CITY OF DARWIN

Business Papers

Risk Management & Audit Committee Meeting

Friday, 27 May 2016
9:00am

CITY OF DARWIN

Notice of Meeting

To the Lord Mayor and Aldermen

You are invited to attend a Risk Management & Audit Committee Meeting to be held in Meeting Room 1, Level 1, Civic Centre, Harry Chan Avenue, Darwin, on Friday, 27 May 2016, commencing at 9.00 am.

B P DOWD
CHIEF EXECUTIVE OFFICER

Office Use Only

Placed on Public Notice Board: _____

Removed from Public Notice Board: _____

Reports, recommendations and supporting documentation can be accessed via the City of Darwin Council Website at www.darwin.nt.gov.au, or contact Corporate Services on (08) 89300 0539.

OPEN SECTION

RMAC5/1

CITY OF DARWIN

RISK MANAGEMENT & AUDIT COMMITTEE

FRIDAY, 27 MAY 2016

MEMBERS: Mr Iain Summers (Chairman);   Member G J Haslett;   Member S J Niblock; Mr Craig Spencer.

OFFICERS: Chief Executive Officer, Mr Brendan Dowd;   General Manager Corporate Services, Dr Diana Leeder; Team Coordinator Risk Audit & Safety, Mr Tony Simons;   Finance Manager, Mr Miles Craighead; Executive Assistant Corporate Services, Ms Jessica Eves.

Enquiries and/or Apologies: Jessica Eves
E-mail m.peck@darwin.nt.gov.au - PH: 89300 539
OR Phone Committee Room 1, for Late Apologies - PH: 89300 519

Committee's Responsibilities

THAT, pursuant to Local Government Act Part 5.2, and Part 4, section 10(2) (b) of the Local Government (Accounting) Regulations, Council delegate to the Risk Management & Audit Committee the powers to make decisions relating to :

- *the follow up of issues arising from internal and external audits;*
- *the management of outstanding and completed audit issues registers; and*
- *the receipt and acceptance of strategic and operational risk assessments.*

Reports, recommendations and supporting documentation can be accessed via the City of Darwin Council Website at www.darwin.nt.gov.au, or contact Corporate Services on (08) 89300 0539.

OPEN SECTION

OPEN SECTION

RMAC5/3

Risk Management & Audit Committee Meeting – Friday, 27 May 2016

1.   MEETING DECLARED OPEN

The Chairman declared the meeting open at _____ p.m.

2.   APOLOGIES AND LEAVE OF ABSENCE
Common No. 2695036

2.1   **Apologies**

THAT the apology from Member _____, be received.

2.2   **Leave of Absence Granted**

Nil

3.   ELECTRONIC MEETING ATTENDANCE
Common No. 2221528

3.1   **Electronic Meeting Attendance Granted**

Nil

4.   DECLARATION OF INTEREST OF MEMBERS AND STAFF
Common No. 2752228

4.1   **Declaration of Interest by Members**

4.2   **Declaration of Interest by Staff**

Reports, recommendations and supporting documentation can be accessed via the City of Darwin Council Website at www.darwin.nt.gov.au, or contact Corporate Services on (08) 89300 0539.

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OPEN SECTION

RMAC5/4

Risk Management & Audit Committee Meeting – Friday, 27 May 2016

5.   CONFIDENTIAL ITEMS
Common No. 1944604

Nil

6.   WITHDRAWAL OF ITEMS FOR DISCUSSION

THAT the Committee resolve under delegated authority that all Information Items and Officers Reports to the Risk Management & Audit Committee Meeting held on Friday, 27 May 2016 be received and considered individually.

7.   CONFIRMATION OF MINUTES PERTAINING TO THE PREVIOUS RISK MANAGEMENT & AUDIT COMMITTEE MEETING

THAT the Committee resolve that the minutes of the previous Risk Management & Audit Committee Meeting held on Friday, 18 March 2016, tabled by the Chairman, be received and confirmed as a true and correct record of the proceedings of that meeting.

8.   BUSINESS ARISING FROM THE MINUTES PERTAINING TO THE PREVIOUS RISK MANAGEMENT & AUDIT COMMITTEE MEETING

8.1   **Business Arising**

9.   DEPUTATIONS AND BRIEFINGS

Nil

ENCL: **RISK MANAGEMENT & AUDIT** YES **COMMITTEE/OPEN**	**AGENDA ITEM: 10.1**

AUDIT REPORT ON INTERNAL AUDIT PROGRAM

REPORT No.: 16A0061 TS:mrg   COMMON No.: 1536877   DATE: 27/05/2016

Presenter: **Team Coordinator Risk, Audit & Safety, Tony Simons**

Approved: **General Manager Corporate Services, Diana Leeder**

PURPOSE

The purpose of this report is to present to the Risk Management & Audit Committee (RMAC) information on the progress of the 2015/16 Internal Audit Plan.

LINK TO STRATEGIC PLAN

The issues addressed in this Report are in accordance with the following Goals/Strategies of the City of Darwin 2012 – 2016 as outlined in the 'Evolving Darwin Towards 2020 Strategic Plan':-

Goal
5   Effective and Responsible Governance
Outcome
5.3   Good governance
Key Strategies
5.3.3 Understand and manage Council's risk exposure

KEY ISSUES

- At the RMAC meeting on 28 August 2015 the Team Coordinator Risk Audit & Safety presented the internal audit plan as approved by the Executive Leadership Team
- Three of the audits on the 2015/16 plan have been completed; they being the audits of the Workplace Health and Safety Management System (WHSMS), Investment Management and Strategic Planning Outcomes
- The report on the audit of Council's WHSMS is tabled at this meeting under separate cover

RECOMMENDATIONS

THAT the Committee resolve under delegated authority:-

THAT Report Number 16A0061 TS:mrg entitled Audit Report on Internal Audit Program, be received and noted.

BACKGROUND

PREVIOUS DECISION

DECISION NO.21\3687   (28/08/15)

Internal Audit Program
Report No.15A0105 TS:mp (28/08/15) Common No. 1536877

THAT Report Number 16A0061 TS:mrg entitled Report on Internal Audit Program, be received and noted.

DISCUSSION

The 2015/16 audit plan is progressing on schedule. Three audits have been completed and reports presented to RMAC.

The terms of reference for the audit of Regulatory Fines and Infringements have been drafted and are currently with the Manager Regulatory Services for review and approval and it is anticipated that the audit report will be presented to the August RMAC meeting.

The terms of reference for the audit of IT Security have been approved and the audit tendered out to Deloitte. The audit is scheduled to commence in May with a view to reporting at the August RMAC meeting.

The audit plan progress table is attached to this report (**Attachment A**)**.**

CONSULTATION PROCESS

Nil

POLICY IMPLICATIONS

Nil

BUDGET AND RESOURCE IMPLICATIONS

Nil

RISK/LEGAL/LEGISLATIVE IMPLICATIONS

Understand and manage Council's risk exposure.

ENVIRONMENTAL IMPLICATIONS

Nil

PAGE: 3
REPORT NUMBER: 16A0061 TS:mrg
SUBJECT: AUDIT REPORT ON INTERNAL AUDIT PROGRAM

COUNCIL OFFICER CONFLICT OF INTEREST DECLARATION

We the Author and Approving Officers declare that we do not have a Conflict of Interest in relation to this matter.

TONY SIMONS   **DIANA LEEDER**
TEAM COORDINATOR RISK,   **GENERAL MANAGER**
AUDIT & SAFETY   **CORPORATE SERVICES**

For enquiries, please contact Tony Simons on 8930 0573 or email: t.simons@darwin.nt.gov.au.

Attachment A: Internal Audit Plan Progress Table

INTERNAL AUDIT PLAN

INTERNAL AUDIT	TIMING	AUDITOR & ESTIMATED COST $	COMMENTS
AUDIT YEAR 2009/10			
CAR PARKING MANAGEMENT REVIEW	Q1	DELOITTE $15,000	- Audit undertaken March 2009 - Report to RMAC June 2009
PROJECT MANAGEMENT & GOVERNANCE	Q1	COLLINS ANDERSON $25,000	- Audit undertaken March 2009 - Report to RMAC June 2009
CREDIT CARD PAYMENTS AND ON-LINE RECEIPTING Examination of IT security control surrounding the on-line credit card payment and receipting process, including user access, confidentiality of customer information and system updates	Q1	CQR CONSULTING $12,800	- Report to RMAC August 2010
ASSET MANAGEMENT & FINANCIAL SUSTAINABILITY Infrastructure capital and financial capital is able to be maintained over the long-term	Q3	ACCESS ECONOMICS JEFF RORDA ASSOC $40,000	- Report to RMAC October 2009
'AUTHORITY' UPGRADE PRE AND POST IMPLEMENTATION	Q4	$24,000	- Commenced August 2009 - Report to RMAC October 2009
AUDIT YEAR 2010/11			
FRAUD POLICY & RISK ASSESSMENT Fraud risk management system, policies, procedures, whistle blowers and fraud risk training	Q2	DELOITTE $13,000	- ToR and engagement letter signed May 2011 - Report to RMAC August 2011
PERIOD END PROCESSES Examine Council's period end financial close process to consider the process effectiveness and efficiency and the associated internal controls and consider whether the process risks are being mitigated.	Q3	DELOITTE $12,000	- Report to RMAC March 2011
BUSINESS CONTINUITY PLANNING Examine Council's business continuity plans and implement BC on-line systems to develop departmental and team based continuity plans	Q4	BCM SOLUTIONS $50,000	- Report to RMAC March 2012

INTERNAL AUDIT PLAN

INTERNAL AUDIT	TIMING	AUDITOR & ESTIMATED COST $	COMMENTS

AUDIT YEAR 2011/12

INTERNAL AUDIT	TIMING	AUDITOR & ESTIMATED COST $	COMMENTS
ENVIRONMENTAL MANAGEMENT PLAN Examination of monitoring the compliance with Council's Environmental Management Plan. Assess the quality of EMPs against the framework of ISO 14001 Assess the performance of systems that Council has in place to monitor and report its performance against its environmental outcomes and key strategies set out in the Strategic Plan	Q3	DELOITTE $40,000	- Report to RMAC February 2012
FLEET MANAGEMENT Examination of the controls around managing the Council's fleet including acquisition, disposal and maintenance. Confirm asset management plans are in place to assist in managing individual assets and understand how these plans are managed with Council systems	Q3	DELOITTE $24,000	- ToR and engagement letter signed November 2011 - Report to RMAC February 2012
OHS MANAGEMENT SYSTEM Examination of Council's workplace health and safety management systems in line with the principles set out in Australian Standards AS 4801 & 4804 and compliance with NT WHS Legislation	Q2	MARSH $37,000	- Terms of reference drafted and issued to audit firm September 2012. - Audit undertaken Dec 2012 - Draft report due Jan 2013 - Report tabled RMAC August 13

AUDIT YEAR 2012/13

INTERNAL AUDIT	TIMING	AUDITOR & ESTIMATED COST $	COMMENTS
STRATEGIC PERFORMANCE Examination of the processes adopted by Council to monitor and report against strategic objectives and performance measurement metrics, including alignment of metrics with the corporate plan, accuracy and integrity of data capture and accuracy of metrics being reported	Q1	BDO $27,000	- Terms of reference drafted Sept 2012 and potential pool of auditors identified - ToR to EM OCE for approval Sept 2012 - Approved by EM OCE Jan 2013 - ToR Issued to service providers Jan 2013 - Report tabled RMAC Nov 13
STRATEGIC & OPERATIONAL RISK ASSESSMENTS Review of the processes undertaken to develop the strategic and operational risk assessments and opinion on any gaps in risks & controls identified	Q2	DELOITTE $24,000	- Terms of reference drafted and issued to audit firm December 2012 - Audit undertaken Dec 2012 - Draft report due Jan 2013 - Report tabled RMAC Aug 13

INTERNAL AUDIT PLAN

INTERNAL AUDIT	TIMING	AUDITOR & ESTIMATED COST $	COMMENTS
AUDIT YEAR 2013/14			
PURCHASING & PROCUREMENT Review the processes undertaken in procurement and purchasing, including policies, procedures, raising purchase orders, quotations and payment for services	Q2	DELOITTE $46,000	- Terms of reference drafted and issued to audit firm May 2013 - Audit undertaken May/June 2013 - **Report tabled RMAC August 13**
TAXATION COMPLIANCE Ensure compliance with taxation requirements as per Commonwealth and NT legislation	Q3	DELOITTE $23,000	- Terms of reference sent to internal auditors October 2013 - Audit commenced Feb 2014 - Audit completed March 2014 - **Report tabled RMAC May 2014**
ENVIRONMENTAL MANAGEMENT SYSTEMS Follow up audit on outcomes from the 2011 audit	Q3	DELOITTE $21,000	- Terms of reference sent to stakeholders Feb 2014 - Terms of Reference sent to internal auditors February 2014 - Audit commenced March 2014 - **Report tabled RMAC August 2014**
ASSET MANAGEMENT Examine Council's approach to total asset management, including alignment between management systems controlled by both Infrastructure and Finance	Q4	DELOITTE $26,000	- Terms of Reference sent to stakeholders February 2014 - Terms of reference sent to internal auditors March 2014 - Audit commenced April 2014 - **Draft report with Managers Finance and Technical Services September 2014** - **Tabled RMAC October 2014**
RECORDS MANAGEMENT Confirm compliance with records management legal requirements and accepted records management standards, and assess user culture issues	Q4	LATITUDE12 $12,500	- Auditor appointed - Entry interview and audit planning workshop conducted April 2014 - **Draft report with Records Acting Manager July 2014** - Awaiting appointment of new Records Manager before implementation - **Tabled RMAC March 2015**
AUDIT YEAR 2014/15			
IMPLEMENTATION OF COUNCIL DECISIONS Examine process used to document and implement decisions of Council and to track and report implementation progress	Q1	KPMG $7,250	- Terms of reference prepared and with EMO CE for approval October 2014 - Audit commenced by KPMG Jan 2015 - Audit completed Feb 2015 - **Report tabled RMAC March 2015**
ELECTED MEMBERS' ALLOWANCES AND PAYMENTS Ensure allowances and professional development payments to Elected Members, and Members' comply with Council policies and ministerial guidelines	Q2	KPMG $12,750	- Terms of reference prepared and with EMO CE for approval October 2014 - Audit commenced by KPMG Jan 2015 - Audit completed Feb 2015 - **Report tabled RMAC March 2015**

INTERNAL AUDIT PLAN

INTERNAL AUDIT	TIMING	AUDITOR & ESTIMATED COST $	COMMENTS
AUDIT YEAR 2015/16			
INVESTMENT MANAGEMENT Examine council's investment policy and operational investment management procedures to ensure compliance with legislated responsibilities and that accepted industry practise is adhered to	Q1	KPMG $19,400	- Terms of reference developed with Manager Finance - Audit ToR has been discussed with Auditor - Audit to commenced December 2015 - **Report presented RMAC March 2016**
REPORTING ON COUNCIL'S PERFORMANCE Follow up audit to Strategic Performance conducted 2013/14 Consider the robustness of systems and processes for capturing, assessing and reporting on Council's performance (non-financial)	Q2	KPMG $9,000	- Audit completed November 2015 - **Report presented RMAC March 2016**
OHS MANAGEMENT SYSTEM Examination of Council's workplace health and safety management systems in line with the principles set out in Australian Standards AS 4801 & 4804 and compliance with NT WHS Legislation	Q3	MARSH $31,600	- Audit brought forward from 2016/17 on account of new position of WHS Officer commencing March 2016 - Terms of reference issued to Auditors Jan 16 - Audit undertaken April - **Report presented RMAC May 2016**
FINES & INFRINGEMENTS accounting for and recording of infringements, cancellation/written off infringements, reporting processes, FRU interaction, MVR interaction	Q3		- Terms of reference drafted and with Manager Regulatory Services for approval April 2016
IT PHYSICAL & LOGICAL SECURITY Examine the physical and logical controls over access to City of Darwin IT systems, including network drives, internet, intranet and VPN access, back-up procedures and continuity/recovery planning	Q4	DELOITTE $24,400	- Terms of reference developed with Manager Information Technology - Audit tender let April - Audit to commence May 2016 and reporting to RMAC in August
AUDIT YEAR 2016/17			
ELECTRONIC TENDERING PROCESSES Review the performance of the electronic tendering processes, and test the strength of controlling policies, procedures and controls	Q1		-
FINANCIAL SUSTAINABILITY Examination of Council's planning processes and budget development to ensure long term financial sustainability (refer Access Economics 2009)	Q4		-

INTERNAL AUDIT PLAN

INTERNAL AUDIT	TIMING	AUDITOR & ESTIMATED COST $	COMMENTS
PROJECT MANAGEMENT Project governance, communication processes, project management systems, training, risk assessment, tender assessment processes	Q3	-	
ANNUAL BUDGET DEVELOPMENT and LONG TERM FINANCIAL PLANNING Examine the processes used by Council to develop its annual operational budget, including allocation of dedicated budget lines and justification of budget bids	Q4		

ENCL: YES	**RISK MANAGEMENT & AUDIT COMMITTEE** **OPEN**	**AGENDA ITEM:** 10.2

AUDIT REPORT ON WORKPLACE HEALTH & SAFETY MANAGEMENT SYSTEM

REPORT No.: 16A0060 TS:ph   **COMMON No.: 2330262**   **DATE: 27/05/2016**

Presenter: **Team Coordinator Risk, Audit & Safety, Tony Simons**

Approved: **General Manager Corporate Services, Diana Leeder**

PURPOSE

The purpose of this report is to present to the Risk Management & Audit Committee (RMAC) the audit report on the Workplace Health and Safety Management System (WHSMS).

LINK TO STRATEGIC PLAN

The issues addressed in this Report are in accordance with the following Goals/Strategies of the City of Darwin 2012 – 2016 as outlined in the 'Evolving Darwin Towards 2020 Strategic Plan':-

Goal
5   Effective and Responsible Governance
Outcome
5.3   Good governance
Key Strategies
5.3.3 Understand and manage Council's risk exposure

KEY ISSUES

- The audit of the WHSMS was undertaken by Marsh Auditors who are accredited to audit systems for compliance with the applicable Australian Standards AS 4801 and AS 4804.
- Council was not seeking accreditation against the standards, rather an opinion on the extent of compliance of the WHSMS with the two standards.
- The audit report notes partial compliance with all of the elements of the standards (this does not indicate deficiencies in the WHSMS, rather it identifies further improvement opportunities to meet the accreditation standards should accreditation be sought).
- The audit report noted that the audit did not identify any significant legal non-compliances with or operations of the WHSMS where there is a significant and uncontrolled risk.
- The report does identify a significant operational risk relating to the management of contractors undertaking works for Council and works on Council property.
- Corrective actions have already been implemented for the majority of recommendations.

