget Amendment	Proposed Budget	Reserve Movement	Amendment Description	Org. Savings / Expense
113000	PR36B	Magabala Park - P&G Maint	60,894	30,073	5,000	65,894		Offset from savings in PR32PA to cover increased costs.	
113000	113075	Sugar Glider Park - P&G Maint	92,409	96,575	8,500	100,909		Increased cost of materials.	
113000	113080	Six Season Park - P&G Maint	39,360	19,199	-3,000	36,360		Budget for materials no longer likely to be needed.	
113000	PR32PA	Palmer Road Park Maintenance - Op Ex - Parks	53,765	19,528	-5,000	48,765		Budget for materials no longer likely to be needed.	
113000	113039	Streeters Jetty Park - P&G Maint	9,711	3,084	-4,130	5,581		Budget for materials no longer likely to be needed.	
113000	113077	Januburu Park - P&G Maint	70,458	29,348	-5,000	65,458		Budget for materials no longer likely to be needed.	
113000	113543	Town Beach Water Park - P&G Maint	88,152	99,957	-55,000	33,152		Budget for materials no longer likely to be needed.	
113000	113579	Frangipani Park - P&G Maint	32,997	14,163	-2,000	30,997		Budget for materials no longer likely to be needed.	
113026	113026	Skate Park- P&G Maint	12,866	332	-5,040	7,826		No maintenance spending in Skate park for pending further redevelopment options.	
113283	113284	Effluent Pump Station - P&G Maint	9,807	4,203	2,000	11,807		Expected additional cost for pending repairs.	
113380		Consultants & Concept Plan Exps - Op Exp - Parks & Ovals	2,500	0	-2,500	0		Savings identified at completion of the project.	
113550	113554	Herbert Park New Infra Const - Cap Exp	55,000	0	-8,000	47,000		Savings identified at completion of the project.	
113550	113606	Sugar Glider Park New Const - Cap Exp	24,901	20,766	-2,000	22,901		Savings identified at completion of the project.	
113551	113790	Six Seasons Parks Infrastructure Renewal - Cap Exp	8,695	2,466	-6,700	1,995		Existing fountain need not be replaced.	
113551	113793	Sugar Glider Park Renewal Infra - Cap Exp - Parks & Ovals	6,000	0	-6,000	0		No further works required.	
113551	113674	Cable Beach Reserve Renewal Works - Cap Exp	13,617	6,873	-2,800	10,817		Shade sail replaced using insurance reimbursements and budget no longer likely to be spent.	
113551	113791	Tolentino Park Infrastructure Renewal - Cap Exp	25,560	19,930	-3,000	22,560		No further works required.	
113551	113677	Town Beach Renewal Works - Infra Cap Exp	47,807	0	-38,000	9,807	-38,000	Town Beach Shade Sail renewal deferred as part of Town Beach Stage 2 Works Savings \$38K put into POS Reserve	
111989		Transfer to POS Reserve - Cap Exp - Parks & Ovals	1,009,197	5,525	38,000	1,047,197	38,000	Town Beach Shade Sail renewal deferred as part of Town Beach Stage 2 Works Savings \$38K put into POS Reserve	
113551	113788	Cygnat Park Infrastructure Renewal - Cap Exp	13,344	10,005	-3,300	10,044		No further works required.	
126000	126020	Sector 2 Cable Beach - P&G Maint	102,760	69,892	2,500	105,260		Minor overspend	
126000	126019	Sector 1 Chinstown - P&G Maint	32,624	22,063	2,000	34,624		Minor overspend	
126051	126059	Roundabouts - P&G Maint	220,939	178,270	5,000	225,939		Roundabout backflow repairs +5k	
141600		P & G Private Works - Fees Charged	-10,208	-671	10,208	0		Unlikely to get any private works before EOY	
147357	147358	KRO Garden Renewal Infra Const - Cap Exp - Office Properties Leased	10,000	0	-10,000	0		Completed in FY2017/18. No further works required.	
			2,894,034	1,369,702	-113,062	2,780,972			