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REPORT NUMBER: 16A0060 TS:ph
SUBJECT: AUDIT REPORT ON WORKPLACE HEALTH & SAFETY MANAGEMENT
                   SYSTEM

RECOMMENDATIONS

THAT the Committee resolve under delegated authority:-

A.   THAT Report Number 16A0060 TS:ph entitled Audit Report on Workplace Health & Safety Management System, be received and noted.

B.   THAT recommendations ranked as "high priority" (3.4.1.2, 3.2.6.1, 3.2.6.2, 3.4.6.7 and 3.4.6.9 as identified on the summary table of corrective actions) in **Attachment A** to Report Number 16A0060 TS:ph entitled Audit Report on Workplace Health & Safety Management System be transferred to the Outstanding Audit Issues Register

C.   THAT the recommendations ranked as "medium" and "low" priority in **Attachment A** to Report Number 16A0060 TS:ph entitled Audit Report on Workplace Health & Safety Management System be addressed through the WHS Committee Outstanding Issues Register.

BACKGROUND

The audit of the WHSMS is included on of the program of internal audits for the 2015/2016 audit year.

DISCUSSION

Key strengths identified through the audit are as follows:
- Induction and on-boarding training programs for City of Darwin workers was available and verified through interviews and sampling of induction and training records.
- The language of the procedures is easy to read and understand and written with consideration being given to the end user.
- Commitment to safety was demonstrated through all levels of the organisation. This was verified through discussions with senior management, management and workers. Senior managers and managers interviewed were able to clearly articulate involvement in safety activities and demonstrated a clear understanding of their business unit's risk exposures and control strategies.
- The WHS Management System is comprehensive and tailored to meet the needs of the organisation. Available was a range of standards, procedures, forms and processes which are sufficient to implement and manage health and safety in the workplace. All documentation is available to workers though the City of Darwin intranet (Barry) and G drive.
- City of Darwin has established hazard and risk management procedures and demonstrates a commitment to eliminating workplace illness and injury. These activities were verified through hazard identification activities such as Safe Operating Procedures (SOP's) and Workplace Inspections (WPI's).
- City of Darwin provides adequate resourcing to all aspects of safety in the workplace.

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REPORT NUMBER: 16A0060 TS:ph
SUBJECT: AUDIT REPORT ON WORKPLACE HEALTH & SAFETY MANAGEMENT SYSTEM

Key areas for improvement identified through the audit are as follows:
- The WHS Contractor Management Standard had not been implemented for the City of Darwin. There was an inconsistency with how contractors and contractor information is collected, stored and managed.
- A formal process for reviewing the effectiveness of the Contractor Management process could not be verified. At the time of the audit it was noted that the Team Coordinator Risk, Audit and Safety was in the process of finalising the 'draft' WHS Contractor Management Standard.
- There was an inconsistency with the management and close out of corrective actions identified during the Workplace Health and Safety Inspection – General Audit and Assessment Tool.
- It could not be verified that workers are effectively trained in the use of the SOP's.
- The JSEA program was found to be repetitive and arduous.
- Training records are comprehensive and hard to maintain. Several different worksheets are being used by People, Culture and Capability to capture and maintain the records. Consideration should be given to an integrated and streamlined training management system.

The full audit report is attached (**Attachment A**).

A table of audit recommendations is appended to the report and management responses have been included in that table

CONSULTATION PROCESS

This report was presented to and endorsed by the Executive Leadership Team at its meeting on 5 May 2016.

POLICY IMPLICATIONS

Council will need to prepare a policy and supporting standard/procedure to manage its WHS legal obligations for contractor management.

A standard has been in development for some time and is now being redrafted with a view to recommending to ELT that all contractors undergo a pre-qualification process to ensure that contractors can demonstrate the adequacy of their own WHS systems and legal compliance.

This will be presented to the Executive Leadership Team under separate report at a later date.

BUDGET AND RESOURCE IMPLICATIONS

Nil

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REPORT NUMBER: 16A0060 TS:ph
SUBJECT: AUDIT REPORT ON WORKPLACE HEALTH & SAFETY MANAGEMENT SYSTEM

RISK/LEGAL/LEGISLATIVE IMPLICATIONS

Council has a significant risk exposure with regards to contractor management.

Under the Work Health and Safety (National Uniform Legislation) Act anyone undertaking works for Council (including contractors) are deemed to be Council workers.

Council needs to ensure that all its contractors are able to demonstrate that they meet legislated requirements as they apply.

Contractors are deemed to be persons conducting a business or undertaking (PCBU) and as such have the following legislated duty of care under S19(3) of the Act :-

(3) Without limiting subsections (1) and (2), a person conducting a business or undertaking must ensure, so far as is reasonably practicable:

> *(a) the provision and maintenance of a work environment without risks to health and safety; and*
> *(b) the provision and maintenance of safe plant and structures; and*
> *(c) the provision and maintenance of safe systems of work; and*
> *(d) the safe use, handling and storage of plant, structures and substances; and*
> *(e) the provision of adequate facilities for the welfare at work of workers in carrying out work for the business or undertaking, including ensuring access to those facilities; and*
> *(f) the provision of any information, training, instruction or supervision that is necessary to protect all persons from risks to their health and safety arising from work carried out as part of the conduct of the business or undertaking; and*
> *(g) that the health of workers and the conditions at the workplace are monitored for the purpose of preventing illness or injury of workers arising from the conduct of the business or undertaking.*

Council currently manages its larger contractors (those responding to public tender) by requiring the contractor to lodge evidence of their WHSMS with their tender submission.

WHS compliance by smaller contractors does not undergo such scrutiny and thus Council has a legal exposure in that regards.

Prequalification of tenderers is seen as the most efficient method by which Council can ensure both it and its contractors are meeting the legislated work health and safety requirements.

This will be addressed in the Standard for Contractor Management which is under development and with be presented to the Executive Leadership Team.

ENVIRONMENTAL IMPLICATIONS

Nil

COUNCIL OFFICER CONFLICT OF INTEREST DECLARATION

We the Author and Approving Officers declare that we do not have a Conflict of Interest in relation to this matter.

TONY SIMONS	**DIANA LEEDER**
TEAM COORDINATOR RISK,	**GENERAL MANAGER**
AUDIT & SAFETY	**CORPORATE SERVICES**

For enquiries, please contact Tony Simons on 89300573 or email: t.simons@darwin.nt.gov.au.

Attachments:

Attachment A: Marsh Audit Report - AS/NZS 4801 WHS AUDIT REPORT

MARSH

AS/NZS 4801 WHS AUDIT REPORT

CITY OF DARWIN
APRIL 2016

MARSH & McLENNAN
COMPANIES

CONTENTS

1

Introduction

1.1.   Purpose

To audit the existing City of Darwin Work Health & Safety (WHS) Management System against the requirements of the *Australian/New Zealand Standard 4801:2001 Occupational health and safety management systems – Specification with guidance for use (AS/NZS 4801).*

The results of the audit were evaluated to determine overall compliance to *AS/NZS 4801*and to outline specific corrective actions to close any gaps identified.

1.2.   Scope

The scope of this audit applies to the WHS Management System of the City of Darwin. This extends to Policy, objectives, standards and procedures relevant to ensuring legal compliance, risk management and the provision of a safe working environment for all workers.

Audit verification scope included a review of the WHS documentation and processes applied for the following nominated departments:
• City Works
• Parks and Reserves
• Fleet Management
• Development and Waste
• Regulatory Services
• Libraries
• Business Services
• Building Maintenance
• Risk, Audit and Safety Management
• People, Culture and Capability

The corrective actions identified in this report provide clear recommendations for improvement regarding any identified non-compliances or areas for improvement against *AS/NZS 4801* and *NT WHS Legislation.* The report also references areas of non-conformances to the City of Darwin's internal WHS Standards.

1.3.   Audit Methodology

The Marsh audit team adopted a methodology consistent with *Australian / New Zealand Standard 19011:2003 Guidelines for Quality and / or Environmental Management Systems Auditing.* This included:

• establishing the audit program

- implementing the audit program
  - appointing an audit team lead
  - defining audit objectives, scope and criteria
  - selecting an audit team
  - establishing contact with auditees
  - conducting the audit activities, and
  - identifying areas for improvement.

1.4. Audit Team

The audit was conducted by Rachel Gunn, Senior Consultant with Marsh Risk Consulting.

1.5. Audit Activities

The activities that have been undertaken by Marsh included:
- scheduling of site visits agreed between Marsh and City of Darwin.
- conduct of audit encompassing
  - desk top audit
  - verification audits to determine conformance to reviewed procedures and systems
- draft report development and presentation
- comment and feedback on draft report, and
- final report presentation.

1.6. Key Terms & Definitions

Throughout this report, the following definitions will apply:

Term	Definition
AS/NZS 4801:2001	Australian / New Zealand Standard 4801: Occupational health and safety management systems – Specification with guidance for use
CEO	Chief Executive Officer
EDP	Employee Development Plan
ELT	Executive Leadership Team
HSR	Health and Safety Representative
JSEA	Job Safety and Environment Analysis
KPI	Key Performance Indicators
NT	Northern Territory
NT WHS Legislation	Refers to the NT Work Health and Safety (National Harmonisation) Act 2011 and the NT Work Health and Safety (National Harmonisation) Regulation
PCBU	Person Conducting a Business or Undertaking
PCC	People Culture and Capability
PPE	Personal Protective Equipment
SOP	Safe Operating Procedure

Term	Definition
TOR	Terms of Reference
TNA	Training Needs Analysis
VOC	Verification of Competency
WHS	Work Health and Safety
Worker	Means any person classified as 'workers' under the NT Work Health and Safety (National Harmonisation) Act 2011

1.7. Interviews

The following persons were interviewed as part of the audit process.

Name	Position
Tony Simons	Team Coordinator Risk, Audit and Safety
Karlheins Sol	Records Manager
Shalom Kaa	Customer Services Team Leader
Diana Leeder	GM Corporate Services
Rachel Macrae	Regulatory Operations Supervisor - Parking
Nik Kleine	Team Leader Capital Works
Steven Gatt	Manager Regulatory Services
Sharon McTaggart	Regulatory Operations Supervisor - Animals
Conneil Brown	Regulatory Operations Supervisor - Generals
Anthony Smith	Animal Education Officer (HSR)
Alice Doyle	Senior HR Coordinator Operations Centre
Geane Massey	Risk & WHS Officer
Renee Van der Pol	Acting Library Manager Casuarina
Nina Bellairs	Library Technical Reference Services Casuarina (HSR)
Greg Mann	Tech Officer / Contractor Supervisor Parks and Reserves
Rick Shalders	Team Leader Irrigation Turf
Amanda Christie	Horticulturalist (HSR)
Brian MacPherson	Acting Team Leader
Alfredo Ferriera	Assistant Team Leader
Jarrod Dempster	Arborist (HSR)
Meredith Newall	Team Leader Waste and Recycling
Brendan Dally	Team Leader Building Services
Alejandro Gamuza	Assistant Team Leader Concrete Services
Anthony Vincent	Assistant Team Leader for Roads and Drainage
John Brown	Team Leader for Roads and Drainage
Peter Newcombe	Fleet Manager
Clive Fowler	Contract Administrator

Sam Kolpondinos	Capability and Development Coordinator
Tim Bourke	Mechanic

2
_____

Performance Summary

2.1.   General

Marsh was engaged by City of Darwin to undertake an audit of its WHS Management System and implementation of WHS activities against the requirements of *AS/NZS 4801* and relevant legislation.

In terms of compliance performance, City of Darwin is not yet operating at a level required to achieve certification against *AS/NZS 4801*. The audit identified a number of system deficiencies which must be addressed prior to undertaking any certification application activities. Importantly, the audit did not identify any significant legal non-compliances or operations where there is a significant and uncontrolled risk.

City of Darwin has developed, documented and implemented WHS Management System which includes organisational structure and planning activities to include safety as an integral part of overall business management. The WHS Management System comprises of proactive hazard identification, risk management, incident investigation and analysis, information control, training and auditing. The safety management system reflects the level of risk exposure faced by City of Darwin operations. City of Darwin has a clear commitment to continuous improvement and achieving industry best practice. The auditor found a high level of engagement amongst managers, supervisors and workers throughout the audit.

Key strengths identified through the audit are as follows:

- Induction and onboarding training programs for City of Darwin workers was available and verified through interviews and sampling of induction and training records.
- The language of the procedures are easy to read and understand and written with consideration being given to the end user.
- Commitment to safety was demonstrated through all levels of the organisation. This was verified through discussions with senior management, management and workers. Senior managers and managers interviewed were able to clearly articulate involvement in safety activities and demonstrated a clear understanding of their business unit's risk exposures and control strategies.
- The WHS Management System is comprehensive and tailored to meet the needs of the organisation. Available was a range of standards, procedures, forms and processes which are sufficient to implement and manage health and safety in the workplace. All documentation is available to workers though the City of Darwin intranet (Barry) and G drive.
- City of Darwin has established hazard and risk management procedures and demonstrates a commitment to eliminating workplace illness and injury. These activities were verified through hazard identification activities such as Safe Operating Procedures (SOP's) and Workplace Inspections (WPI's).
- City of Darwin provides adequate resourcing to all aspects of safety in the workplace.

Key areas for improvement identified through the audit are as follows:

- The *WHS Contractor Management Standard* had not been implemented for the City of Darwin. There was an inconsistency with how contractors and contractor information is collected, stored and managed. A formal process for reviewing the effectiveness of the Contractor Management process could not be verified. At the time of the audit it was noted that the Team Coordinator Risk, Audit and Safety was in the process of finalising the 'draft' *WHS Contractor Management Standard*.
- There was an inconsistency with the management and close out of corrective actions identified during the *Workplace Health and Safety Inspection – General Audit and Assessment Tool;*
- It could not be verified that workers are effectively trained in the use of the SOP's.
- The JSEA program was found to be repetitive and arduous;
- Training records are comprehensive and hard to maintain. Several different worksheets are being used by People, Culture and Capability to capture and maintain the records. Consideration should be given to an integrated and streamlined training management system.
- Corrective actions identified in the Marsh WHS Management System Audit Report dated 2013 report and the *Corporate Services OHS [WHS] Corporate Services Operational Risk Assessment (Revision 4) June 2015* had not been addressed in a timely manner.

It is recommended that consideration be given to the application of the 'treatment plans' as identified in the *OHS [WHS] Corporate Services Operational Risk Assessment (Revision 4) June 2015* and the 'corrective actions' of the *City of Darwin WHS Management System audit report* 2013/2016 (Marsh) to reduce the overall risk profile for the organisation. *The City of Darwin Corporate Services Operational Risk Assessment (Revision 4) June 2015* currently identifies one extreme risk and one high risk, indicating that there is a serious risk exposure to the health and wellbeing of City of Darwin workers (including contractors). The application of the risk treatment plans and WHS Management System audit corrective actions will reduce the residual risk rating of the organisation.

Supporting these key improvement areas, Marsh has also provided detailed corrective actions to address the system deficiencies identified in each element of *AS/NZS 4801.* These are documented at the conclusion of each element and in the Summary of Corrective Actions at the end of this report.

Performance Summary Table

Compliance:	Conformance	Partial Conformance	Non Conformance	Not Applicable
1. General Requirements		☑		
2. WHS Policy		☑		
3. Planning		☑		
3.1 Planning identification of hazards, risk assessments and controls		☑		
3.2 Legal and other requirements		☑		
3.3 Objectives and targets	☑			
3.4 WHS management plans		☑		
4. Implementation				
4.1 Structure and responsibility		☑		
4.2 Training and competency		☑		
4.3 Consultation, communication and reporting		☑		
4.4 Documentation		☑		
4.5 Document and data control		☑		
4.6 Hazard identification, risk assessment and control		☑		
4.7 Emergency preparedness and response		☑		
5. Measurement and evaluation				
5.1 Monitoring and measurement		☑		
5.2 Incident investigation, corrective and preventive action		☑		
5.3 Records and records management		☑		
5.4 WHS Management System audit		☑		
6. Management review		☑		

3

Audit commentary, finding and corrective actions

3.1.   General Requirements

Following are the audit commentary and findings which have been evaluated to determine compliance to this element.

Commentary and findings:
City of Darwin has established and maintained a *WHS Management System* that mostly meets the requirements of *AS/NZS 4801*. The *WHS Management System* comprises the following components:
• *WHS Management System Policy Manual*
• *WHS Standards and procedures*
• *Safe Operating Procedures (SOPs)*
• *Safe Work Method Statements; and*
• *JSEA's*

A thorough review of the *WHS Management System* has been detailed in the audit report below.

Corrective Actions:

Refer to the corrective actions tabled throughout this report.

3.2.   Work Health and Safety Policy

Following are the audit commentary and findings which have been evaluated to determine compliance to this element.

Commentary and findings:
City of Darwin has documented a *WHS Safety Policy Statement* outlining its commitment to the health, safety and welfare of its workers. The policy statement was last approved by the Executive Leadership Team (ELT) in October 2014.

Marsh found the *WHS Safety Policy Statement* met the requirements of *AS/NZS 4801* and made the following comments relating to the *WHS Safety Policy Statement*:
• appropriate to nature and scale of organisation's risks;
• commits to continuous improvement;
• compliant to applicable laws;
• establishes measurable objectives; and
• is clear and understandable.

The WHS Policy Statement is available to City of Darwin workers via the following mechanisms:
• available in the WHS Management System, available on the WHS intranet site known as Barry and in G drive;
• available in the WHS Management System Policy (V3) document;
• posted at reception and on notice boards at the Civic Centre; and
• communicated to new workers via induction.

7th April 2016 was noted in the title section of the policy statement; however there was no reference to this being the document review date.

Corrective Actions:

Element	Priority	Corrective Action Summary
3.2.1	Low	Conduct an annual review of the WHS Policy Statement to ensure that the content remains current and relevant to the organisation.
3.2.2	Low	Update the WHS Policy Statement to include an annual review period.

3.3. Planning

Following are the audit commentary and findings which have been evaluated to determine compliance to this element.

Commentary and findings:

3.3.1. Planning identification of hazards and risks

City of Darwin has established a number of standards, procedures and processes across its operations for ongoing hazard identification, risk assessment and control. These processes and procedures include:
- *WHS Management System*
- *Risk Management Policy V1.0*
- *Risk Management Procedure V1.0*
- *WHS Duties and Responsibilities V2.0*
- *City of Darwin WHS Risk Assessment (Register) V3_January 2015*
- *Working at Height Standard V2.0*
- *Electrical Equipment and Testing Standard V0.6*
- *Ergonomic Inspection Standard V3.0*
- *Asbestos Management Standard V2.0; and*
- *Manual Handling Standard V2.0.*

City of Darwin has adopted a risk matrix consistent with the requirements from *ISO 31000:2009 Risk Management* to measure the likelihood and consequences of risks. The matrix is available in the Risk Management Procedure V1.0. The City of Darwin is currently in the process of implementing a Job Safety and Environment Analysis (JSEA) and a Safe Work Method Statement (SWMS) which will replace the current Safe Operating Procedures (SOP) process. It was noted that the JSEA and the SWMS risk matrices differ from the risk matrix identified in the *Risk Management Procedure V1.0*

City of Darwin has developed a *Workplace Health and Safety Risk Assessment (register) dated January 2015(V3).* The register is comprehensive and aligned with current *WHS Legislation.* The register includes the task description, identification of plant and a material used, hazards and risks, control measures, reference to SOP's and standards and identifies responsibility and action items. The auditor was advised that the register was developed in consultation with the relevant workgroups. Planning of risk controls are also identified through the Corporate Services Risk register 2015 Revision 4 (OHS Management, Emergency Management, Internal Audit, and Enterprise Risk Management).

The *WHS Duties and Responsibilities Standard* addresses the requirement to gain an understanding of the nature of the operations of the business or undertaking of the Person Conducting a Business or Undertaking (PCBU) and address the hazards and risk associated with the operations.

Section 3.2 of the *WHS Management System Policy Manual* references the process for the elimination of workplace risk through the application of the Hierarchy of Controls, with the *Risk Management Procedure (Figure 1)* defining the risk management activity steps undertaken to evaluate the risks/hazards and apply treatment plans to further reduce the level of risk exposure.

City of Darwin has also established standards for the management of several hazards within the organisation, such as Manual Handling, Lock out of Faulty Equipment and Working at Heights Standards (reviewed at the time of the audit). It could not be verified if the City of Darwin has established procedures for:

- Management of Vehicles
  Vehicle management activities such as scheduled vehicle servicing and inspections are occurring; however it could not be confirmed if a procedure and/or a standard supporting these activities is in place.

- Plant and Equipment
  The *WHS Management System Policy Manual* makes reference to 'plant' (section 3.3.24); however there was no formal standard in place to define how plant and equipment will be managed. This process may include:
    – documented risk assessments for relevant plant or risk assessment procedure
    – copy of plant operator licences, permits
    – register of plant requiring registration
    – list of persons responsible for undertaking plant risk assessments
    – plant maintenance and inspection forms
    – pre-start daily safety inspection forms for plant
    – plant fault reporting system

Hazards not adequately managed included:
- *Procurement of goods*
- *Health surveillance*
- *Hot work*

The draft *WHS Contractor Management Standard* requires the Contractor to have mechanisms in place for hazard identification, risk assessment and the control of risk. This includes the management of:
- *Asbestos*
- *Chemicals and substances*
- *Emergencies*
- *Evacuation and trenching*
- *First aid*
- *Hot Work*
- *Portable electrical equipment etc.*

Corrective Actions:

Element	Priority	Corrective Action Summary
3.3.1.1	Med	Update all relevant risk management documentation (e.g. JSEA and SWMS) to include the approved City of Darwin risk matrix.

Element	Priority	Corrective Action Summary
3.3.1.2	Med	Develop and/or finalise and implement procedures and standards for the management of all workplace hazards including: • WHS Contractor Management Standard • Procurement of Goods Procedure/Standard (including pre-purchase risk assessment) • Health Surveillance • Management of Vehicles • Hot work Procedure/Guideline (including Hot Work permit), and • Management of Plant and Equipment.

3.3.2. Legal requirements

City of Darwin has documented its commitment to meet current legislated obligations and requirements within the *WHS Policy Statement*, identifying the requirement to *"meet the Council's obligations and responsibilities in accordance with WHS Legislation"*. The *WHS Duties and Responsibilities Standard* Section 8.2 identifies the legislated responsibilities for all duty holders, and references legislative responsibilities for each level within the organisation.

Section 3.3.17 of the *WHS Management System Policy Manual* identifies the legal requirement for workers to obtain certain licences prior to work being performed. These licences include:
• *Asbestos Removal*
• *Chainsaw use*
• *Driving heavy vehicles*
• *Forklift operations*

Marsh made the following notes regarding the identification and management of legal requirements, operational activities and processes governed by legal requirements:
• Communication of changes to legislation (*WHS Acts, Regs, Codes of Practice etc.*) is managed by the Team Coordinator Risk, Audit and Safety in consultation with the WHS Consultative Committee;
• City of Darwin standards and procedures reference the relevant state legislation; and
• Team Coordinator Risk, Audit and Safety receives WHS information through the following mechanisms:
  — Monthly Portner Press newsletter
  — Emails from Advanced Safety Systems Australia
  — Attendance at the annual Safety Institute of Australia conference
  — Bulletins from Worksafe
  — Member of LinkedIn safety groups

The Office of the Chief Executive Officer/Manager Strategy and Outcomes maintains a *Legal Compliance register.* The auditor could not verify if the *Legal Compliance register* captures relevant WHS information, or if the organisation has a *Legal Procedure* in place to manage how the information will be kept up-to-date when changes to legislation occur and how this information will be communicated to the workers.

Corrective Actions:

Element	Priority	Corrective Action Summary
3.3.2.1	Low	Develop a Legislative Compliance procedure to specify how health and safety legislation and other relevant legal requirements are to be identified, maintained and communicated to the organisation. Ensure that the Legislative Compliance procedure documents the process to be initiated when there is a change to legislation that may affect part of the organisation.
3.3.2.2	Low	Identify which department will capture and maintain WHS legislative information.

3.3.3. Objectives and targets

City of Darwin has developed a *WHS Strategic Planning Standard* that outlines the key objectives and targets to maintain WHS in accordance with the *WHS Policy Statement*. Objectives listed within the *WHS Strategic Planning Standard* include measurements regarding:

- Preparation of a WHS Standard for Duties and Responsibilities;
- Conducting WHS Risk Assessments;
- Reporting of all incidents, accidents and near misses, and
- WHS audits and inspections.

The *WHS Duties and Responsibilities Standard* identifies specific roles and responsibilities for the management, review and implementation of the organisations objectives and targets for each relevant function within the organisation. The objectives and targets are discussed weekly at the ELT meeting with a formal review of the organisations strategic plan conducted annually.

Corrective Actions:

Element	Priority	Corrective Action Summary
3.3.3	NA	• Nil

3.3.4. WHS management plans

City of Darwin has developed a *WHS Strategic Planning Standard* which identifies the objectives and targets of the organisation. The plan designates responsibility for achievement of the objectives and targets at relevant functions within the organisation, and outlines the means and timeframe by which the objectives and targets are to be achieved and measured.

The *WHS Strategic Planning Standard* identifies when the *WHS Management Plans* are to be reviewed; however Marsh could not verify if the requirement to establish and maintain the plans had been identified. This is a requirement of *AS/NZS 4801*.

The Team Coordinator Risk, Audit and Safety reported that the *WHS Strategic Planning Standard* and the *WHS Duties and Responsibilities Standard* had been ratified by the ELT on Monday 24th February 2016 and is available on Barry and in G drive for all workers to access.

Corrective Actions:

Element	Priority	Corrective Action Summary
3.3.4.1	Med	Update the *WHS Strategic Planning Standard* to include the following information: • how and when WHS Management Plans are to be created • responsibility for creating and approving WHS management plans; and • how and when WHS Management Plans should be reviewed

3.4.   Implementation

Following are the audit commentary and findings which have been evaluated to determine compliance to this element.

Commentary and findings:

3.4.1.   Structure and responsibility

During the audit, Marsh was advised that overall responsibility for WHS has been allocated to the CEO and the members of the ELT. The delegation of specific responsibility for WHS has been further allocated to Team Coordinator Risk, Audit and Safety and the newly appointed WHS Officer. The Team Coordinator Risk, Audit and Safety is responsible for ensuring the WHS Management System is established and implemented and for reporting on the system performance to the ELT. The WHS Officer assists with the implementation of safety activities and the management of WHS documentation.

Resources for WHS have been provided across City of Darwin, including:
• Team Coordinator Risk, Audit and Safety (full time role)
• WHS Officer (full time role)
• Risk Management and Audit Committee
• allocation of time to WHS representatives for completion of WHS related activities
• Training coordinator who manages WHS training programs
• external consultants appointed where appropriate to provide additional and expert support
• an allowance for WHS has been included in the overall budget
• demonstration of investment in WHS physical resources such as:
    – Traffic Management Plans
    – Safety Signage
    – PPE
    – First Aid facilities
    – Fire and emergency equipment
• technology resources identified throughout the audit included:
    ─ WHS documents and information accessible through the City of Darwin intranet (Barry)
    ─ Electronic Content Management (ECM) database used to capture and manage WHS related incidents and corrective actions identified during the Risk Management and Audit Committee meetings
• WHS Consultative Committee which consists of:
    – 8 HSR's
    – 1 ELT member

- 1 Senior HR member
- WHS Officer (Executive officer of the Committee)
- Team Coordinator Risk, Audit and Safety (Chair)

The *WHS Duties and Responsibilities Standard* identifies WHS responsibilities for various roles within the council including the ELT, Section Managers, Employee Relations Team, Team Coordinators, Team Leaders, Worker Representatives, Workers, and Contractors. Initial employment contracts also include a position description. The WHS responsibilities sampled in the position description provided for the General Manager Corporate Services, made reference to having sound knowledge and understanding of Occupational [Work] Health and Safety practices and other relevant legislative frameworks, and to effectively manage the Council's Risk Management, Occupational [Work] Health and Safety and internal audit Systems.

The mandatory Induction program outlines responsibilities with relation to legislation, duty of care, WHS Consultative Committee, investigation, WHS framework, PCBU responsibilities, duties of workers, incident reporting etc.

The responsibility for monitoring and updating documentation and/or processes as a result of a change to legislation has not been identified for the City of Darwin. It was however noted that the Team Coordinator Risk, Audit and Safety communicates relevant information to the workgroups as required. This was demonstrated through emails containing updated policies and procedures and instruction surrounding safety in the workplace.

The draft *Contractor Management Standard* section 8.6 identifies *General Safety Management* responsibilities for contractors. Section 8.3 *Contractor Induction Process* states that contractors will be provided with information relating to their responsibilities for provision of works as set out in the standard during the induction process. The auditor was advised that contractors are not currently participating in a formal contractor induction process, with no evidence to support that WHS accountabilities and responsibilities are being consistently communicated to contractors.

Corrective Actions:

Element	Priority	Corrective Action Summary
3.4.1.1	Med	Conduct a review of each position and ensure that the safety accountabilities and responsibilities are defined, designated and documented and ensure that safety accountabilities are communicated to each worker.
3.4.1.2	High	Finalise and implement the standard for the Contractor Management, including: • Contractor Induction program • Communication of WHS accountabilities and responsibilities

3.4.2.   Training and competency

In accordance with the requirements of *AS/NZS 4801*, training needs of personnel must be identified through a training needs analysis with procedures in place to ensure that WHS competencies are developed and maintained.

City of Darwin has developed and implemented a *WHS Induction and Training Standard.* The program includes a general induction which is used to induct all new workers into the workplace.

WHS forms part of this induction process and is managed by the Team Coordinator Risk, Audit and Safety and People Culture and Capability (PCC), with records maintained on personnel files. Outdoor workers are provided with sun smart training packages "*Saving Our Skins*" and "*Coping with Heat Stress*", with refresher training provided annually.

The training needs of the organisation are managed through the Capability and Development Coordinator. Training programs are identified through the following methods:
- Worker performance development programs;
- Suggestions from managers to relevant workers, and
- Training programs identified by the Team Coordinator Risk, Audit and Safety, Capability and Development Coordinator and legislative based training.

City of Darwin training requirements are recorded and managed via the following process formats:
- *Position descriptions (generic)*
- *New worker spreadsheet (identifies mandatory training)*
- *Training and Development Calendar (July 2015 - June 2016)*
- *Staff Matrix Tickets and Licensing register*
- *Skills register which captures all qualifications of workers. E.g. Licences, OCHRA Cards etc.*
- *Nominations spreadsheet (request for training)*
- *Training Needs Analysis (TNA May 2014)*
- *Activities database*
- *Employee Development Plan (EDP). Safety and training forms part of the EDP process (EDP 2015 template sighted)*

Licences and certificates, including First Aid and Fire Warden training, are recorded the *Staff Matrix Tickets and Licensing Register*. This is a manual system and is not currently up to date. Although the City of Darwin demonstrated systems are in place to capture WHS training information; the auditor found that the current manual process was difficult to manage and maintain due to the size and complexity of the training requirements for the City of Darwin.

Additional training programs conducted within the City of Darwin include the following:
- *Save your Skin*
- *Heat Stress*
- *Manual Handling*
- *Fire Wardens*
- *First Aid training*
- *Hazardous Chemicals Training*
- *Health and Safety Representatives (HSR) training (external)*
- *On the job training*
- *Animal behaviour training for animal management officers*
- *Handle with Care (dealing with aggressive customers)*
- *Traffic management training for relevant workers*

With regards to training records maintained in each department, the auditor identified varying levels of compliance, for example:

- JSEA Training for Supervisors (legislation and the application of the JSEA's) has been conducted by the Senior HR Coordinator. Share Session and JSEA review records sighted for January and February 2016;
- Concrete Services – Backhoe Licence Equipment Operation OHS [WHS] Competency Qualification (Rodney Parkes sighted). Tipper truck, welding (qualified welder JSEA sighted);
- *Staff Matrix Tickets and Licensing register* did not capture the Backhoe competency records; and
- Concrete Services had in place a process for on the job training; however it could not be verified that training records are being maintained for this activity.

Marsh made the following notes regarding the identification and management of training needs within the City of Darwin:
- *New Worker checklist* and *Team Leader checklist* forms part of the induction process. The checklists identify WHS Policy Statement, First Aid, Emergency Management, SOP's, MSDS [SDS], FFW process, WHS Consultative Committee etc.;
- Refresher training is captured by PCC through the *Training Activities spreadsheet*;
- The TNA identifies mandatory training per position (May 2014 sighted). Position description for a Welder (6013) sighted *Requirements of the Position* identified training specifications such as White Card, Elevated Work Platform (EWP) licences etc.;
- Electronic files are created for all new workers, with all previous files being transferred into the ECM system;
- Investigation training conducted for all Operations Centre Supervisors;
- Incident Reporting, Recording and Investigation Training for supervisors (sighted the 14th, 22nd and 29th January and the 16th of February 2016);
- Attendance records provided to PCC with records captured in the *Training Activities spreadsheet* and scanned into ECM. Investigations are conducted in consultation with the WHS Officer;
- City Works cleaning personnel advised they are provided with instruction on relevant SOP's with workers required to demonstrate an understanding of the task through practical application. Workers sign the *On the Job Training Statement* – Footpath Flushing – B. MacPherson records sighted 13/07/2011;
- Workers from Building Services advised they have been provided with instruction and training with relation to the SOP's. SOP's are available in most work vehicles; however the auditor could not confirm if the training process is documented;
- WHS forms part of the Arboriculture Diploma. Records are maintained on the City of Darwin *Skills register;*
- Relevant licences such as a Backhoe ticket, drivers licence etc. are maintained by the Team Leader Irrigation Turf;
- Working at Heights tickets are held by the worker, with a copy maintained on personnel files. Licence information is captured on the *Staff Matrix Tickets and Licence register.*
- Licence records are held by PCC with an email reminder sent to the worker prior to expiry:
  - Power Water ticket – Jarrod Dempster 02/02/2018
  - Licence to Perform High Risk Work Jarrod Dempster 07/11/2016
- *Manual Handling of trolleys* and *Safe lift procedures* are posted at the Casuarina Library
- Mobile Library Van workers are provided with Aggressive Dog Training and must maintain a current Driver's License and OCHRE Card (working with children); and
- A training budget has been allocated for the City of Darwin PCC department. Specific departments also have funds allocated for additional training if required.

The *Training and Development Procedure* forms part of the PCC processes and include guidance and instruction surrounding mandatory training and the EDP process etc. Some workers interviewed advised that individual EDP's had not been developed or maintained.

The 'draft' *WHS Standard Contractor Management section 8.7.4 Construction Induction Safety Card (White Card) and worker training* identifies the requirement for all contractors to hold appropriate licences and participate in task specific training prior to work commencing. The *Pre-Qualification Contractor Assessment Checklist* also specifies the licencing and training requirement of contractors prior to engagement.

Job specific training is provided for individuals who require a particular skill or knowledge to safely perform a task. Verification of Competency (VOC) is determined by the Department Supervisor however it could not be verified that this process is documented.

Corrective Actions:

Element	Priority	Corrective Action Summary
3.4.2.1	Med	Ensure the *Staff Matrix Tickets and Licensing register* is kept up to date. Consider adopting an electronic data base for the management and monitoring of licencing and ticketing requirements, or determine if the process should be managed by the relevant Manager/Supervisor, setting clear responsibilities for ensuring that the registers are kept up to date.
3.4.2.2	Med	Ensure appropriate WHS training has been identified in the TNA for all levels of the organisation i.e. SOP's [JSEA's/SWMS going forward] so that past and future formal and informal training can be easily tracked and demonstrated if required, based on position descriptions, internal and external requirements and performance assessments.
3.4.2.3	Low	Ensure the EDP captures safety training and Key Performance Indicators (KPI's) relevant to each level within the organisation.
3.4.2.4	Low	Implement the 'draft' *WHS Standard for Contractor Management* to ensure that evidence of contractor training is obtained for all contractor works.
3.4.2.5	Med	Ensure all VOC training records are held on personnel files.

3.4.3.   Consultation, communication and reporting

City of Darwin has developed *WHS Consultative Committee Terms of Reference* (TOR) which sets out the composition of the committee and specific requirements of HSR's to communicate with workgroup which is aligned with the requirements of legislation and of AS/NZS 4801. The procedure covers the following processes:

- Establishing a committee;
- Selection of workgroups;
- Composition of the committee;
- Legislated functions of the *WHS Consultative Committee*, and
- Other specific duties.