PM2 - Asset and Building Coordinator - S Clark									
53033		Security Beach Patrols - Op Exp - Ranger Operations	9,424	4,251	-2,500	6,924		Surplus - transfer to 107033	
107028	107033	Cemetery Operating Expense - Op Exp	35,065	41,631	2,500	37,565		Surplus transferred from 53033	
55130		Land & Building Maint - Op Exp - SES/ Fire & Emergency Services	4,000	0	-2,000	2,000		Savings	
101080	101082	WMF - Planned Maint & Minor Works - Op Exp	2,950	1,428	-1,000	1,950		Savings	
103101	103102	Town Beach Sewerage - Reactive Maint - Op Exp	2,000	0	-1,500	500		Savings	
112053	112053	Gantheaume Pt. Rotunda - Operating Expense - Op Exp	1,624	323	-1,300	324		Savings. No further works to occur this year	
113001	113004	Haynes Oval Pavilion - Operating Expense - Op Exp	16,647	16,691	5,000	21,647		Increased cleaning requirements	
113001	113003	Haynes Oval Pavilion - Planned Maint & Minor Works - Op Exp	7,600	2,344	-2,000	5,600		Savings	
114301	114302	Broome Turf Club Building Maintenance Expenses - Op Exp - Unclassified General	0	6,540	6,540	6,540		Insurance-reimbursable expenses - Tree removal at Broome Turf Club	
115281	115320	Library - Operating Expense - Op Exp	78,995	57,298	-5,000	73,995		Savings	
116090	116093	Broome Museum Planned Maint & Minor Works - Op Exp	11,440	5,627	-5,000	6,440		Aircon deep cleans, replacement kitchen benches still to occur - \$5k savings	
116470	116472	Broome Civic Centre Planned Maint & Minor Works - Op Exp	24,300	11,204	-5,000	19,300		Low painting requirements this year, although money could potentially be utilised for aircon mangement system	
117000	117052	BRAC - Operating Expense, Security & Insurance - Op Exp	224,851	172,096	-5,000	219,851		Savings	

Account	Job	Description	2018/19 Current Budget	2018/19 YTD Actuals	Proposed Budget Amendment	Proposed Budget	Reserve Movement	Amendment Description	Org. Savings / Expense
132310	132313	Roeback Bay CP - Reactive Maint - Op Exp	12,500	3,219	10,000	22,500		Tree works to be completed <i>reactment works \$10K</i>	
146020	141020	Mulberry Tree Child Care - Reactive Maint - Op Exp	4,500	0	-4,500	0		Savings	
148100	148296	Depot - Operating Expense - Op Exp	118,167	72,742	-17,000	101,167		Savings	
149422		BOSCCA - Planned Maint & Minor Works - Op Exp	2,720	0	-1,000	1,720		Savings	
			556,783	395,394	-28,760	528,023			

PM3 - Property and Leasing Senior Officer - P McBride									
96102		Staff Housing - Operating Expense - Op Exp	45,683	63,201	24,000	69,683		Furnishing of staff accommodation to maximise <i>occupancy</i>	24,000
101080	101084	WMF - Operating Expense - Op Exp	40,451	23,125	-8,000	32,451		Savings	
107010	107013	Cable Beach Ablutions - Reactive Maint - Op Exp	6,230	1,873	-2,000	4,230		Savings	
107071	107073	Cable Beach Ablutions - Operating Expense - Op Exp	51,397	42,468	10,000	61,397		Increase cost of maintenance in the coming season	
107071	107077	Gantheaume Point Ablutions - Operating Expense - Op Exp	15,507	4,467	-5,000	10,507		Savings	
112483		Town Beach Cafe - Rent & Recoup Income - Op Inc	-41,559	-43,380	-13,000	-54,559		Increased outgoing reimbursements.	
116090	116092	Broome Museum - Reactive Maint - Op Exp	5,250	105	-1,000	4,250		Aircon deep cleans, replacement kitchen benches still to <i>occur \$5K savings</i>	
116494		Broome Civic Centre - Operating Expense - Op Exp	128,885	127,243	15,000	143,885		Further works expected to occur from April onwards.	
132050	132051	Broome Visitor Centre - Operating Expense - Op Exp	106,645	76,513	-5,000	101,645		Savings	
132410		Roeback Bay CP - Rent & Recoup Income - Op Inc	-362,500	-425,000	-150,000	-512,500		Additional rental income cap \$500K	
142000	142056	Haas St Office - Reactive Maint - Op Exp	20,000	19,107	5,000	25,000		Further works expected to occur from April onwards.	
142050	142053	Barker St Offices - Reactive Maint - Op Exp	2,000	5,906	8,000	10,000		Cost to tidy up the property prior to lease commencement.	
144027		Property Dept Legal Expenses - Op Exp - Property Dept (see legal <i>recoupy op inc 142905)</i>	20,000	31,570	15,000	35,000		Legal expenses unable to be recouped	
145561		Lot 1002 Shelduck Way - Rent & Recoup Income - Op Inc	-12,825	-464	9,000	-3,825		Property vacancy	
146020	141022	Mulberry Tree Child Care - Planned Maint & Minor Works - Op Exp	4,500	0	-3,000	1,500		Savings	
147270	147274	KRO2 - Reactive Maint - Op Exp	16,500	4,300	-5,000	11,500		Savings	
147270	147272	KRO1 - Reactive Maint - Op Exp	18,600	9,511	-4,000	14,600		Savings	
147487		WA Police Tenancy 10 - KRO1 - Rent & Recoup Income - Op Inc	-32,500	0	10,000	-22,500		Flag \$7,000 shortfall	
147491		Old Broome Lock Up - Rent & Recoup Income - Op Inc	-15,900	-12,940	-2,340	-18,240		Increased income expected from reimbursements.	
147502		Comms Tower Crown Castle BRAC (Reserve 39420) - Rent & <i>Recoup Income - Op Inc</i>	-28,897	-18,498	-6,581	-35,478		Increased income expected from reimbursements.	
147586		Reimbursements & Other Income - Op Inc - Unclassified General	-500	-7,001	-6,581	-7,081		Income for JLL Comm Tower License Fees	
148100	148105	Depot - Reactive Maint - Op Exp	7,600	12,620	7,500	15,100		Additional cost of ongoing depot clean up. New door on <i>snrwy shed identified as OHS issue</i>	
149420	149421	BOSCCA - Reactive Maint - Op Exp	2,500	0	-1,500	1,000		Savings	
			-2,933	-85,274	-109,502	-112,435			

OVERALL INFRASTRUCTURE SERVICES - DEPT. SAVINGS/EXPENSE -104,725

INFRASTRUCTURE - ORG.
SAVINGS/EXPENSE 87,476

RESERVE MOVEMENT - INFRASTRUCTURE 125,242

INFRASTRUCTURE SERVICES - NET IMPACT (EXC. ORG.SAVINGS/EXPENSE) -192,201

24,889

677,333

5.2 AUDIT REGULATION 17 RISK BIENNIAL PROGRESS REPORT

LOCATION/ADDRESS:	Nil
APPLICANT:	Nil
FILE:	COA01
AUTHOR:	Director Corporate Services
CONTRIBUTOR/S:	Nil
RESPONSIBLE OFFICER:	Director Corporate Services
DISCLOSURE OF INTEREST:	Nil
DATE OF REPORT:	6 May 2019

SUMMARY: The Audit and Risk Committee (ARC) is presented with a report on the progress of the implementation of outcomes contained within the Audit Regulation 17 Risk Profile Register (Risk Register), which was adopted by Council at the Ordinary Meeting of Council held 31 May 2018. The Risk Register incorporates a list of items identified by auditors and management as requiring action to improve the appropriateness and effectiveness of the Shire of Broome's systems and processes in regard to risk management, internal control and legislative compliance.

The ARC is required to review the attached updated Risk Register prepared by the Audit Regulation 17 Technical Advisory Group (Risk TAG), and report to Council on the result of the Audit and Risk Committee's review.

BACKGROUNDPrevious Considerations

SMC 27 June 2014	Item 9.4.6
OMC 28 August 2014	Item 10.2
OMC 27 November 2014	Item 10.3
OMC 2 June 2015	Item 10.1
OMC 26 May 2016	Item 10.3
OMC 23 February 2017	Item 10.3
OMC 25 May 2017	Item 10.1
OMC 22 February 2018	Item 10.4
OMC 31 May 2018	Item 10.1
OMC 22 November 2018	Item 10.3

COMMENT

The Local Government Audit Regulations 1996 (the Regulations) include reviewing the appropriateness and effectiveness of a local government's risk management systems and procedures. Specifically, Audit Regulation 17 (Audit Reg. 17) requires the Chief Executive Officer (CEO) to conduct a review and report the results to the ARC on the effectiveness of risk management, internal control and legislative compliance. The Department of Local Government and Communities Audit in Local Government Guideline No. 9 advises that the review can be undertaken either on an internal or external audit basis.

Initially the Shire of Broome (the Shire) appointed an external auditor to conduct a third-party review of organisational practices in accordance with updated legislation contained within Audit Reg. 17. The Audit Reg. 17 Review Audit produced a comprehensive Improvement Plan separated into the three main compliance areas; Risk Management (RM), Legislative Compliance (LC) and Internal Controls (IC).

In the time since the original review the Risk TAG has worked with Local Government Insurance Services risk management team to develop an alternate approach utilising the Risk Register. All remaining actions from the Improvement Plan were transitioned to the Risk Register to facilitate an improved, centralised reporting mechanism for staff, the ARC and Council.