Marsh verified that the *WHS Consultative Committee* and HSR's were in place in accordance with the requirements of legislation and *AS/NZS 4801* for the following criteria:

- Formal election process is in place for the City of Darwin in accordance with their legislative requirements. City of Darwin aims to train elected members in the regulator approved course within 4 weeks of appointment;
- *Table of HSR Appointments tracking* document is maintained by the Team Coordinator Risk, Audit and Safety;
- WHS Consultative Committee representatives names were posted on the WHS intranet page;
- Committee meets 11 times per year with *WHS Consultative Meeting Minutes* posted on the department/s noticeboard;
- HSR from Regulatory Services was aware of the *WHS Consultative Committee standard* and the *WHS Duties and Responsibilities Standard* and accesses these standards via G drive or through 'Barry'; and
- The auditor was advised that HSR's are allocated sufficient time to undertake their duties such as closing out of corrective actions, reviewing the adequacy of equipment, dog handling safety activities, dealing with aggressive customers etc.

It was evident that some HSR's and/or managers are not communicating the WHS Consultative Committee content in their area of responsibility. Most of the workers interviewed advised that they were not consulted on relevant topics raised during the WHS Consultative Committee meetings. Members from Parkes and Reserves, Regulatory Services and Planning and Projects advised that the *WHS Consultative meeting minutes* were available on the WHS noticeboards. *The WHS Committee TOR* does not identify when or how consultation activities will be undertaken with the workers.

Of the randomly selected workers questioned throughout the audit, all were able to correctly identify who the HSR was for their respective areas.

The Team Coordinator Risk, Audit and Safety provided evidence of the *WHS Duties and Responsibilities Standard* being communicated to all workers via the WHS Consultative Committee meeting minutes dated 26th Feb 2014; however most workers interviewed during the audit process were unable to make reference to this standard or any other documentation where safety responsibilities had been defined and documented. Safety roles and responsibilities do not currently form part of the EDP process.

Additional notes made during the audit regarding consultation included:
- Discussion with workers indicated that they had been consulted with relation to the Workplace Health and Safety Risk Assessment V3 January 2015;
- Team meetings for Parks (north) had not been conducted since November 2015; and
- WHS was evidenced as an agenda item on all team meetings, providing workers with various avenues of consultation and communication.

In addition to processes for communicating to workers, the following notes were made regarding communication of relevant WHS information across the business:
- City of Darwin held a targeted information session surrounding Random Drug and Alcohol testing and other WHS topics via the ELT Road Show and the WHS Consultative Committee;

- Pre-start meetings, afternoon de-briefs, pre-cyclone briefings, insect bites and seasonal topical information sessions are occurring regularly for council workers. Heat safety discussed 7th April 2016;
- Team meetings, supervisors meetings and section meetings all have WHS as a standing agenda item. Workers interviewed confirmed meetings are occurring where WHS is a topic;
- *WHS Consultative Committee m*eeting minutes are currently being communicated to the broader workgroups one month after the meeting has been conducted; and
- Most HSR's consult with workers prior (and subsequent) to the *WHS Consultative Committee meeting*.

Procedures in place for reporting of information in accordance with the requirements of *AS/NZS 4801* included:
- *WHS Management System Policy Manual– 3.1.2.8 Notifiable Incidents*
- *WHS Management System– 3.1.2.9 Reporting Incidents and Accidents*
- *WHS Reporting and Recording Standard*
- *WHS Management System– 3.2.3 WHS Audit and Inspection Program*

With regards to reporting on WHS performance, the following evidence was verified:
- Reporting to ELT on the results of WHS performance occurs via statistical reporting. ELT reports dated 31st August 2015 (annually) and 1st February 2016 (quarterly) were sighted at the time of the audit;
- The City of Darwin's Annual Report is a public Document containing Safe Workplace information, incident and injury statistics; and
- Evidence of reporting of incident statistics and WHS performance was reported to the WHS Consultative Committee, including:
    − Repeated incidents of a similar nature across a particular team
    − Repeated incidents involving the same worker
    − Spike in incidents reported
    − Corrective measure recommended to be implemented

Corrective Actions:

Element	Priority	Corrective Action Summary
3.4.3.1	Low	Consideration to be given to expanding the WHS Consultative Committee meeting minutes receipt group. I.e. middle Managers email group for discussion at team meetings.
3.4.3.2	Low	Update the WHS Committee TOR to include when workers will be consulted and clearly define all methods of consultation and communication methods across the business.
3.4.3.3	Low	Provide additional consultation to workers, including HSR's on their responsibilities and duties in accordance with the *WHS Responsibilities and Duties Standard and the WHS terms of reference.*
3.4.3.4	Low	Ensure team meetings are undertaken as scheduled.
3.4.3.5	Low	Ensure WHS Consultative Committee meeting minutes are provided to workers in a timely manner. E.g. Produce meeting minutes within five working days of meeting being conducted.

Element	Priority	Corrective Action Summary
3.4.3.6	Low	Consider amending EDP process to include an assessment of WHS responsibilities against requirements in the standard, e.g. Managers to be asked more in depth questions against the requirements of Section 8.2.2 in the *WHS Duties and Responsibilities Standard,* with workers discussing section 8.2.6.

3.4.4.   Documentation

AS/NZS 4801 requires organisations to establish, implement and maintain procedures for controlling, storing, locating, reviewing currency and relevancy of all relevant WHS Management System documentation.

City of Darwin *WHS Management System* is comprehensive and aligned to the requirements of AS/NZS 4801 and WHS legislation. The system comprises of a WHS Policy standard, several WHS operational standards, SOP's, JSEA's, SWMS's and relevant WHS forms and records.

The *WHS Management System* and WHS Standards are available to all workers on the WHS intranet site and via G drive. Other documentation is available on the WHS intranet site such as:
• WHS Policies and standards
• SOP's
• Reporting forms and databases
• links to relevant sites, including NT Work Safe, the Safety Institute of Australia, and the Risk Management Institution of Australia

With regards to the quality of the *WHS Management System* content, the auditor identified inconsistencies within the WHS standards and documents with relation to safety terminology. Specifically:
• OHS/WHS
• Employer/PCBU
• Employee/worker
• COG/ELT
• MSDS/SDS

It was also noted that some position titles have changed which are not reflected in the *WHS Management System document*. E.g. the Risk and OHS Advisor is now titled Team Coordinator Risk, Audit and Safety.

The WHS Management System Policy Manual makes reference to the *WHS Contractor Management Standard* which is currently in 'draft' format.

Corrective Actions:

Element	Priority	Corrective Action Summary
3.4.4.1	Low	Update the WHS Management System documentation to capture consistent safety terminology and update changes to position titles as they occur.
3.4.4.2	Low	Ensure all standards/procedures etc. referenced in the WHS Management System are available for use.

Element	Priority	Corrective Action Summary
3.4.4.3	Med	Development and implement remaining WHS standard documentation as referenced in 3.3.1.2.

3.4.5.   Document and data control

In accordance with the requirements of *AS/NZS 4801*, a process for the development and management of documents is required including:
- availability of relevant documents;
- management of version and revision requirements;
- creation and formatting requirements to ensure that documents are readily identifiable;
- removal and archiving of obsolete documents; and
- archiving of documents and data retention for legal or knowledge preservation.

Marsh was unable to verify that a procedure has been implemented within the *WHS Management System* or the developed WHS Standards to control all relevant WHS management system documents.

In the absence of a formal document management procedure, the following notes were made regarding managing documents:
- the *WHS Management System* and WHS Standards are readily available on the WHS intranet and in G Drive;
- other documents such as WHS Consultative members, SOPs, JSEA's, SWMS and *Emergency Procedures* are located on the WHS intranet and in G Drive;
- the *WHS Management System* and WHS Standards are consistent, version controlled and formatted in such a way that they are readily identifiable; and
- Documentation such as safety reports were readily available during the audit process.

With regards to the generation of WHS forms, the following notes were made:
- WHS template forms have been generated to support the WHS procedural requirements, for example:
  - *SWMS template*
  - *JSEA template*
  - *Traffic Management Plans*
  - *Workplace Health and Safety Inspection – General Audit and Assessment Tool*

Corrective Actions:

Element	Priority	Corrective Action Summary
3.4.5.1	Low	Develop a WHS Document Control standard to manage the development of WHS related documents that includes: • creation and formatting requirements to ensure that documents are readily identifiable • approval requirements for WHS documents • the location of relevant WHS documents • the version and revision requirements for WHS documents • removal and archiving of obsolete documents • the management of external WHS documents, and • the creation and control of local WHS documents.

Element	Priority	Corrective Action Summary
3.4.5.2	Low	Create a document control register to identify all WHS documents and forms and track their version and revision details.

3.4.6. Hazard identification, risk assessment and control of risks

General

The organisation shall establish, implement and maintain documented procedures to identify the WHS hazards and assess and control the associated risks of activities.

City of Darwin has outlined its approach to hazard management within the following standards and procedures:
- *WHS Management System Policy Manual V3.0*
- *Risk Management PolicyV1.0*
- *Risk Management Procedure V1.0*
- *Chemical Use Standard*
- *Working at Heights Standard*
- *Ergonomic Assessment Standard*
- *First Aid Standard*
- *PPE Standard*
- *Working in Tropical Environment Standard*

The procedures outline that hazard identification and risk management shall occur in compliance with *ISO 31000: Risk Management*, including controlling risks in accordance with their hierarchy of controls.

Overall, City of Darwin has established a business wide risk assessment *Workplace Health and Safety Risk Assessment V3 – January 2015* to identify each area of the business and the identified risks, hazards, controls and documentation in place to manage hazards across the business. Marsh confirmed through discussions with various managers during the audit that the risk assessment was undertaken in focus groups and developed in consultation with management and workers in each area.

The *WHS Management System* is based around a suite of WHS standards and SOP's for all of its fleet, plant and equipment. The auditor was advised that that the SOP process is being replaced by SWMS's which will be supported by JSEA's. SWMS's are developed as a template document with the JSEA completed following a site specific initial evaluation in which hazards are identified. Workers sign off once they have understood the SWMS/JSEA's relevant to the particular site. Feedback received during the audit process from five departments was that the JSEA format is repetitive and arduous, with one department having to complete 66 JSEA's in one week.

Workplace Health and Safety Inspection – General Audit and Assessment Tool is completed annually by the Team Coordinator Risk, Audit and Safety in consultation with a HSR and/or a relevant worker. It could not be verified that hazards identified during the general audit process were appropriately controlled, with actions being closed out and recorded. Some *Workplace*

Health and Safety Inspection actions had not been updated or carried over in the *WHS Consultative Committee* meeting minutes dated February 2016.

It could not be verified during the audit is a risk assessment had been completed for specific activities such as:

- Risk dealing with suspicious packages/powder in the mail room. Powder Safe Compliance Training is available for workers; however this risk has not been captured on the *Workplace Health and Safety Risk Assessment V3 – 2015.*

With regards to management of hazards and risks across each process and department, Marsh made the following notes throughout the audit.

Corporate Services
During the review of the *Risk, Audit and Safety – OHS [WHS] Corporate Services Operational Risk Assessment (Revision 4) June 2015*, the following notes were made:

- *OHS [WHS] Corporate Services Operational Risk Assessment (Revision 4) June 2015* identifies risk exposure levels as extreme and high risk, specifically:
    - Failure to ensure that contractors and third parties operating within Council Environments are aware of an manage their WHS responsibilities (extreme); and
    - Failure to embed a WHS awareness culture across the organisation.

Human Resources and WHS Officer
During the discussion surrounding WHS programs for the City of Darwin, the following notes were made:

- The new SWMS and JSEA program is currently under development, with some evidence of implementation demonstrated in operational departments;
- The SWMS's contain the SOP content (equipment), and are being further developed to include task activities;
- JSEA's are used to identify additional risks which are completed at the work site in consultation with the SWMS. Take 5 program is a consideration for the WHS Officer going forward; and
- Consideration is being given to SWMS and JSEA's to be written in Vietnamese.

Records Management Unit
During the review of hazards and risks within the Records Management Unit, the following notes were made:

- The *WHS Management System* includes a *WHS Ergonomic Inspection Standard.* Ergonomic assessments for office workers could not be verified;
- Treatment of Suspicious Packages was identified in the Emergency Management Plan;
- *Workplace Health and Safety Inspection – General Audit and Assessment Tool* is conducted by the HSR's and the Team Coordinator Risk, Audit and Safety on an annual basis for the Operations Centre and Civic Centre and on a 6 monthly for the libraries. Management and close out of the corrective actions could not be verified; and
- The auditor was advised that equipment such as trolleys and office furniture aids are sufficient for the mail room.

Customer Service
During the review of hazards and risks at front reception, the following notes were made:

- Duress buttons have been placed in the Customer Service office to assist workers when dealing with aggressive customers. The auditor was advised that the duress alarms are tested monthly (*Customer Service Duress Alarm Procedure* February 2014 evidenced). It was noted that the duress button in the Customer Service Team Leaders office has not been working for some time;
- Handle with Care training (2015) forms part of the risk management program; and
- Workers interviewed had limited knowledge of the *WHS Ergonomic Inspection Standard*.

Contractor Management

During the review of tender process and contractor information provided for project work, the following notes were made:

- The management of contractor information is limited for projects $0k - $10k. The auditor was advised that accessing information for smaller contractors is difficult, no WHS information was available at the time of the audit for smaller contractors. The auditor was also advised that a more hands on approach is taken to ensure smaller contractors comply with WHS requirements;
- $10k - $99k contractors may be required to supply WHS Policy, SWMS's or potentially work under the City of Darwin's WHS Management System;
- For project over $100k, the contractor must provide WHS Management System information including a Safety Management Plan. This is captured in the standard contract clause which identifies WHS requirements, specifically:
    – Compliance with the law – security and OHS [WHS]
    – NT White Card
    – Safety requirement for services and materials
    – Protective clothing and safety equipment
- Contractor management risks have been identified in the *OHS [WHS] Corporate Services Operational Risk Assessment (Revision 4) June 2015* as an extreme risk to the City of Darwin;
- Panel Selection/pre-qualification process for contractors are available and managed by the Contract Administrator. The auditor could not verify if this process is applied for all contractors engaged by the City of Darwin or if the WHS component of the tender process is reviewed by suitably qualified WHS personnel; and
- It could not be verified if a contractor review process forms part of the *WHS Contractor Management Standard*. Contractor review process to be established prior to implementation of the standard.

Parks (north)

During the review of hazards and risks and discussions with Parks (north) the following notes were made:

- The auditor was advised that hazards associated with minor irrigation repairs and installations, maintain the open spaces, trimming of trees, playground maintenance, litter collection, fertilisers, Tractor, Backhoe operations had all been captured on the *Workplace Health and Safety Risk Assessment V3 – January 2015;*
- A *WHS Asbestos Management Standard* is in place for the City of Darwin. The auditor was advised that asbestos activities are conducted by external contractors which is managed through the contractor tender process;
- Parks conduct audits on a quarterly basis using a checklist to identify hazards and risks within parks, specifically:

- — Playground equipment
- — Areas raked and free of hazards
- — Sand levels appropriate
- — Inspection of trees
- — Inspection of drains
- — Lifted footpaths
- Actions are captured in the Customer Action Request (CAR) section of the checklist, and assigned to the relevant department for action and close out. The *Electronic Document Control System (EDCS)* is used to assign and monitor implementation of the action items;
- JSEA's are conducted daily on site prior to the commencement of each task;
- SOP's are still being applied for tasks such as use of a chainsaw (records sighted Tony Wells), chemicals, digging holes etc.;
- Vehicle log sheets are conducted daily; and
- An SOP for Manual Handling Tasks is contained within the SOP library and the Manual Handling module is part of the City of Darwin WHS training program.

Arborist

During the review of hazards and risks and discussions with the Arborist the following notes were made:

- The Arborist advised that SOP's are still being applied in the workplace, with some field workers using the JSEA system;
- Equipment inspections are conducted across internal equipment and contractor equipment every week. This is recorded via an iPad system with photos of equipment and compliance plates being recorded. The auditor could not confirm that equipment inspections have occurred over the past two months;
- Harness are replaced annually, this is captured on the annual safety audit schedule;
- PPE is provided by the City of Darwin in accordance with the requirements of the SDS; and
- Most traffic management is conducted by Traffic Works (external contractor). Internal traffic control plans are also available to workers.

Fleet Manager - Workshop

During the review of hazards and risks and discussions with the Fleet Manager the following notes were made:

- Small plant and equipment no longer in use will be placed out of service and removed from site. Disposal form in place to record the process of disposal;
- Vehicles are serviced in accordance with the manufacturers servicing recommendations or earlier as required/scheduled by the City of Darwin;
- Small plant mechanic available at the City of Darwin for all servicing requirements of small plant. Small plant is inspected by the operators prior to use and maintained as required;
- Vehicle service records a captured in the service log book and via 'Authority', the system used to capture all the servicing, repair, modification information;
- WHS risk associated with procurement of plant and equipment is managed via the following processes:
  - — Discussion with the end user with relation to suitability of the plant and equipment
  - — Tender process (Safety Requirements Section 1.1 Materials and Services)
  - — Vehicle alerts are communicated to the Fleet Manager (daily) of any vehicle safety alerts. For example re-calls etc.

— Training of new equipment is a requirement of the supplier in the tender process
- *Workplace Health and Safety Inspection – General Audit and Assessment Tool* is conducted by the HSR in consultation with the Team Coordinator Risk, Audit and Safety for the Workshop and Building Maintenance;
- First Aid facilities are available and maintained by St John Ambulance;
- SOP's are available in the Barry, with workshop manuals available in the workshop for plant and equipment. Workers are also provided with direct access to the manufacturer; and
- The audit was advised that financial resourcing is sufficient with relation to purchasing new or replacing old equipment.

Business Services (Contracts)

During the review of contractor management in Business Services, following notes were made:
- Tender process is in place for project over $100K. *Contracts Management Procedures* are available within Business Services;
- Contracts are usually three year tenure. Contracts Administrator manages the annual review of contract information through his outlook calendar. The auditor was advised that WHS documentation is not always provided;
- The auditor was advised that the Contractor's safety management system is not always reviewed by safety professional during the tender process;
- Application of the Contractor management systems are not always verified;
- The Permit Officer is responsible for ensuring permits such as hoarding, skip bins, shipping containers, EWP's, crane etc. are in place prior to work; and
- Safety in Design project work is provided by external contractors and identified during the tender process.