The Risk Profile Register is separated into a number of areas for the purpose of identifying, monitoring and reporting on progress of actions to address organisational risks including internal controls and legislative compliance.

The Risk TAG effect the framework components identified in the Risk Register. The Risk TAG enables the Shire to fulfil its responsibilities in relation to identifying and reporting on risk management, internal control, and legislative compliance. Action items contained within the Risk Register are allocated to members of the Risk TAG and prioritised in accordance with organisational need and capacity. The Risk TAG meets monthly to review and update specific actions contained in the Risk Register and report to the Executive Management Group (EMG), the ARC and Council.

The biannual report identifies actioned or completed items as detailed in the Risk Register. All actions are reported to the ARC in May and November each year, after endorsement by EMG.

Table 1 below details risk outcomes have been completed in the period November 2018 – April 2019.

Risk Action	Status
Increase lighting coverage across town [November 2019].	RFQ has been undertaken for Lighting Audit across Broome Townsite. Contract awarded to Austraffic WA. Resultant Lux Mapping will allow for priorities to be set.
IC 3.9 Workflow diagrams - In conjunction with the development of documented procedures and checklists, development of workflow process diagrams may assist in clearly identifying controls and processes to be followed [April 2019].	ProMapp implementation complete and workflow process diagrams are being developed using that software. Governance framework and procedures for ProMapp complete and in use. Note phased rollout - Corporate Services Directorate and BEST followed by other Directorates.
Implement formal document records management procedures [March 2019].	Procedure review complete with procedures developed and ongoing procedure review process in place. Procedures currently being transitioned into ProMapp.
RM 2.3 Staff Housing Policy [April 2018].	Staff Housing Policy review complete. Policy may be updated in the future to facilitate salary sacrifice opportunities for staff employed at level 4 and below.
Review Communications Strategy [May 2019].	Communication Strategy Review complete.
Ensure communication strategy encapsulates requirements for Advisory groups [May 2019].	Communication Strategy Review complete including advisory group requirements.

Implement Civic Centre sign-in book and cash handling procedure [December 2017]	Complete. BOP 2.1.4 Cash Handling enacted and in place. May need to be amended following cash pickup trial in Customer Services. Sign In Process in place – corporate and artist sign in captured.
Update 'Investment of surplus funds' Policy [June 2019].	Complete. Investment of surplus funds now reflected in the updated guidelines allowing investments up to 3 years rather than only up to 1 year.
Install swipe-card entry at entry door on right side of Reception [May 2019].	Complete. Swipe Card Entry system also planned for rear of Library.

Table 1: Completed Risk Register actions – November 2018 – April 2019

Table 2 details proposed changes to milestone dates for the following Risk Outcomes contained within the Risk Profiles:

Risk Action	Current Date	Amended Date	Rationale
RM 2.2 Insurance Strategy or Policy be developed to provide clarity on issues such as the level of self-insurance, the adequacy of cover and the basis of the valuation of the insured assets.	May 2019	Nov 2019	Vacancy in Manager Governance role has delayed completion.
IC 2.3 Internal audit - as the level of documented procedures increases, an expanded internal audit function to confirm adherence to documented policies and procedures may be required.	Dec 2019	Nov 2019	Awaiting advice from the Office of the Auditor General regarding aspects of the Audit Reg 17 Audit that can be undertaken as part of the Financial Management Regulation Review.
Update GIS environmental information.	May 2019	May 2020	Vacancy in Manager Information Services role has delayed completion.
Develop business processes to ensure classified contaminated sites are appropriately managed.	May 2019	Nov 2019	Vacancy in Director Development and Community has delayed completion.
IT Disaster Recovery Plan.	May 2019	May 2020	Vacancy in Manager Information Services role has delayed completion.
Formalise Governance Framework.	May 2019	May 2020	Vacancy in Manager Governance role has delayed completion.
Implement formal Project Management Framework / guidelines for all projects, including post-project debriefs.	Mar 2019	Nov 2019	Vacancy in Manager Information Services role has delayed completion.
Implement post project debriefs.	Mar 2019	Nov 2019	Vacancy in Manager Information Services role has delayed completion.
Statement of Business Ethics	May 2019	May 2019	Vacancy in Manager

			Governance role has delayed completion.
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Table 2: Proposed Milestone Date Changes

CONSULTATION

Nil.

STATUTORY ENVIRONMENT**Local Government (Audit) Regulations 1996 16.****Audit committee, functions of**

An audit committee —

- (a) is to provide guidance and assistance to the local government —
 - (i) as to the carrying out of its functions in relation to audits carried out under Part 7 of the Act; and
 - (ii) as to the development of a process to be used to select and appoint a person to be an auditor;
 and
- (b) may provide guidance and assistance to the local government as to —
 - (i) matters to be audited; and
 - (ii) the scope of audits; and
 - (iii) its functions under Part 6 of the Act; and
 - (iv) the carrying out of its functions relating to other audits and other matters related to financial management;
 and
- (c) is to review a report given to it by the CEO under regulation 17(3) (the CEO's report) and is to —
 - (i) report to the council the results of that review; and (ii) give a copy of the CEO's report to the council.

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 at least once every 2 calendar years.
- (3) The CEO is to report to the audit committee the results of that review.

POLICY IMPLICATIONS

- 2.1.1 Legislative Compliance
- 2.1.4 Risk Management
- 2.2.1 Internal Control

FINANCIAL IMPLICATIONS

The Shire has received membership funds from the Local Government Insurance Scheme (LGIS) which are allocated to fund organisational risk initiatives, which in turn reduces the organisational risk profile and subsequently reduces insurance and workers compensation costs.

The financial implications of actioning individual items contained in the Risk Register will be implemented using existing, internal resources. If any additional resources are required, they will be progressed via the quarterly Finance and Costing Review or presented to Council for consideration.

STRATEGIC IMPLICATIONS

Our People Goal – Foster a community environment that is accessible, affordable, inclusive, healthy and safe:

Effective communication

Affordable services and initiatives to satisfy community need

Accessible and safe community spaces

A healthy and safe environment

Our Prosperity Goal – Create the means to enable local jobs creation and lifestyle affordability for the current and future population:

Affordable and equitable services and infrastructure

Our Organisation Goal – Continually enhance the Shire's organisational capacity to service the needs of a growing community:

An organisational culture that strives for service excellence

Sustainable and integrated strategic and operational plans

Responsible resource allocation

Effective community engagement

Improved systems, processes and compliance

VOTING REQUIREMENTS

Simple Majority

REPORT RECOMMENDATION:

That the Audit and Risk Committee recommends that Council:

- 1. Receives the updated Risk Profile Register as attached and notes the progress of actions as contained within the report; and*
- 2. Endorses the reviewed timelines for action items as detailed in Table 2 within the*

report.