Regulatory Services

During the review of hazards and risks and discussions with management and workers at Regulatory Services, the following notes were made:
- The auditor was advised that selected members from Regulatory Services participated in the development and/or review of the *Workplace Health and Safety Risk Assessment V3 – January 2015*;
- The auditor was advised by the Manager of Regulatory Services that where regulatory officers are on call working on their own, there is a process of calling in a second officer to assist. In addition, where officers are required to attend an area of concern, two officers will be sent;
- The auditor was advised that the police are called to attend where an officer is threatened;
- The auditor evidenced the *WHS Hazard Risk Register* which identifies hazards associated with the activities for animal management;
- The auditor was advised that the SWMS and JSEA program is under development for Regulatory Services;
- Workers are trained in Verbal Judo and Resilience Training to assist when dealing with members of the public;
- *Heat Stress, Saving our Skin*, working in *Public Places Procedure* programs in place for 'workers who work outdoors';
- PPE is provided to all workers, including:
  — Gloves,
  — Pick up sticks (garage collection)

- Safety boots
- Long pants
- High visibility vests
- Eye protection
- Sunblock
- Water
- Hats

- The auditor was advised that the *WHS Management System Risk Assessment V3 - January 2015* is being used to assist with the develop the SWMS's for Regulatory Services;

- *Workplace Health and Safety Inspection – General Audit and Assessment* conducted October 2015.

- Risk assessment for *Controlling and Collecting Dogs* and an *Operational Control Procedure for Controlling and Collection Dogs* were sighted at the time of the audit, with consideration being given to:
  - Dog attacks
  - Dogs at large
  - Dog collection
  - Transfer animals to the pound
  - Stray cats
  - PPE
  - Manual handling
  - Two officer work arrangements for high risk tasks

- SOP's for *Animal Handling, Working in Uncontrolled Environments* and *Prevention of Slips Trips and Falls* form part of the risk management program for Regulatory Services;

- First Aid Officer available for Regulatory Services. First Aid Training records sighted for Melanie Reid, Joanne O'Reilly March 2016;

- Hepatitis A and B and tetanus shots are a requirement for all workers working within Regulatory Service – Animal Management;

- Additional equipment such as Lifter Vehicles, Animal Management Vehicles, heavy duty gloves, large animal nets and chainsaw chaps are provided to City of Darwin workers as required; and

- The auditor was advised that the *WHS Management System Risk Assessment V3 - January 2015* for the Dog Pound was conducted in October 2015. The auditor was advised that actions were underway however; there was no evidence supporting the close out of actions.

Management of Chemicals

The following notes were made during the discussion with management and workers with relation to the management f chemicals:
- SOP's containing chemical management include - Agricultural/Horticultural Chemical Use, Chemical Veterinary, Handling and Use of Chemicals, Managing Spill and Leaks, Cleaning Chemicals etc.;
- Dedicated Agricultural/Horticultural Chemical shed at the Operations Centre. Worker (Parks Technical Officer) maintains the shed and has attended the Chemical Certification training;
- AusChem Training for Anthony Chalker records sighted for February 2015. AgVet Chemical User Course Clinton Taylor 6 & 7 March 2016 sighted;

- Chemicals used by Irrigation and Turf, Parks and Reserves, City Works etc. are stored in the chemical shed at the Operations Centre. SDS's were available during the audit process with a chemical shower located on the external wall of the chemical shed;
- All SDS's sighted were printed within the five year period. E.g. Liquid Hand Soap January 2012;
- Chemical use is registered and maintained in the records management system. The *Spray Diary/Job Safety Analysis for Chemical Use* was sighed at the time of the audit (14th March 2016); and
- The *Chemical Register* for the City of Darwin is maintained within Chemwatch.

Library Services

The following notes were made during the site inspection and discussion with management and workers at Casuarina Library:
- Duress alarms – Casuarina Library and the City Library (tested monthly);
- *Workplace Health and Safety Inspection – General Audit and Assessment Tool* is conducted on a six monthly basis for libraries. Actions are captured on the checklist and actioned or assigned to a responsible person for close out. The Library Manager will review the actions for appropriateness and send to the Team Coordinator Risk, Audit and Safety for filing;
- Equipment such as book lifter and trolleys are available throughout the library to assist with manual handling activities associated with books;
- Casuarina Library forms part of the local Police Patrol. Workers advised that Police may be called to manage aggressive customers; and
- Security cameras are located in the main entrance for Casuarina Library.

Parks and Reserves

During the review of hazards and risks and discussions with management and workers at Parks and Reserves, the following notes were made:
- The auditor was advised that selected members from Parks and Reserves participated in the development and/or review of the *Workplace Health and Safety Risk Assessment V3 – January 2015;*
- Workers interviewed during the audit were able to describe hazards and controls in place to prevent incidents including:
  - Chain saw operations
  - Horticultural chemicals
  - EWP's
  - Backhoe operations
  - Pole saw operations
  - Working in public areas
  - Chemical handling

Irrigation and Turf

The following notes were made regarding the identification and management of risks in Irrigation and Turf:
- Dial before you dig for mechanical digging activities forms part of the SOP/JSEA process;
- Various records were available such as the *Spray Diary/Job Safety Analysis for Chemical Use* dated March 2016;

- Various SOPs were available for plant and equipment such as the Ladders, Hand tools and Excavators. There was still no SOP available for the use of the Dingo;
- JSEA's are being conducted at the start of each task;
- SOP's are still being applied within Irrigation and Turf;
- The auditor was advised that Friday afternoon maintenance occurs on all small plant and equipment;
- Formal maintenance for equipment such as the Dingo trencher, tractor, trucks is undertaken on a scheduled basis with pre-starts being conducted prior to use;
- Maintenance issues identified during the inspection process are managed through the workshop (immediately or as required); and
- Pests in turf are controlled insecticide sprays.

Waste and Recycling
The following notes were made regarding the identification and management of risks in Waste and Recycling:
- *Cash Handling* training for all Weighbridge Operations workers;
- Weighbridge Operations workers are protected from robbery and/or aggressive customers by restricted access, specifically:
  - Coded heavy door with lock
  - Bars on the window
  - Sliding doors which lock
  - Contracted security company attends site at 6pm daily to assist night shift worker with closing up and escorts them to the vehicle and conducts a lock in check
  - Cash is collected daily by a security company with remaining funds locked away on-site
- *Constructive Conversations, Dealing with Aggressive Customers* and *Handle with Care* training forms part of the risk management program for Waste and Recycling workers.

Building Services
The following notes were made regarding the identification and management of risks in Building Services:
- Use of chemicals for graffiti removal is managed through SOP' and SDS's;
- Additional PPE such as gloves, longs pants, face shields etc. are provided as required;
- Workers required to develop or participate in traffic management have all been trained and are accredited in Traffic Management Plans;
- JSEA's are currently being implemented. It was evident during the interview process that there was confusion surrounding the need for JSEA's for every job when they are the same activity; and
- Equipment is tested and tagged every 12 months (last tested March 2016).

Roads and Drainage
The following notes were made regarding the identification and management of risks in Roads and Drainage Services:
- The auditor was advised that selected members from Roads and Drainage participated in the development and/or review of the *Workplace Health and Safety Risk Assessment V3 – January 2015;*
- Equipment pre-starts are conducted on equipment daily or prior to use. Maintenance issues are captured on pre-start inspection form and addressed by the workshop;
- Electrical equipment is tested and tagged annually (March 2016);

- Confined space equipment such as winches are serviced every six months;
- Contractors are selected from the *Period Contractors* list. Contractors are required to provide WHS documentation prior to work commencing. Records are held with the Records Management Department. Ten Rivers document sighted at the time of the audit; and
- JSEA's are being completed for every job. Workers are finding it hard to complete the 'arduous' paperwork.

Cleaning Services

The following notes were made regarding the identification and management of risks in Cleaning Services:
- SOP's have been developed for Bird and Bat Droppings, High Pressure Cleaner, Rubbish and Waste Removal etc.;
- Workers interviewed were aware of the SOP library and advised that training and instruction had been provided in accordance with the SOP's. The auditor could not verify if training records are being maintained;
- Vehicle inspections are conducted daily. All faults are reported to the Cleaning Services Supervisor and/or the workshop. Sheets are inspected by the Cleaning Services Supervisor on a weekly basis;
- Workers who are required to working alone are provided with a mobile phone. Police may be called if there is a threat to the worker. Workers are advised to move away from the area and have been provided with *Dealing with Aggression* training to assist with managing aggressive members of the public;
- *Chemical Handling Training* forms part of the annual mandatory refresher training program for Cleaning Services;
- Team Leader was involved in the development of the *Workplace Health and Safety Risk Assessment V3 – January 2015;*
- *Manual Handling* Training is made available to workers six times per year. Manual Handling Training Records sighted for Brian Sellers, Wayne Hodges September 2015; and
- JSEA's are being implemented by Cleaning Services. Up to 66 JSEA's are being developed weekly.

Concrete Services

The following notes were made regarding the identification and management of risks in Concrete Services:
- SOP's have been developed for the following risk exposures as identified in the Workplace health and Safety Risk Assessment V3 – January 2015:
  - Barricading of worksites
  - Heavy Lifting
  - High Pressure Cleaners
  - Working in Hot Conditions
  - Working Alone
  - Working in Pubic Areas
- JSEA are completed at the start of each task, this process is used to identify the site specific hazards and assist with the application of appropriate control measures;
- TMP training, JSEA familiarisation training, White Card and Forklift High Risk Licences are mandatory training requirement of Concrete Service Workers;
- "Dial before you Dig" plans are required for mechanical digging activities. An SOP has been developed for concrete cutting and drilling;
- Vehicle inspections are conducted daily with any faults being reported to the workshop; and

• First Aid Officer available with first aid kits supplied in every vehicle.

Corrective Actions:

Element	Priority	Corrective Action Summary
3.2.6.1	High	Implement the recommended 'treatment plans' as identified in the Operations Risk Assessment (Revision 4) June 2015 and the 'corrective actions' of the City of Darwin WHS audit report (Marsh) to reduce the overall risk profile for the City of Darwin. In additional to the identified 'treatment and corrective action plans', consider implementing a Safety Leadership Training program and/or a Behavioural Risk Improvement (BRI) program to assist with embedding a positive safety culture within the City of Darwin.
3.2.6.2	High	Conduct a review of the JSEA program and format in consultation with the end user group to identify how JSEA's can be best applied. Consider using generic SWMS and not adding an additional JSEA form to the risk management process, rather incorporating a 'Part B' into the SWMS form if it is determined to be required.
3.2.6.3	Med	Develop a process whereby the actions identified during the Workplace Health and Safety Inspections are captured and monitored for close out, with records maintained.
3.2.6.4	Med	Ensure all foreseeable hazards have been capture and controlled within the Workplace Health and Safety Risk Assessment V3 – January 2015.
3.4.6.5	Low	Ensure all relevant workers are provided with instruction and training regarding the management of ergonomic risks in the workplace.
3.4.6.6	Med	Ensure all duress alarms are operational.
3.4.6.7	High	Implement the draft Contractor Management WHS Standard to ensure that contractors engaged to undertake work for the City of Darwin are managed. This should include: • determination of hazards and risks when identifying contractor works • requesting WHS information from contractors at the tender/engagement phase • reviewing contractor WHS information and risk assessments prior to commencement of works • contractor induction, training and supervision • reviewing contractor performance • ongoing consultation with contractors, and • managing contractor poor performance. Consider adopting a software program to support the collection and management of contractor data.
3.4.6.8	Med	Ensure equipment inspections are conducted and recorded on a scheduled basis;
3.4.6.9	High	Ensure the WHS component of the contractor tender process is reviewed by a suitably qualified worker. Consider what information is requested to determine contractor suitability. I.e. Injury and incident statistics, LTIFR etc.
3.4.6.10	Med	Develop SOPs for equipment missing from the SOP list including the Dingo.
3.4.6.11	Med	Document evidence of training of workers in each department against the requirements of relevant SOPs. Maintain records to demonstrate evidence of training and also to enable retraining to occur as required.

3.4.7.   Emergency preparedness and response

AS/NZS 4801 requires organisations to:
* identify emergency situations
* develop emergency procedures
* review and revise its emergency preparedness, and
* periodically test emergency procedures.

City of Darwin has developed and implemented the following processes for preparing for and managing emergencies:
* *Emergency Management Procedures Manual*
* *All Hazards Emergency Management Plan (Territory Disaster Management)*
* *WHS Management Policy Manual – Lighting and Electrical Storm Safety*
* *Traumatic Incidents Standard V2.0*
* *First Aid WHS Standard V3.0*

Emergency Management

Marsh verified the following with regards to prevention and management of emergencies at City of Darwin:
* Induction training for new workers covers *Emergency Response* procedures;
* *Emergency Management Procedures Manual* and the *All Hazards Emergency Management Plan (Territory Disaster Management)* are in place for the City of Darwin;
* The Emergency Control Organisation (ECO) chart for the City of Darwin was inspected at the time of the audit;
* Appendix 2 – Schedule of WHS Responsibilities identifies the Team Coordinator Risk Audit and Safety as responsible to manage injury, illness and emergency procedures;
* Cyclone Management Plan available and circulated in June 2015 for comment. Two pre-cyclone preparedness sessions are held in September;
* Operations Centre conduct pre-cyclone season awareness (build up, pre-cyclone awareness, pre-cyclone clean-up etc.);
* Evacuation diagrams were identified posted throughout the buildings inspected;
* Firefighting equipment was in place and within test date for randomly sampled equipment (six monthly testing March 2016);
* Fire wardens have been selected throughout the business and attend fire warden training;
* Emergency Plans were available for each location E.g. Civic Centre, Libraries etc.
* Civic Centre emergency evacuation conducted in April 2015;
* No evidence of the Libraries have an evacuation in the previous 12 months; and
* There was no evidence that contractors and/or visitors are provided with Emergency Management information for the City of Darwin.

Corrective Actions:

Element	Priority	Corrective Action Summary
3.4.7.1	Med	Ensure that emergency evacuation exercises are undertaken at least annually and that documentation is maintained of the evacuation exercise, including any recommended controls to be implemented for future evacuations.
3.4.7.2	Med	Ensure contractors/visitors are provided with the City of Darwin Emergency Management information.

3.5.   Measurement and evaluation

Following are the audit commentary and findings which have been evaluated to determine compliance to this element.

Commentary and findings

3.5.1.   Monitoring and measurement – General and Health Surveillance

AS/NZS 4801 requires that City of Darwin has established and implemented documented procedures for monitoring and measuring work health and safety. City of Darwin has a documented the following procedures to manage this process:
* *WHS Inspection Standard*
* *WHS Working at Heights Standard;* and
* *WHS Ergonomic Inspection Standard*

In accordance with the *WHS Management Policy Manual*, City of Darwin has implemented the following OHS [WHS] inspection programs:
* WHS Hot Spot Inspections
* Compliance Checklists

Inspection frequencies are determined by the WHS Inspection Standard with results being reported and recorded to Team Coordinator and WHS Consultative Committee.

The following evidence was sighted with regards to compliance to the *WHS Inspection Standard:*
* *Workplace Health and Safety Inspection – General Audit and Assessment Tool:*
    – Records Management Unit
    – Workshop
    – Dog Pound
    – Casuarina Library

WHS Strategic Planning Standard is signed by the ELT and reviewed annually. Objectives and targets within the plan are monitored depending on the objective. For example, incidents are monitored daily with reports being discussed at the monthly committee meeting. WHS Incident statistics report to 30 March 2016 sighted.

The auditor could not verify that there is a process to measure performance for *each* objective within the strategic plan. Performance on objectives such as risk assessment development, workplace inspections and training activities were listed as 'on-going' in the *WHS Strategic Planning Standard.*

With the reference to the *WHS Standard - Working at Heights*, formal inspections of fall prevention equipment are required conducted every six months; this activity was verified by the Team Leader for Roads and Drainage.

Monitoring air quality at specific work places will be undertaken as part of the Audit and Inspection Program. Air monitoring equipment is calibrated every six months. This activity is conducted by RAMS services (external contractor).

In accordance with *AS/NZS 4801* requirements, it could not be verified that there are procedures in place to monitor:

• performance and effectiveness of relevant operational controls
• conformance with City of Darwin's objectives and targets, or
• compliance with legislation.

With regards to health surveillance, it could not be verified that a document exists where situations where worker health surveillance requirements have been identified. In the absence of formal information, the following notes were made during the audit:

• the auditor was advised that all workers receive Hepatitis A, Hepatitis B and Tetanus vaccinations
• the auditor was advised that skin checks are completed biannually for outdoor workers; this was not verified through documentation.

The following additional notes were made with regards to monitoring and measurement activities:

• testing and tagging of electrical equipment was found to be in compliance with AS/NZS3760 Electrical Testing and Tagging; and
• monthly injury data trends and statistical reporting is conducted by the Team Leader Risk, Audit and Safety on Lost Time Injuries' (LTI), Medical Treatment Injuries (MTI) and First Aid (FA) Injuries.

Corrective Actions:

Element	Priority	Corrective Action Summary
3.5.1.1	Med	Establish and implement procedures for monitoring and measurement of WHS performance on a regular basis. Procedures should include: • measurement of the performance of the WHS management plan • monitoring of the workplace environment • health surveillance and noise testing • equipment checks and pre-start checklists • measurement of WHS performance such as injury statistics • monitoring of the effectiveness of controls implemented through risk assessments.

3.5.2.   *Incident investigation, corrective and preventive action*

City of Darwin has developed the following procedures to define how incidents are to be reported and investigated, and how corrective actions are to be developed and implemented:

• *WHS Reporting and Recording Standard*
• *WHS Management Policy Manual – 3.1.2.8 Notifiable Incidents*
• *WHS Management Policy Manual – 3.1.2.9 Reporting Incidents and Accidents*
• *WHS Management Policy Manual – 3.1.2.10 Recording Incidents and Accidents*

With regards to incidents reported and investigations completed, the following notes were made:

- Incident Report Forms can also be found on the intranet and J drive (storage location for department specific records);
- Rangers, Parks, City Works receive team specific injury, incident statistics monthly. This is provided by the Team Coordinator Risk, Audit and Safety;
- Incident 18th of March – Worker not wearing appropriate PPE, identified actions:
  - Worker spoken with and all Regulatory Services Animal handlers advised of the requirement to wear their PPE when handling animals
- All incidents (including contractor incidents) are reported to the City of Darwin and managed by the relevant manager in consultation with the Team Coordinator Risk, Audit and Safety;
- Accident and Incident reports are assesses by the Team Coordinator Risk, Audit and Safety to ensure remedial action to ensure it is sufficient;
- Trending is conducted by the Team Coordinator Risk, Audit and Safety through performance reporting activities;
- Investigations are conducted by the Supervisor in consultation with the WHS Officer;
- Investigation is conducted on every report with the level of investigation varying depending on severity;
- Investigation and Root Cause Training has been undertaken by the Team Coordinator Risk, Audit and Safety and the Senior HR Advisor;
- Incident reports sighted described the incident which had occurred and provided and investigation and appropriate control measures were applied in accordance with the hierarchy of controls.
- For example:
  - 18/02/2016 – Bite to back of neck, no medical treatment required, safety share communicated to the broader workgroup
  - 20/01/2016 – Slipped from truck and twisted right knee, wet weather, no JSEA. JSEA to be developed with appropriate training applied, review of work boots
- All incident reports are signed off by a Team Leader, Team Coordinator and WHS officer. Report provided to the Manager and General Manager for sign-off;
- Incident Report form is completed by the worker. The Incident Report form is managed in paper format by the WHS Officer, Team Leader and/or Team Coordinator;
- A corrective action plan is developed (if required) with sign off conducted by all three members;
- Report is forwarded to senior management for sign off. The hardcopy is provided to Team Coordinator Risk, Audit and Safety who will update the Incident Register and send to Records Management for filing;
- Site audits are conducted by the WHS officer to review the effectiveness of controls; and
- WHS Inspection Standard Identifies the requirement to conduct site inspections.