Attachments

1. RISK PROFILE REGISTER - APRIL 2019

Shire of Broome Risk Profile Register			
<u>Asset Sustainability Practices</u>		Risk	Control
		Moderate	Adequate
Actions / Treatments	Due Date	Responsibility	Status of Actions / Treatments
Documented role-specific skills training for new inductees / post performance reviews	Nov-19	Manager People & Culture	This is ongoing, and forms part of the induction/performance review process
Develop a system to record all asset maintenance and repairs	Nov-19	Asset Building Coordinator	Develop process and procedures to ensure all asset maintenance and repairs are recorded in relevant SynergySoft modules (Plant, Building) and Road Asset Management Module (RAMM)
Set aside funds annually for future road maintenance requirements (as per Asset Management Plan)	Annual	Director Infrastructure	Complete for 19/20 LTFP - AMP Renewal process incorporated into LTFP and Annual Budget cycle
Increase lighting coverage across town	Nov-19	Director Infrastructure	RFQ has been undertaken for Lighting Audit across Broome Townsite. Contract awarded to Austraffic WA. Resultant Lux Mapping will allow for priorities moving forward to be set.
LTFP upgraded to reflect Asset Management Plan	Annual	Manager Finance	Complete for 19/20 LTFP - occurs as part of the CBP / LTFP review and annual budget process.
Identify areas for Black Spot funding (high accident prone areas)	Annual	Director Infrastructure	Complete for 19/20 LTFP - 10 Year Capital Infrastructure Program includes Blackspot identification which is incorporated into LTFP and Annual Budget cycle
Reactive maintenance (Buildings & other structures)	Nov-19	Asset Building Coordinator / Manager Sport & Recreation	Procedure to be developed to reflect new process.
Asset renewal - Buildings	Nov-19	Asset Building Coordinator / Manager Sport & Recreation	Lack of BRAC specific renewal actions / items in AMP. Once recommendations from the recent AMP review have been prioritised, the Asset/Building team will engage with each facility regarding the desired and current LOS, asset hierarchy and asset subclass/componentisation.
<u>Business & Community Disruption</u>		Risk	Control
		High	Adequate
Actions / Treatments	Due Date	Responsibility	Status of Actions / Treatments
RM 2.2 Insurance Strategy or Policy be developed to provide clarity on issues such as the level of self-insurance, the adequacy of cover and the basis of the valuation of the insured assets.	May-19	Manager Governance	Draft document to be developed for presentation to the Audit and Risk Committee May 2019.
RM 3.6 Local Emergency Management Arrangements & recovery plans	Nov-19	Manager Health, Emergency and Rangers	Local Emergency Management Arrangements and Recovery Plan tested on 11.9.18 as part of a DFES run State Tsunami Exercise. A full review of the Shire's Local Recovery Plan is required to be completed in 2019.
RM 3.12 Emergency Response Procedures – Shire Buildings	Nov-18	Asset Building Coordinator	Update required for procedures at the Admin Centre, Depot and Waste Management Facility. Procedures have been drafted for Admin building however require reviewing following administration office refurbishment Civic Centre – emergency response and evacuation plan in existence – to be updated to reflect cyclone procedures. BRAC, CC & Library?
RM 3.3 BCP - That, as high priority, an effective documented Business Continuity Plan be developed including relevant disaster recovery plans. That, once adopted, the Plan's effectiveness be tested	Nov-19	Director Corporate Services	Draft document still requires final review and amendment to ensure suitability and effectiveness. RFQ on hold pending discussions with LGIS on site next week.
RM 3.14 Information Systems Plans	Jun-19	Manager Information Services	Develop Information Services Disaster Recovery and Backup and Recovery Plans
<u>Failure to fulfil Compliance requirements (statutory, regulatory)</u>		Risk	Control
		Moderate	Adequate
Actions / Treatments	Due Date	Responsibility	Status of Actions / Treatments
LC 1.1 Code of Conduct or similar to be developed for Volunteers	May-19	Manager People & Culture	WALGA and Volunteers Australia advised to role into current code of conduct.
LC 2.1 Purchasing Policy	Aug-18	Senior Procurement Risk & Governance	Complete - Policy adopted at June OMC

Shire of Broome			
LC 3.1 Communications - ensure staff, contractors and regular volunteers are aware of their obligation to report breaches of legislation to the appropriate Officer.	May-17	Manager People & Culture	The Shire's current process is undertaken through OSH reporting and the onsite induction process. Staff Survey conducted in Dec 17 confirms employees are aware of OSH reporting and induction process. Further works to be included in the Shire's corporate contractor induction process pending finalisation. Development of Business Ethics Statement.
IC 2.1 Management Policy - internal control framework be developed reflecting a risk based approach to internal controls and providing the monitoring and reporting systems.	Nov-18	Risk TAG	Internal Control Framework developed and in operation however leaving open until process is firmly established and embedded across organisation.
IC 2.3 Internal audit - as the level of documented procedures increases, an expanded internal audit function to confirm adherence to documented policies and procedures may be required.	Dec-18	Manager Governance	Currently, no internal auditors have been appointed, and limited internal audit functions have been undertaken. The Senior Procurement, Risk and Governance Officer will coordinate an internal audit. As advised by DCS at November TAG Internal Audit to be done externally - currently waiting on feedback from OAG.
IC 4.1 Monitoring - That an internal audit function be developed to monitor the appropriateness and effectiveness of financial and non-financial internal controls.	November - Biennially Now once every 3 financial years	Risk TAG	December 2016 review completed by external consultant. While internal review is recommended current staff resources do not permit the development of an internal audit function. An external consultant will provide a biennial review as per the Audit Reg 17 regulations with ongoing risk management functions monitored by the Risk TAG. Next external audit review December 2018.
Investigate feasibility of compliance software	Jul-18	Manager Governance	Complete - Attain software implemented. Currently Primary and Annual Returns and Related Party Disclosures with further compliance activities targeted over the coming months.