The Team Coordinator Risk, Audit and Safety maintains a register of WHS incidents, plant and property damage and accidents involving third persons (public liability). This database allows City of Darwin to review trends and manage corrective actions to completion. Marsh verified through meeting minutes that key incident reports are presented to senior managers at management meetings.

Corrective Actions:

Element	Priority	Corrective Action Summary
3.5.2.1	Low	Update the WHS Inspection Standard to include random site inspection to be conducted by the WHS Officer to ensure effectiveness of risk controls.

3.5.3.   *Records and Records Management*

It is a requirement of *AS/NZS 4801* that procedures are in place for the management of health and safety records, including their:
- identification and traceability
- collection, indexing, filing
- access and confidentiality
- retention and maintenance
- protection against damage, deterioration or loss
- retrieval, and
- disposal.

It could not be verified that City of Darwin has a records management procedure in place at the time of the audit. The auditor was advised that WHS records will be managed in conjunction with the review of records management systems and the creation of a dedicated WHS document recording library.

In the absence of a records management procedure, the following notes were made with regards to records management:
- The WHS Management System Policy stated that incident reports, risk assessments and HAZID records will be maintained by the Safety and Risk Advisor [Team Coordinator Risk, Audit and Safety];
- WHS Consultation Committee meeting records are stored in Barry and available on WHS noticeboards;
- Old versions of WHS documentation are removed from Barry and G drive on issue of new version; and
- Version control is managed by the Team Coordinator Risk, Audit and Safety.

It could not be verified that a consistent method of maintaining WHS records has been provided to each department, nor is there information regarding retention times available for records.

Corrective Actions:

Element	Priority	Corrective Action Summary
3.5.3.1	Low	Develop an WHS Standard for Records Management to manage the creation and maintenance of WHS records, including the requirement that WHS records: • must be clearly identifiable • easily retrieved upon request • current revision status of documents are identified • retained for the required period of time, and • appropriately disposed of.
3.5.3.2	Low	Establish an WHS record matrix to define the following: • name of WHS record • owner of WHS record • record keeping location • if the record is confidential, and • record retention times.
3.5.3.3	Low	Establish record keeping locations and communicate the need for WHS records across the business. Ensure consistency in the management of WHS records.

3.5.4.   Health and Safety Management System Audits

AS/NZS 4801 requires that an organisation has developed and implemented a procedure and program for periodic WHS management system audits. City of Darwin has in place a *WHS Audit and Inspection Standard V1.0* which identifies the City of Darwin's internal and external WHS system audits, with the *WHS Management System Policy Manual* section 3.2.3 identifying when workplace hazard inspections will occur.

The following notes were made with regard to auditing programs within the City of Darwin:
• The City of Darwin has in place a Control Self-Assessment annual on-line self-assessment tool which includes a WHS component. This component is managed by the Team Coordinator Risk, Safety and Audit and reported through to the Risk Management and Audit Committee. The General Manager of Corporate Services is involved in the findings and recommendations from the audit. Depending on the results of the self-assessment, control improvement plans can be developed by the General Manager which are captured an assigned through this system;
• Parks undertake Tree Works Audits (sampled 7/4/2016) which audit worker compliance to WHS procedures, machinery, application and use of PPE, environment etc.; and
• The City of Darwin had closed out most of the WHS Management System Report action items from the previous Marsh audit dated April 2013; however some actions remain outstanding.

City of Darwin confirmed that all audits findings are provided to ELT and the WHS Consultative Committee for review as part of the City of Darwin auditing process.

Corrective Actions:

Element	Priority	Corrective Action Summary
3.5.4.1	Med	Update the *WHS Audit and Inspection Standard* to define how City of Darwin will carry out periodic audits to ensure that the WHS management system: • conforms to the requirements of *AS/NZS 4801 and the WHS Act* • has been effectively implemented • meets City of Darwin's policies and objectives and targets • is conducted by a competent person (Exemplar Global certified or a suitably qualified worker), and • considers the results of previous audits.
3.5.4.2	Med	Ensure that the *WHS Audit and Inspection Standard* addresses: • audit scope • audit frequency • audit methodology • competency of auditors • responsibilities for audits • reporting results of audits • handling and closing out corrective actions.
3.5.4.3	Med	Ensure all corrective actions identified in key audit reports are assigned, monitored and closed out in a timely manner.

3.6.   Management Review

Following are the audit commentary and findings which have been evaluated to determine compliance to this element.

Commentary and Findings

3.6.1.   General

There was evidence to verify that senior management oversee the WHS management system to ensure its continuing suitability and effectiveness.

The following senior management involvement and evidence was noted as part of the audit:
- City of Darwin ELT has formally approved the *WHS Management System.*
- The senior member interviewed during the audit demonstrated commitment to safety management through discussions surrounding the City of Darwin's risk profile, ELT meetings, recent incidents within the organisation and her expectations with relation to compliance with WHS legislation;
- The senior member advised of the ELT's involvement in the development and review of the WHS objectives and targets; and
- WHS statistical performance is reviewed by the ELT and corrective and preventative programs are discussed and approved. Statistical reports dated 31st August 2015 and 1st February 2016 sighted.

Marsh was able to verify if the City of Darwin *WHS Management System* documentation is subject to periodical review by the Team Coordinator Audit, Risk and Safety and by the WHS Consultative Committee. Documentation sighted during the audit process had been reviewed within the past two years; however documented evidence of senior management involvement was not available.

Corrective Actions:

Element	Priority	Corrective Action Summary
3.6.1.1	Low	Ensure the WHS Management System is reviewed by the organisations most senior management in accordance with the WHS Document Control standard Refer to section 3.4.5.1.

4

Summary of corrective actions

Element	Priority	Corrective Action	Management Response	Due Date	Responsibility	Completed
3.2.1	**Low**	Conduct an annual review of the WHS Policy Statement to ensure that the content remains current and relevant to the organisation.	ACCEPTED - WHS Policy Statement Reviewed and updated April 2016 in line with auditor's recommendation		TC Risk Audit & Safety	7/4/16
3.2.2	**Low**	Update the WHS Policy Statement to include an annual review period.	ACCEPTED – Policy statement currency date and review date added to document		TC Risk Audit & Safety	7/4/16
3.3.1.1	**Med**	Update all relevant risk management documentation (e.g. JSEA and SWMS) to include the approved City of Darwin risk matrix.	ACCEPTED – documentation now includes the correct risk matrix (consequence scale reflects injury severity per incident statistics data base		TC Risk Audit & Safety	7/4/16
3.3.1.2	**Med**	Develop and/or finalise and implement procedures and standards for the management of all workplace hazards including: • WHS Contractor Management Standard • Procurement of Goods Procedure/Standard (including pre-purchase risk assessment) • Health Surveillance • Management of Vehicles • Hot work Procedure/Guideline (including Hot Work permit), and • Management of Plant and Equipment.	ACCEPTED • Contractor Management Standard being developed Procurement standard will be developed to align with current procurement policy • Health Surveillance standard will be developed to cover skin checks, flu vax and drug & alcohol testing programme • Management of vehicles is undertaken in accordance with manufacturers procedures and does not need a discrete standard • Hot work and management of plan are currently covered by SOPs and will have SWMS developed		TC Risk Audit & Safety, and Risk & WHS Officer	Ongoing annual process

Element	Priority	Corrective Action	Management Response	Due Date	Responsibility	Completed
3.3.2.1	**Low**	Develop a Legislative Compliance procedure to specify how health and safety legislation and other relevant legal requirements are to be identified, maintained and communicated to the organisation. Ensure that the Legislative Compliance procedure documents the process to be initiated when there is a change to legislation that may affect part of the organisation.	ACCEPTED – has been included in a new section 3.1.6 in the WHSMS Policy document noting the various sources through which Council receives advice regarding legislative changes. TC Risk Audit & Safety will have carriage		TC Risk Audit & Safety	29/4/16
3.3.2.2	**Low**	Identify which department will capture and maintain WHS legislative information.	See 3.3.2.1			
3.3.4.1	**Med**	Update the *WHS Strategic Planning Standard* to include the following information: • how and when WHS Management Plans are to be created • responsibility for creating and approving WHS management plans; and • how and when WHS Management Plans should be reviewed	ACCEPTED – will be addressed as part of development of SWMS project	30/9/16	TC Risk Audit & Safety, and Risk & WHS Officer	
3.4.1.1	**Med**	Conduct a review of each position and ensure that the safety accountabilities and responsibilities are defined, designated and documented and ensure that safety accountabilities are communicated to each worker.	ACCEPTED – generic statement to be included in Job Descriptions compelling workers to comply with their WHS responsibilities under legislation and City of Darwin WHSMS Policy & Standards – to be done as and when JDs are reviewed when positions become vacant		TC Risk Audit & Safety and PCC Section	Ongoing annual process
3.4.1.2	**High**	Finalise and implement the standard for the Contractor Management, including: • Contractor Induction program • Communication of WHS accountabilities and responsibilities	ACCEPTED - Contractor Management Standard being developed	30/9/16	TC Risk Audit & Safety, and Risk & WHS Officer	
3.4.2.1	**Med**	Ensure the *Staff Matrix Tickets and Licensing register* is kept up to date. Consider adopting an electronic data base for the management and monitoring of licencing and ticketing requirements, or determine if the process should be managed by the relevant Manager/Supervisor, setting clear responsibilities for ensuring that the registers are kept up to date.	ACCEPTED – this matter will be referred to the Manager People Culture and Capability for action	31/12/16	Manager PCC	

Element	Priority	Corrective Action	Management Response	Due Date	Responsibility	Completed
3.4.2.2	**Med**	Ensure appropriate WHS training has been identified in the TNA for all levels of the organisation i.e. SOP's [JSEA's/SWMS going forward] so that past and future formal and informal training can be easily tracked and demonstrated if required, based on position descriptions, internal and external requirements and performance assessments.	ACCEPTED – will be managed as part of the SWMS development project and also in conjunction with 3.4.2.1	31/12/16	TC Risk Audit & Safety, Manager PCC	
3.4.2.3	**Low**	Ensure the EDP captures safety training opportunities relevant to each level within the organisation.	ACCEPTED – this matter will be referred to the Manager People Culture and Capability for action	31/12/16	Manager PCC	
3.4.2.4	**Low**	Implement the 'draft' *WHS Standard for Contractor Management* to ensure that evidence of contractor training is obtained for all contractor works.	ACCEPTED – see 3.4.1.2			
3.4.2.5	**Med**	Ensure all VOC training records are held on personnel files.	ACCEPTED – see 3.4.2.1 & 3.4.2.2			
3.4.3.1	**Low**	Consideration to be given to expanding the WHS Committee meeting minutes receipt group. I.e. middle Managers email group for discussion at team meetings.	ACCEPTED – WHS Committee minutes to be distributed to Senior Managers commencing April 2016		TC Risk Audit & Safety	27/4/16
3.4.3.2	**Low**	Update the WHS Committee TOR to include when workers will be consulted and clearly define all methods of consultation and communication methods across the business.	ACCEPTED – ToR amended to reflect Auditors comments		TC Risk Audit & Safety	27/4/16
3.4.3.3	**Low**	Provide additional consultation to workers, including HSR's on their responsibilities and duties in accordance with the *WHS Responsibilities and Duties Standard and the WHS terms of reference.*	ACCEPTED – WHS Committee meeting 27/4/16 addressed this recommendation. Notification to be sent to all Team Leaders requiring them to set aside time at Team Meetings for the relevant HSR to present and receive WHS related matters		TC Risk Audit & Safety	27/4/16
3.4.3.4	**Low**	Ensure team meetings are undertaken as scheduled.	ACCEPTED – see 3.4.3.3			
3.4.3.5	**Low**	Ensure WHS Consultative Committee meeting minutes are provided to workers in a timely manner. E.g. Produce meeting minutes within five working days of meeting being conducted.	ACCEPTED – WHS Committee meeting 27/4/16 addressed this recommendation. Minutes to be circulated within 48 hours of meeting and approved by WHS Committee members out of session. Distribution to all relevant parties within 5 working days of the meeting date		TC Risk Audit & Safety, and Risk & WHS Officer	27/4/16

Element	Priority	Corrective Action	Management Response	Due Date	Responsibility	Completed
3.4.3.6	Low	Consider amending EDP process to include an assessment of WHS responsibilities against requirements in the standard, e.g. Managers to be asked more in depth questions against the requirements of Section 8.2.2 in the *WHS Duties and Responsibilities Standard,* with workers discussing section 8.2.6.	ACCEPTED – will discuss implications with People Culture and Capability and have EDP process varied to meet auditors recommendations – EDP not due again until January 2017	31/12/16	TC Risk Audit & Safety, and Manager PCC	
3.4.4.1	Low	Update the WHS Management System documentation to capture consistent safety terminology and update changes to position titles as they occur.	ACCEPTED – WHSMS documentation updated to reflect "Work" Health and Safety, not "Occupational". Position titles amended as required. Annual review of documentation addresses changes to job titles.		TC Risk Audit & Safety	7/4/16
3.4.4.2	Low	Ensure all standards/procedures etc. referenced in the WHS Management System are available for use.	ACCEPTED – all safety and risk management documentation is available on the staff intranet, dedicated safety computer drive and through hard copies		TC Risk Audit & Safety	7/4/16
3.4.4.3	Med	Development and implement remaining WHS standard documentation as referenced in 3.3.1.2.	ACCEPTED – development and review of standards is an ongoing program and reviewed annually		TC Risk Audit & Safety	Ongoing annual process
3.4.5.1	Low	Develop a WHS Document Control standard to manage the development of WHS related documents that includes: • creation and formatting requirements to ensure that documents are readily identifiable • approval requirements for WHS documents • the location of relevant WHS documents • the version and revision requirements for WHS documents • removal and archiving of obsolete documents • the management of external WHS documents, and • the creation and control of local WHS documents.	ACCEPTED – document control information is contained in Section 3 of the WHS Duties and Responsibilities Standard. This has now been updated to reflect the auditor's recommendations.		TC Risk Audit & Safety	11/4/16
3.4.5.2	Low	Create a document control register to identify all WHS documents and forms and track their version and revision details.	ACCEPTED – document control register will be developed using Council's EDRMS.	31/12/16	TC Risk Audit & Safety	

Element	Priority	Corrective Action	Management Response	Due Date	Responsibility	Completed
3.2.6.1	**High**	Implement the recommended 'treatment plans' as identified in the Operations Risk Assessment (Revision 4) June 2015 and the 'corrective actions' of the City of Darwin WHS audit report (Marsh) to reduce the overall risk profile for the City of Darwin. In additional to the identified 'treatment and corrective action plans', consider implementing a Safety Leadership Training program and/or a Behavioural Risk Improvement (BRI) program to assist with embedding a positive safety culture within the City of Darwin.	ACCEPTED – only outstanding issues are contractor management and defensive verbal training for Regulatory Services staff. Both are being addressed. BRI and safety culture are being addressed. Safety alerts have been introduced and a "safety share" programme has recently been initiated for the outdoor workforce	30/9/16	TC Risk Audit & Safety.	10/4/16
3.2.6.2	**High**	Conduct a review of the JSEA program and format in consultation with the end user group to identify how JSEA's can be best applied. Consider using generic SWMS and not adding an additional JSEA form to the risk management process, rather incorporating a 'Part B' into the SWMS form if it is determined to be required.	ACCEPTED – Council has held discussions with Clarence Council in relations to JSEA program as they have just completed introduction of SWMS/JSEAs. Program will now focus on developing generic safe work method statements (SWMS) with Part B documents to be completed on-site to address site specific variations to risks noted in SWMS	31/12/16	TC Risk Audit & Safety, and Risk & WHS Officer	
3.2.6.3	**Med**	Develop a process whereby the actions identified during the Workplace Health and Safety Inspections are captured and monitored for close out, with records maintained.	ACCEPTED – Outstanding Issues Register developed to record and track actions arising from WHS Committee meetings and from WHS audits		TC Risk Audit & Safety	7/4/16
3.2.6.4	**Med**	Ensure all foreseeable hazards have been capture and controlled within the Workplace Health and Safety Risk Assessment V3 – January 2015.	ACCEPTED – WHSMS Risk Assessment is reviewed annually with applicable work groups. WHSMS RA was reviewed and updated to version 4 during the Audit. This will be reviewed again in July 2017.		TC Risk Audit & Safety	7/4/16
3.4.6.5	**Low**	Ensure all relevant workers are provided with instruction and training regarding the management of ergonomic risks in the workplace.	ACCEPTED – "relevant officer" is the TC Risk Audit & Safety. This officer has been trained as part of accreditation as Lead WHS Auditor. Ergonomic Inspection standard exists within the WHSMS documentation suite.		TC Risk Audit & Safety	7/4/16
3.4.6.6	**Med**	Ensure all duress alarms are operational.	ACCEPTED – Civic Centre duress alarms are tested monthly. Emergency showers at the Operations Centre are tested during WHS Audits		TC Risk Audit & Safety	7/4/16

Element	Priority	Corrective Action	Management Response	Due Date	Responsibility	Completed
3.4.6.7	**High**	Implement the draft Contractor Management WHS Standard to ensure that contractors engaged to undertake work for the City of Darwin are managed. This should include: • determination of hazards and risks when identifying contractor works • requesting WHS information from contractors at the tender/engagement phase • reviewing contractor WHS information and risk assessments prior to commencement of works • contractor induction, training and supervision • reviewing contractor performance • ongoing consultation with contractors, and • managing contractor poor performance. Consider adopting a software program to support the collection and management of contractor data.	ACCEPTED – see 3.4.1.2			
3.4.6.8	**Med**	Ensure equipment inspections are conducted and recorded on a scheduled basis;	ACCEPTED – equipment inspections are included on the WHS Audit Worksheet		TC Risk Audit & Safety	7/4/16
3.4.6.9	**High**	Ensure that WHS component of the contractor tender process is reviewed by a suitably qualified worker. Consider what information is requested to determine contractor suitability. I.e. Injury and incident statistics, LTIFR etc.	ACCEPTED – all documents for public tender are reviewed by the TC Risk Audit and Safety. This will be addressed in further detail during implementation of the contractor management standard	30/9/16	TC Risk Audit & Safety and Risk & WHS Officer	
3.4.6.10	**Med**	Develop SOPs for equipment missing from the SOP list including the Dingo.	ACCEPTED – being addressed as part of the SWMS development program	30/9/16	TC Risk Audit & Safety and Risk & WHS Officer	
3.4.6.11	**Med**	Document evidence of training of workers in each department against the requirements of relevant SOPs. Maintain records to demonstrate evidence of training and also to enable retraining to occur as required.	ACCEPTED – training does occur and is documented. Processes will be put in place to ensure training is recorded in Council's EDRMS.This will be done in conjunction with redesign of the WHMS and Risk EDRMS file structure.	31/12/16	TC Risk Audit & Safety	

Element	Priority	Corrective Action	Management Response	Due Date	Responsibility	Completed
3.4.7.1	**Med**	Ensure that emergency evacuation exercises are undertaken at least annually and that documentation is maintained of the evacuation exercise, including any recommended controls to be implemented for future evacuations.	ACCEPTED – evac exercises due for Civic Centre, Operations Centre and Casuarina Library. Nightcliff and Karama Libraries are conducted in conjunction with the relevant building management authorities as Council leases the premises in which these two libraries are located	30/9/16	Chief Fire Wardens	
3.4.7.2	**Med**	Ensure contractors/visitors are provided with the City of Darwin Emergency Management information.	ACCEPTED – will be implemented in conjunction with development of the Contractor Management Standard	30/9/16	TC Risk Audit & Safety and Risk & WHS Officer	
3.5.1.1	**Med**	Establish and implement procedures for monitoring and measurement of WHS performance on a regular basis. Procedures should include: • measurement of the performance of the WHS management plan • monitoring of the workplace environment • health surveillance and noise testing • equipment checks and pre-start checklists • measurement of WHS performance such as injury statistics • monitoring of the effectiveness of controls implemented through risk assessments.	ACCEPTED – performance management processes already exist :- • monthly review of WHS performance statistics by TC Risk Audit & Safety, WHS Committee, Team Leaders • quarterly and annual reports to ELT • annual inspections of Civic and Operations Centres • 6-monthly inspections of Libraries • Injury stats tracked through incident reporting system		TC Risk Audit & Safety	7/4/16
3.5.2.1	**Low**	Update the WHS Inspection Standard to include random site inspection to be conducted by the WHS Officer to ensure effectiveness of risk controls.	ACCEPTED – KPIs set for the engagement of the Risk & WHS Officer include conduct of on-site safety audits		TC Risk Audit & Safety	7/4/16
3.5.3.1	**Low**	Develop an WHS Standard for Records Management to manage the creation and maintenance of WHS records, including the requirement that WHS records: • must be clearly identifiable • easily retrieved upon request • current revision status of documents are identified • retained for the required period of time, and • appropriately disposed of.	ACCEPTED - This will be done in conjunction with redesign of the WHMS and Risk EDRMS file structure.	31/12/16	TC Risk Audit & Safety	

Element	Priority	Corrective Action	Management Response	Due Date	Responsibility	Completed
3.5.3.2	**Low**	Establish an WHS record matrix to define the following: • name of WHS record • owner of WHS record • record keeping location • if the record is confidential, and • record retention times.	ACCEPTED – see 3.5.3.1	31/12/16	TC Risk Audit & Safety	
3.5.3.3	**Low**	Establish record keeping locations and communicate the need for WHS records across the business. Ensure consistency in the management of WHS records.	ACCEPTED – see 3.5.3.1	31/12/16	TC Risk Audit & Safety	
3.5.4.1	**Med**	Update the *WHS Audit and Inspection Standard* to define how City of Darwin will carry out periodic audits to ensure that the WHS management system: • conforms to the requirements of *AS/NZS 4801 and the WHS Act* • has been effectively implemented • meets City of Darwin's policies and objectives and targets • is conducted by a competent person (Exemplar Global certified or a suitably qualified worker), and • considers the results of previous audits.	ACCEPTED – Audit & Inspection Standard has been updated to reflect the auditor's recommendations. • Inspection worksheet has been acquired from a nationally accredited WHS service provider • Inspection regime confirms with existing policy • Inspections are conducted by trained HSRs –this is reflected in the various sections of the Inspection Worksheet • Results are recorded on the WHS Issues Register and implementation action monitored monthly by the WHS Committee		TC Risk Audit & Safety	7/4/16

Element	Priority	Corrective Action	Management Response	Due Date	Responsibility	Completed
3.5.4.2	Med	Ensure that the *WHS Audit and Inspection Standard* addresses: • audit scope • audit frequency • audit methodology • competency of auditors • responsibilities for audits • reporting results of audits • handling and closing out corrective actions.	ACCEPTED – Audit & Inspection Standard has been updated to reflect the auditor's recommendations. • Inspection worksheet has been acquired from a nationally accredited WHS service provider • Audit frequency is noted in the standard • Methodology requirements have been reinforced in the standard • Inspections conducted by trained HSRs • Results are recorded on the WHS Issues Registers and implementation action monitored monthly by the WHS Committee		TC Risk Audit & Safety	7/4/16
3.5.4.3	Med	Ensure all corrective actions identified in key audit reports are assigned, monitored and closed out in a timely manner.	ACCEPTED – WHMS Issues register developed to capture and track actions arising from WHS audits and inspections. Implementation of actions will be reviewed monthly by WHS Committee		TC Risk Audit & Safety	7/4/16
3.6.1.1	Low	Ensure the WHS Management System is reviewed by the organisations most senior management in accordance with the WHS Document Control standard Refer to section 3.4.5.1.	ACCEPTED – WHMS documentation is submitted to ELT when changes are made to WHMS Policy Manual and Policy Commitment document		TC Risk Audit & Safety	7/4/16

MARSH

Marsh Pty Ltd
ABN 86 004 651 512
Level 6
225 St Georges Tce
Perth WA 6000
GPO Box W2025
Perth WA 6846
+61 8 9289 3881

MARSH & McLENNAN
COMPANIES

ENCL: **RISK MANAGEMENT & AUDIT** YES **COMMITTEE/OPEN**	**AGENDA ITEM:** 10.3
ASSET MANAGEMENT AUDIT - UPDATE ON OUTSTANDING AUDIT ISSUE NO. 145	
REPORT No.: 16TS0081 NN:tz **COMMON No.: 1713107**	**DATE: 27/05/2016**

Presenter: **Manager - Technical Services, Nadine Nilon**

Approved: **General Manager Infrastructure, Luccio Cercarelli**

PURPOSE

The purpose of this report is to provide the Risk Management & Audit Committee (RMAC) with an update on Outstanding Audit Issue No. 145, relating to Asset Management.

LINK TO STRATEGIC PLAN

The issues addressed in this Report are in accordance with the following Goals/Strategies of the City of Darwin 2012 – 2016 as outlined in the 'Evolving Darwin Towards 2020 Strategic Plan':-

Goal
5   Effective and Responsible Governance
Outcome
5.5   Responsible financial and asset management
Key Strategies
5.5.1   Manage Council's business based on a sustainable financial and asset management strategy

KEY ISSUES

- An asset management audit was undertaken by Deloitte in 2014 to update the previous audits that had occurred across asset management.
- The five audit recommendations were added to the Outstanding Audit Issues Register in March 2015, replacing the previous recommendations.
- Two previous recommendations remained on the register for an unknown reason and are to be removed as the 2014 audit reviewed all aspects of the previous audit and status of each recommendation.
- Work has progressed on all of the outstanding items which are reported through the Asset Management Steering Group.

RECOMMENDATIONS

THAT the Committee resolve under delegated authority:-

A.   THAT Report Number 16TS0081 NN:tz entitled Asset Management Audit - Update On Outstanding Audit Issue No. 145, be received and noted.

B.   THAT the completion dates for the following Outstanding Audit Issue No. 145 items be amended as follows:

  i.   Issue item 1 and 6 to July 2018
  ii.   Issue item 2 to July 2017
  iii. Issue item 3 to July 2017

C.   THAT the Committee note the removal of Issue items 4 and 5 from the Outstanding Audit Issue No. 145 Register as per Decision 21\3162(27/03/2015).

BACKGROUND

An asset management audit was undertaken by Deloitte in 2014 to update the previous audits that had occurred across asset management. From this audit, five recommendations were added to the Outstanding Audit Issues Register in March 2015, replacing the previous recommendations.

DECISION NO.21|3162   (27/03/15)

Assessment of Asset Management Processes - Deloitte 2014
Report No. 15A0040 MC:mp (27/03/15) Common No. 1713107

THAT the Committee resolve under delegated authority:

A.   THAT Report Number 15A0040 MC:mp entitled Assessment of Asset Management Processes - Deloitte 2014, be received and noted.

B.   THAT Management agreed recommendations not yet completed be added to the Outstanding Audit Issues Register (with the exception of the table on minor matters).

C.   THAT the following Outstanding Audit Issues be removed from the register as they are covered by the more up to date Deloitte assessment of asset management processes which will provide an improved focus:

  a.   Outstanding Audit Issue 116 "Asset Management & Financial Sustainability Review" (stemming from Access Economics and Jeff Roorda & Associates reviews).
  b.   Outstanding Audit Issue 137 Asset Management Plan – originally part of Outstanding Audit Issue 116.

D.   *THAT a presentation on the Asset Finda system and its relationship*
        with Map Info and Authority come to the Committee in May 2015.

The reinstatement of the Asset Management Steering Group has occurred, with updated terms of reference and quarterly meetings that are minuted and provided to the Executive Leadership Team (ELT). A presentation to RMAC on AssetFinda occurred in May 2015.

This report provides an update of the current Outstanding Issues relating to Asset Management.

DISCUSSION

The recommendations of the 2014 Deloitte audit have been progressed through the relevant sections and the internal Asset Management Steering Group. The status of each of these items has been updated in the Outstanding Audit Issue Register (Item 145), with a brief status update provided in **Attachment A**. Further detail on each specific item is provided as follows:

Issue items 1, 2 & 3

1. On Implementation of Asset Management System, develop and implement new procedures, and update existing draft procedures, where relevant in consultation with finance.

2. Finalise list of policies, procedures and standards for asset management, define purpose of each, the responsible sections and schedule review dates.

3. Develop, finalise and implement individual asset management plans, taking into account relevant recommendations from the 2012 asset sustainability review report.

An updated list of asset management related policies, procedures and plans has been included in **Attachment B**. As recommended by the 2014 Deloitte audit, this list provides an update on issue items 1 and 2. It is not recommended at this stage that these are considered complete, however they are being actively managed for completion to align with the other issue items.

It is recommended that issue item 1 has an amended completion date of July 2018 to coincide with the system implementation date of July 2018. The status of these will be reported ongoing through issue item 2.

It is recommended that issue item 2 has an amended completion date of July 2017. This issue item is complete in a raw form however it is considered that the trial of the system will make changes to this over for a period of time so the list and priorities will likely have significant change and it is considered that this is worth reporting to RMAC for an extended period.

It is recommended that issue item 3 has an amended completion date of July 2017 to allow for any changes to asset classes involved with the progress of issue item 6 (and to a lesser extent issue items 1 and 2).

Issue item 4

Ensure the Asset Management Strategy covers the following areas….

This issue item resulted from the 2012 audit. In March 2015, RMAC considered the Deloitte recommendations and resolved to remove this item as it was covered by the more up to date Deloitte assessment of asset management processes. RMAC is asked to note the removal of this item as per Decision No.21\3162 (27/03/15).

Issue item 5

Develop Asset Management Improvement Project (AMIP). Program to include all involvement tasks identified in Council's Asset and Risk Management Plans and Strategy.

This issue item resulted from the 2012 audit. In March 2015, RMAC considered the Deloitte recommendations and resolved to remove this item as it was covered by the more up to date Deloitte assessment of asset management processes. RMAC is asked to note the removal of this item as per Decision No.21\3162 (27/03/15).

Issue item 6

Asset Finder is not integrated to Civica Authority at this stage.

It is recommended that this title be amended to better reflect the 2014 Deloitte Audit and remove the focus on the system names;

Develop a corporate asset register that maximises the integration of asset and finance management systems.

The recommendation from the audit did include reference to a knowledge management strategy and project implementation plan. These are items being considered through the Asset Management Steering Group and form part of the development of the corporate asset register.

Additional training on AssetFinda was undertaken in April 2016, which provided an ability for new staff to be exposed to the system and for further consideration of applicability and process for implementation to be considered. As a result of this training, an updated project implementation plan will be developed for adoption by the Asset Management Steering Group. The implementation plan will focus on using AssetFinda for a selected asset class for the financial management aspects required for the system and use this as a trial to better understand the processes and any limitations to the system.

It is considered that there will remain a need for the Civica and AssetFinda to work in parallel in some ways for the foreseeable future; however it is considered that there is the possibility to use the systems to their best ability and minimise duplication of processes between the asset and finance sections. The timing of this implementation will be a process that ensures that everything is 'ready' and tested before being applied as the final process. It is anticipated that the timing will be based on asset classes and correlate to revaluation timing, of which July 2017 is being considered a possible timeframe.

As a result of the active work on this issue item, it is difficult to determine the anticipated completion date. Therefore, it is recommended that July 2018 is used as a completion date, with the Asset Management Steering Group providing status updates to RMAC on the outstanding issues that include key implementation plan milestone dates to indicate current progress and anticipated dates.

CONSULTATION PROCESS

This report was considered by the Executive Leadership Team on 09 May 2016 and now referred to the Risk Management Audit Committee for consideration.

In preparing this report, the following City of Darwin officers were consulted:

- Manager Finance
- Manager Information Technology

POLICY IMPLICATIONS

Nil identified as a result of this report, however current Policies are being reviewed as referred to within this report.

BUDGET AND RESOURCE IMPLICATIONS

All activities are within existing operation budgets.

RISK/LEGAL/LEGISLATIVE IMPLICATIONS

The Asset Management Audit, and Outstanding Issues Register, allow for appropriate risk management of asset management to occur, and be tracked.

ENVIRONMENTAL IMPLICATIONS

Nil identified.

COUNCIL OFFICER CONFLICT OF INTEREST DECLARATION

We the Author and Approving Officers declare that we do not have a Conflict of Interest in relation to this matter.

NADINE NILON   **LUCCIO CERCARELLI**
MANAGER - TECHNICAL   **GENERAL MANAGER**
SERVICES   **INFRASTRUCTURE**

For enquiries, please contact Nadine Nilon on 89300417 or email:
n.nilon@darwin.nt.gov.au.

Attachments:

Attachment A: Outstanding Audit Item 145
Attachment B: Table of Policies and Procedures

145	**Asset Management Audit** Deloitte March 2015	1	**On implementation of Asset Management System, develop and implement new procedures, and update existing draft procedures, where relevant in consultation with Finance.**	Manager Technical Services in consultation with Manager Finance	November 2015 **July 2018 recommended**	**Updated list and status provided as per issue item number 2. Updates and new procedures are occurring as required, specifically for issue item #6**
		2	**Finalise list of policies, procedures and standards for asset management, define purpose of each, the responsible sections and schedule review dates**	Manager Finance in consultation with Manager Technical Services	June 2015 **July 2017 recommended**	**Updated list and status provided and is continually updated**

145	**Asset Management Audit** Deloitte March 2015	3	**Develop, finalise and implement individual asset management plans, taking into account relevant recommendations from the 2012 asset sustainability review report (refer to Section 4 for more information)** a) Assign roles and responsibilities resulting from the plans and communicate these to relevant staff members b) Review asset management plans on a regular basis c) Ensure future plans indicate likely service level and risk trends resulting from long term financial plan d) Ensure that strategy plan and management plan performance measures align with AMP service levels e) Continue to develop additional AMP scenarios as required to align with the long term financial plan and show service outcomes and risk consequences of long term financial plan resourcing levels f) Update AMPs with state of the assets service levels for condition, function and capacity as per summary dashboards. g) Continue to develop additional AMP scenarios as required to align with the long term financial plan and show service outcomes and risk consequences of long term financial plan resourcing levels h) Introduce state of the art reporting for assets in the annual report	Manager Technical Services	November 2015 **July 2017 recommended**	**Drafts progressing**

145	**Asset Management Audit** Deloitte March 2015	4	**Ensure the Asset Management Strategy covers the following areas:** a. The Asset Management Strategy must include a Council endorsed Asset Management Policy b. The Asset Management Strategy must identify assets that are critical to the council's operations and outline risk management strategies for these assets c. The Asset Management Strategy must include specific actions required to improve council's asset management capability and projected resource requirements and timeframes. d. Annually review the asset management strategy and update improvement plan as required.	Manager Technical Services	January 2016 **Removal recommended**	**Removal recommended**

		5 **Develop Asset Management Improvement Program (AMIP). Program to include all improvement tasks identified in Council's Asset and Risk Management Plans and Strategy.** a. Ensure that the current register is kept up to date and asset condition is monitored and reported as part of the annual review of the works programme. b. Provide a data improvement programme as part of the asset management improvement programme based on benefit/cost/risk. c. Develop and implement a maintenance and inspection management policy/framework and complete condition assessment manuals for all asset classes as required.	Manager Technical Services	January 2016 **Removal Recommended**	**Removal recommended**
		6 **Asset Finder is not integrated to Civica Authority at this stage.** a. Further considerations are necessary for the future regarding detailed procedures and degree of integration between accounting and asset management systems b. Implementation date is notional at this stage as it is entirely dependant on all current asset data being entered into Asset Finda	Manager Technical Services in consultation with Manager Finance	May 2016 **July 2018 recommended**	**Training undertaken April 2016 to improve knowledge and understand practical aspects of implementation. Updated implementation plan being prepared.**

LISTING OF ASSET POLICIES AND PROCEDURES REVIEWED (08/04/2016)