Document Management processes		Risk	Control
		Moderate	Adequate
Actions / Treatments	Due Date	Responsibility	Status of Actions / Treatments
IC 3.3 Opportunity exists to improve and document standard operating procedures with key controls clearly identified. Once these procedures are developed and implemented, they require constant monitoring for adherence and efficiency.	November 17 - Ongoing	Manager Finance	Standard operating procedures exist for selected, but not all, financial procedures. Procedure documentation is being developed by officers where it does not currently exist.
IC 3.9 Workflow diagrams - In conjunction with the development of documented procedures and checklists, development of workflow process diagrams may assist in clearly identifying controls and processes to be followed.	Apr-19	Manager Information Services	Complete. ProMapp implementation complete and workflow process diagrams are being developed using that software. Governance framework and procedures for ProMapp complete and in use. Note phased rollout - Corporate Services Directorate and BEST followed by other Directorates.
Implement formal document records management procedures	Mar-19	Manager Information Services	Complete. Procedure review complete with procedures developed and ongoing procedure review process in place. Procedures currently being transitioned into ProMapp.
Employment practices		Risk	Control
		High	Adequate
Actions / Treatments	Due Date	Responsibility	Status of Actions / Treatments
RM 2.3 Staff Housing Policy	Apr-18	Director Corporate Services / Manager People & Culture	Complete. Staff Housing Policy review complete. Policy may be updated in the future to facilitate opening up salary sacrifice opportunities for staff employed at level 4 and below.
RM 3.8 Workforce Plan	Nov-18	Manager People & Culture	The Workforce Plan is under review. Please note organisational risks have been identified in the external analysis section 2.1.1-2.1.15 and internal analysis section 3.3.1 -3.3.14 and again in Workforce Planning 4.1.1 page 47. In order to satisfy the auditors, the risk section will itemise the known risks under 4.5.9 organisational risk management. CBP adopted December 2017; Organisational survey completed and will be used to form the basis of the next review.
RM 5.2 Risk management training be available to elected members and all senior staff undergo relevant risk management training.	November - Annually	Director Corporate Services	Risk Management Training funds not assigned through budget process. Potential to assign funds through LGIS initiatives. Proposal received from LGIS to be assessed during next weeks on-site visit.
Conduct an internal staff satisfaction survey	Annual (Nov 19)	Manager People & Culture	Initial survey completed - quarterly surveys to be undertaken in future
Engagement practices		Risk	Control

Shire of Broome				
Actions / Treatments		Due Date	Responsibility	Status of Actions / Treatments
Review Communications Strategy		May-19	Media Promotions Officer	Communication Strategy Review complete.
Ensure communication strategy encapsulates requirements for Advisory groups		May-19	Media Promotions Officer	Communication Strategy Review complete including advisory group requirements.
Environment management		Risk	Control	
Actions / Treatments		Moderate	Adequate	Status of Actions / Treatments
Update GIS environmental information		May-19	Manager Information Services	No progress
Develop business processes to ensure classified contaminated sites are appropriately managed		May-19	Director Development & Community	New action
Errors, omissions, delays		Risk	Control	
Actions / Treatments		Moderate	Adequate	Status of Actions / Treatments
Formalise guidelines for attendance at seminars or training events, especially for non-management staff		May-19	Manager People and Culture	System already exists but is being updated as part of people and performance project.
Formalise membership requirements and benefits of staff		May-19	Manager People and Culture	To be managed through contract of Employment and budget process.
Develop improved Performance Appraisal framework including procedures and training		May-19	Manager People and Culture	Framework and procedures to be developed and endorsed. Training to be provided post implementation
External theft & fraud (Inc. Cyber Crime)		Risk	Control	
Actions / Treatments		Moderate	Adequate	Status of Actions / Treatments
Implement Civic Centre sign-in book and cash handling procedure		Dec-17	Civic Centre Coordinator	Complete. BOP 2.1.4 Cash Handling enacted and in place. May need to be amended following cash pickup trial in Customer Services. Sign In Process in place – corporate and artist sign in captured.
Link library, Civic Centre & BRAC duress alarms to response unit after hours or issue emergency pendant for lone-worker safety		Apr-19	Manager Community and Development	Ongoing
Change key entry at Civic Centre and install further CCTV at BRAC		May-18	Manager Information Services	BRAC CCTV upgrade complete
Install eftpos at Library		May-19	Coordinator Library Services	New action
Upgrade waste management facility and Ranger impound yard security		May-19	Waste Coordinator	New action. CCTV
IT Disaster Recovery Plan to be developed		May-19	Manager Information Services	No progress - new date proposed
Management of Facilities / Venues / Events		Risk	Control	
Actions / Treatments		Moderate	Adequate	Status of Actions / Treatments
All Improvement Plan actions have been completed for this risk profile. Actions will be populated from the Risk Profile Register				
Standardise hiring agreements and bonds		Nov-19	Manager Community & Economic	
Implement post-event evaluations		May-19	Manager Community & Economic Development	Evaluation pending for Reconciliation Week Event. Informal evaluations being conducted for minor events and programs. Processes being tightened and developed.
Review liquor consumption on Shire facilities policy		May-19	Manager People & Culture	Current Drug and Alcohol BOP in place - is being reviewed April 19
Review Emergency procedures at all venues		May-19	Asset & Building Coordinator	Evacuation diagrams completed for all Shire facilities however full procedures remain outstanding
Facility operation manuals and maintenance plans		Nov-19	Asset & Building Coordinator	Documentation required for all facilities
IT or communication systems and infrastructure		Risk	Control	
Actions / Treatments		Moderate	Adequate	Status of Actions / Treatments

Shire of Broome				
Finalise I.T. Disaster Recovery Plan to deal with failure or an attack	May-19	Manager Information Services	No IT Disaster Recovery Plan or IT Security Plan are in place. Interim protection by relocating a replica of our current system to the civic centre. The backup is then copied offsite on a continuous basis. The replica is working and we also now have a GenSet to maintain power.	
Finalise installation of building generator	Aug-17	Manager Information Services	Complete	
Internal ICT steering committee	Jun-19	Manager Information Services		
Misconduct		Risk	Control	
		Moderate	Adequate	
Actions / Treatments	Due Date	Responsibility	Status of Actions / Treatments	
Formalise Governance Framework	May-19	Manager Governance	Draft prepared by Acting Manager Governance - to be reviewed and presented to Council following adoption of Code of Conduct.	
Implement Social Media policy	May-19	Media Promotions Officer		
Review credit card procedures	Nov-18	Manager Finance	Complete	
Update 'Investment of surplus funds' policy	Jun-19	Manager Finance	Complete. Investment of Surplus Funds now reflected the updated guidelines allowing investments up to 3 years rather than only up to 1 year.	
Review and update IT use and e-mail procedures	May-19	Manager Information Services	New date proposed	
Implement Whistle-blower policy (PID / Internal)	Nov-19	Manager Governance	Complete - Information Statement	
Project / Change management		Risk	Control	
		Moderate	Adequate	
Actions / Treatments	Due Date	Responsibility	Status of Actions / Treatments	
Implement formal Project Management Framework / guidelines for all projects, including post-project debriefs	Mar-19	Chief Executive Officer / Director Corporate Services	All responses to previous RFQ rejected. Budget has been increased and RFQ will be readvertised.	
Implement post project debriefs	Mar-19	Director Corporate Services	To follow Project Management Portfolio System Implementation - new date proposed -	
Safety and Security practices		Risk	Control	
		High	Adequate	
Actions / Treatments	Due Date	Responsibility	Status of Actions / Treatments	
RM 3.15 - Volunteer and Contractor Inductions	Nov-18	Manager People & Culture	Contractor inductions complete. Will be conducted as required. Volunteer inductions to be developed. Procedure to be finalised and process embedded prior too item being completed.	
Documented labour-hire role-specific inductions	May-19	Manager People & Culture	Process in place with current providers.	
Staff certification and licencing requirements calendar accessible to all users	May-19	Manager People & Culture	Information available - calendar and universal access not required.	
Implement minimum number of monthly documented safety inspection audits for feedback to management	May-19	Manager People & Culture	Needs reviewed in line with OH&S improvement process - propose new date. RFQ required	
Install swipe-card entry at entry door on right side of Reception	May-19	Asset & Building Coordinator	Complete.	
Supplier / Contract management		Risk	Control	
		Moderate	Adequate	
Actions / Treatments	Due Date	Responsibility	Status of Actions / Treatments	
All Improvement Plan actions have been completed for this risk profile. Actions will be populated from the Risk Profile Register				
Contract Management Training	May-19	Senior Procurement Risk & Governance Officer	Cert IV Procurement and Contract Management training rolled out however limited completion rates. New date for relevant staff to be trained.	
Develop a contractor checklist to ensure all contractor details are confirmed at inception and annually	May-19	Senior Procurement Risk & Governance Officer	In place however procedure requires documentation - new date proposed	
Investigate ways to improve procurement process	Nov-18	Senior Procurement Risk & Governance	Complete - Procurement process in place and reviewed on an ongoing basis.	
Issue guidelines regarding the correct Contract document to use for procurement	May-19		Information included in Draft Procurement Manual.	
Review IT Vision contract service delivery conditions	Nov-18	Manager Information Services	Complete	

Shire of Broome			
Statement of Business Ethics	May-19	Manager Governance	Advice from the DLGSC is that Business Ethics Statements have also been promoted by the CCC as a way for local governments to guide external parties (eg suppliers and contractors) on the expected standards and conduct required when dealing with a local government, or acting on its behalf.

6. MEETING CLOSURE