Document Type	Ref	Title	Adopted by	Adopted Date	Document Status	Review Details					Responsibility
						Frequency	Due	Proposed Date	Priority	Statu/Comment	
Council Policy	55	Asset Management	Council	24/06/2014	Adopted	4 years	24/06/2018	24/06/2018	N/A		GMI
Council Policy	10	Land Acquisition, Disposal and Lease	Council	16/04/2014	Adopted	4 years	16/04/2018	16/04/2018	N/A		GMCS
Council Policy	12	Plant and Equipment	Council	29/07/2014	Adopted	4 years	01/02/2018	30/09/2016	Med		GMCS
Council Policy	22	Statement of Significant Accounting Policies	Council	30/09/2014	Adopted	4 years	27/11/2018	27/11/2018	Low		MF
Internal Policy	FIN01	Asset Capitalisation Policy	RMAC	26/10/2012	Adopted	2 years	01/10/2014	15/03/2016	High		MF
Internal Policy	FIN02	Asset Data Management Policy	RMAC	26/10/2012	Adopted	2 years	01/10/2014	15/03/2016	Low-Med	Review may result in it being a procedure	MF
Internal Policy	FIN03	Asset Disposal Policy	RMAC	26/10/2012	Adopted	2 years	01/10/2014	30/09/2016	Med		MF
Internal Policy	FIN04	Asset Overview Policy	RMAC	26/10/2012	Adopted	2 years	01/10/2014	15/03/2016	High		MF
Internal Policy	FIN05	Asset Revaluation Policy	RMAC	26/10/2012	Adopted	2 years	01/10/2014	NA	Nil	Review may result in deletion of Policy	MF
Internal Policy	FIN06	Asset Received Free of Charge Policy	RMAC	26/10/2012	Adopted	2 years	01/10/2014	15/03/2016	High	Review may result in it being a procedure	MF
Internal Procedure	FIN-AS	Infrastructure Assets – Capitalisation	MA	-	Adopted		-	30/05/2016	Low-Med	Review may result in combining with other procedure(s)	AA
Internal Procedure	FIN-AS	Acquisition and Capitalisation of Assets	MF	-	Adopted		01/12/2014	30/05/2016	Low	Review may result in combining with other procedure(s)	AA
Internal Procedure	FIN-AS	Disposal (No Revenue)	MF	-	Adopted		01/12/2014	30/05/2016	Low		AA
Internal Procedure	FIN-AS	EOY Process - Assets	MA	-	Adopted		-	NA	None		AA
Internal Procedure	FIN-AS	Monthly depreciation run	MF	-	Adopted		01/12/2014	30/05/2016	low		AA
Internal Procedure	FIN-AS	Portable & Attractive Assets	MF	-	Adopted		01/12/2013	30/05/2016	Med		AA
Internal Procedure	FIN-AS	Sale	MF	-	Adopted		01/12/2014	30/05/2016	Low		AA
Internal Procedure	TBA	Asset Forms	-	-	Final Draft		-	-	-	Consultation required prior to adoption	MTS
Internal Procedure	TBA	Asset Inspections and Maintenance	-	-	First Draft		-	-	-		MTS
Internal Procedure	TBA	Creating an Asset in AssetFinda	-	-	Final Draft		-	-	-	Consultation required prior to adoption	MTS
Internal Procedure	TBA	Disposing of an Asset in AssetFinda	-	-	Final Draft		-	-	-	Consultation required prior to adoption	MTS
Internal Procedure	TBA	Editing and Asset in AssetFinda	-	-	Final Draft		-	-	-	Consultation required prior to adoption	MTS
Internal Procedure	TBA	Replacing an Asset in AssetFinda	-	-	First Draft		-	-	-		MTS
Internal Procedure	TBA	Sale of an Asset in AssetFinda	-	-	First Draft		-	-	-		MTS
Internal Procedure	TBA	Side Entry Pit Safety Inspection Procedure with iPad	-	-	Final Draft		-	-	-	Consultation required prior to adoption	MTS

AMSG   Asset Management Steering Group
RMAC   Risk Management and Audit Committee

GMC   General Manager Corporate Services
MF   Manager Finance
GMI   General Manager Infrastructure
MTS   Manager Technical Services
MA   Management Accountant

ENCL: YES	RISK MANAGEMENT & AUDIT COMMITTEE/OPEN	AGENDA ITEM: 10.4

OUTSTANDING AUDIT ISSUE NO. 122 - REVIEW OF FINANCE PAYROLL PROCEDURES

REPORT No.: 16A0033 MC:mp   COMMON No.: 2862013   DATE: 27/05/2016

Presenter: **Manager Finance, Miles Craighead**

Approved: **General Manager Corporate Services, Diana Leeder**

PURPOSE

The purpose of this report is to update the Committee in respect of Outstanding Audit Issue (OAI) 122 Item 1.2.4 "Financial Services (finance, payroll) procedures require further enhancement and updating", and request this be marked as complete.

LINK TO STRATEGIC PLAN

The issues addressed in this Report are in accordance with the following Goals/Strategies of the City of Darwin 2012 – 2016 as outlined in the 'Evolving Darwin Towards 2020 Strategic Plan':-

Goal
5   Effective and Responsible Governance
Outcome
5.3   Good governance
Key Strategies
5.3.3 Understand and manage Council's risk exposure

KEY ISSUES

- Council's fraud management arrangements were reviewed by Deloitte in 2011.
- A number of matters were added to the outstanding audit issues register.
- These have been progressively completed on a risk/priority basis.
- Attachment A summarises the finance, payroll procedures subject to this review and update.
- This report recommends OAI 122 item 1.2.4 "Financial Services (finance, payroll) procedures require further enhancement and updating", be moved to the Completed Audit Issues Register.

PAGE: 2
REPORT NUMBER: 16A0033 MC:mp
SUBJECT: OUTSTANDING AUDIT ISSUE NO. 122 - REVIEW OF FINANCE PAYROLL PROCEDURES

RECOMMENDATIONS

THAT the Committee resolve under delegated authority:-

A.   THAT Report Number 16A0033 MC:mp entitled Outstanding Audit Issue No. 122 - Review Of Finance Payroll Procedures, be received and noted.

B.   THAT Outstanding Audit Issue No. 122 item 1.2.4 be moved to the Completed Audit Issues Register.

BACKGROUND

Deloitte Touche Tohmatsu (Deloitte) was engaged to assist Council with a review of fraud management arrangements in August 2011 and made a number of recommendations ("Review of Fraud Management Arrangements – Consulting Report June 2011").

Outstanding audit issue 122 is set out below based on page 75 of the Committee's Business Papers for its meeting held on Friday 18 March 2016 (with typos corrected back to the original Deloitte review report):

"2.2.5 (1.2.4) Financial services (finance, payroll) procedures require further enhancement and updating."

- *Updating information based on changes in approval limits or resulting from system upgrades.*
- *Noting the dates when the procedure was adopted and last adopted as well as the date of its next review.*
- *Updating position titles noted within the procedure, especially in the case of delegated officers with significant approval limits.*
- *Identifying and noting the procedure owner.*
- *Ensuring each procedure heading includes the appropriate text/instructions or, if deemed applicable is removed from the procedure.*
- *Clarifying which position is responsible for the following listed procedures, either by preparing the procedures in the third person or including an overall statement at the beginning of the procedure.*

DISCUSSION

Attachment A - Payroll Procedures Summary, tables the various payroll procedures identified as within the responsibility of Finance. The table explains to whom the procedure is relevant including; staff (general availability), payroll (payroll operations) and accounting (checking/control procedures).

All the procedures have been updated, and transferred to the current organisation template for procedures. Other matters addressed include; dates of adoption and next review, position titles corrected (where applicable), identification of the

procedure owner, deletion of inapplicable sections and identification of positions responsible under the procedure.

All the procedures in Attachment A have the following characteristics:

1. Prepared by the Payables Accountant and Team Leader Payroll.
2. Reviewed by the Financial Accountant.
3. Adopted by the Manager of Finance on 17 May 2016.
4. Next review date 1 May 2019 (if not required to be amended earlier).

CONSULTATION PROCESS

This report was considered by the Executive Leadership Team on **23 May 2016** and is now referred to Risk Management and Audit Committee for consideration.

In preparing this report, the following City of Darwin officers were consulted:

- Financial Accountant
- Payables Accountant
- Payroll Team Leader

POLICY IMPLICATIONS

This report only addresses internal Finance procedures and does not review or amend any Council policies.

BUDGET AND RESOURCE IMPLICATIONS

There are no additional budget and resource implications stemming from this report.

RISK/LEGAL/LEGISLATIVE IMPLICATIONS

The procedures the subject of this review and report are mainly guidance for payroll and finance staff. Two however are for general staff consumption and guidance such as to how to apply for leave or access a pay slip on line. In other cases they address internal control procedures on a risk basis, including checking of pay run data before finalisation and file maintenance listings.

Not covered by this review are:

- Industrial legislative issues largely governed by the Enterprise Bargaining Agreement (EBA), related industrial law.
- Procedures which are the responsibility of the People, Culture Capability (PCC) Section of Council.

ENVIRONMENTAL IMPLICATIONS

Nil

COUNCIL OFFICER CONFLICT OF INTEREST DECLARATION

We the Author and Approving Officers declare that we do not have a Conflict of Interest in relation to this matter.

MILES CRAIGHEAD   **DIANA LEEDER**
MANAGER FINANCE   **GENERAL MANAGER**
CORPORATE SERVICES

For enquiries, please contact Miles Craighead on 89300523 or email: m.craighead@darwin.nt.gov.au.

Attachments:

Attachment A: Finance, Payroll Procedure Summary

No	Title	Description	Use
Payroll Procedures Summary			
1	Checking Payroll	Detailed step by step tasks to be undertaken to review correctness of pay run	Finance
2	Checking Payroll Maintenance	Detailed Steps to be followed for checking correctness master file changes against supporting documents	Finance
3	Commbiz payroll Processing	Detailed steps to be followed for processing payroll for transfer of funds through Commonwealth Bank	Finance & Payroll
4	'ABS' Survey of Average Weekly Earnings	Detailed steps to be followed to generate data from authority for ABS Survey.	Payroll
5	Back pay process	This procedure outlines the steps required to calculate and process Back pay through the Authority system.	Payroll
6	Create Multiple Pay Period Calendars	This procedure outlines the steps required to Create Multiple Pay Period Calendars in the Authority System.	Payroll
7	Employee Reclassification	This procedure outlines the steps required to update Employee reclassifications.	Payroll
8	Month End (Payroll)	This procedure outlines the steps required for Payroll Month End.	Payroll
9	New Employee Setup	This procedure outlines the steps required to add a New Employee to the Authority System.	Payroll
10	Pay Rate Changes	This procedure outlines the steps required to update pay rates in Authority.	Payroll
11	Pay run Process	This procedure outlines the steps required to process Pays in the Authority.	Payroll
12	Payroll process in case of Death of Employee	This procedure outlines the steps required in case of a death of an employee.	Payroll
13	Portability of Long Service Leave Procedure	This procedure outlines the steps required to Calculate LSL and to fulfil the Portability of LSL Clause.	Payroll
14	Record & Save Document on ECM	This procedure outlines the steps required to record & save documents on ECM.	Payroll
15	Reportable FBT - Year End Process	This procedure outlines the steps required to calculate and process reportable FBT at year end.	Payroll
16	Tax Scale Changes	This procedure outlines the steps required to update Tax Scale Changes.	Payroll
17	Terminations in Authority	This procedure outlines the steps required to enter Terminations in Authority System.	Payroll
18	Wage Deductions	Detailed steps to be followed for processing deductions from pay of employees such as PWC & Jacana Energy , Child support payment	Payroll & AP
19	Access to payslips	This procedure allows employees access to view their payslips from the Authority System.	All Staff
20	Requesting Leave Online	Detailed steps to be followed for requesting leave online from employee kiosk	All Staff

ATTACHMENT A

ENCL: YES	**RISK MANAGEMENT & AUDIT** **COMMITTEE/OPEN**	**AGENDA ITEM:** **10.5**
	OUTSTANDING AUDIT ISSUE NO. 143 - ENVIRONMENTAL MANAGEMENT SYSTEM ASSESSMENT – FINAL REPORT	
REPORT No.: 16TC0018 SG;nj	**COMMON No.: 2110829**	**DATE: 27/05/2016**

Presenter: **Manager Climate Change & Environment, Shenagh Gamble**

Approved: **Executive Manager, Mark Blackburn**

PURPOSE

The purpose of this report is to finalise Outstanding Audit Issue No. 143 - Environmental Management System.

LINK TO STRATEGIC PLAN

The issues addressed in this Report are in accordance with the following Goals/Strategies of the City of Darwin 2012 – 2016 as outlined in the 'Evolving Darwin Towards 2020 Strategic Plan':-

Goal
5   Effective and Responsible Governance
Outcome
5.3   Good governance
Key Strategies
5.3.3 Understand and manage Council's risk exposure

KEY ISSUES

- Outstanding Audit Issue No. 143 is complete
- A summary of sections within the issue is provided in **Attachment A**
- A City of Darwin Operational Environmental Management Plan is being developed to synthesise many of the sections contained within this issue.

RECOMMENDATIONS

THAT the Committee resolve under delegated authority:-

A.   THAT Report Number 16TC0018 SG:nj entitled Outstanding Audit Issue No. 143 - Environmental Management System Assessment - Final Report, be received and noted.

B.   THAT Outstanding Audit Issue No. 143, Sections 3.5, 3.6, 3.7 and 3.8 be moved to the Completed Audit Issues Register.

BACKGROUND

At the Risk Management & Audit Committee Meeting of Friday 27 March 2015, it was resolved under delegated authority:

DECISION NO.21\3689   (28/08/15)

Outstanding Audit Issue No.143 – Update August 2015
Report No.15TC0100 SG:nj (28/08/15) Common No. 2110829

A.   That Report Number 15TC0100 SG:nj entitled Outstanding Audit Issue No. 143 – Update August 2015, be received and noted.

B.   THAT Outstanding Audit Issue no. 143, Section 3.3 and 3.4 be moved to the Completed Audit Issues Register

C.   THAT Outstanding Audit Issue No. 143, Sections 3.5, 3.6, 3.7 and 3.8 have an amended completion date to December 2015.

DISCUSSION

This report finalises Outstanding Audit Issue No. 143 - Environmental Management System Assessment. A detailed list of Audit Issue No. 143 including finalisation dates is provided in **Attachment A** to this report.

3.2   Reporting processes against environmental KPIs should be further clarified.
 a) Update Standard Operating Procedure 010 "Tree Planting Reporting" to include: Frequency of reports against KPIs
Status: Complete.
Comments: This SOP has been updated.

3.5   Contractors' reports should contain explicit reference to environmental issues or conditions
Manager Climate Change & Environment, Manager Contracts &
Manager Infrastructure Capital Works – *Amended to December 2015*
Status: Complete
Comments: As per 3.6 below, contractors will be encouraged to submit environmental management plans as part of the quotation and tender process. The template EMP includes example periodic environmental reports.

3.6   Contractors should submit environmental management plans
Manager Climate Change & Environment, Manager Contracts and
Manager Infrastructure Capital Works – *Amended to December 2015*
Status: Complete

Comments: A template Operational Environmental Management Plan (**Attachment B**) has been developed to provide to contractors as part of the initial part of the quotation and tender process.

3.7   A standard set of environmental conditions based on legislative requirements should be written in to contracts or leases
Manager Climate Change & Environment and Manager Contracts –
Amended to December 2015
Status: Complete
Comments: City of Darwin construction contracts are moving towards the Australian Standard AS4000 General Conditions of Contract. A list of standard clauses has been developed and is included in **Attachment C** to this report. These clauses will be considered for inclusion in larger contracts, subject to legal advice on a case-by-case basis.

3.8   Leases and contracts should be regularly reviewed to account for changes in environmental legislation or conditions
Manager Climate Change & Environment, Manager Contracts &
Manager Infrastructure Capital Works – *Amended to December 2015*
Status: Complete
Comments: Contracts and leases are reviewed for environmental conditions at the end of each contract term, generally three years.

In addressing the sections within Audit Issue No. 143 it has been determined to develop a City of Darwin Operational Environmental Management Plan (OEMP). This OEMP will cover many of the sections within Audit Issue No. 143 and provide City of Darwin the opportunity to lead by example and demonstrate best practice environmental management in the community.

CONSULTATION PROCESS

This report was considered by the Executive Leadership Team on 23 May 2016 and is now referred to the Risk Management & Audit Committee for consideration.

In preparing this report, the following City of Darwin officers were consulted:

- General Manager Infrastructure
- Manager Infrastructure Maintenance
- Manager Design, Planning & Projects
- Manager Technical Services
- Team Leader Capital Works
- Manager Business Services
- Contracts Administrator

POLICY IMPLICATIONS

Nil

BUDGET AND RESOURCE IMPLICATIONS

Nil

RISK/LEGAL/LEGISLATIVE IMPLICATIONS

Increasing awareness of obligations under environmental legislation provides avenues to reduce the risk of Council operations contravening environmental legislation. Recommendations discussed above help Council to improve compliance with environmental legislation.

ENVIRONMENTAL IMPLICATIONS

Improved compliance with environmental legislation inherently reduces the risk of environmental harm.

COUNCIL OFFICER CONFLICT OF INTEREST DECLARATION

We the Author and Approving Officers declare that we do not have a Conflict of Interest in relation to this matter.

SHENAGH GAMBLE **MARK BLACKBURN**
MANAGER CLIMATE CHANGE & **EXECUTIVE MANAGER**
ENVIRONMENT

For enquiries, please contact Shenagh Gamble on 89300530 or email:
s.gamble@darwin.nt.gov.au.

Attachments:

Attachment A: Outstanding Audit Issue 143 – Register of Completion
Attachment B: Template Periodic environmental report
Attachment C: Template Operational Environmental Management Plan
Attachment D: Environmental clauses for City of Darwin contractor and lease
agreements

Outstanding Audit Issue 143 – Register of Completion

3.1 Environmental advocacy groups and other stakeholders should be engaged further in the annual forum
Completed March 2015 DECISION NO.21\3165

3.2 Reporting processes against environmental KPIs should be further clarified.
Completed March 2015 DECISION NO.21\3165

3.3 A formal central register for compliance with environmental legislation should be implemented and maintained.
Completed August 2015 DECISION NO.21\3689

3.4 Inspections and monitoring regimes should contain explicit reference to environmental issues
Completed August 2015 DECISION NO.21\3689

3.5 Contractors' reports should contain explicit reference environmental issues or conditions.
Completed March 2016 DECISION NO XXXXX

3.6 Contractors should submit environmental management plans.
Completed March 2016 DECISION NO XXXXX

3.7 A standard set of environmental conditions based on legislative requirements should be written into contracts or leases.
Completed March 2016 DECISION NO XXXXX

3.8 Leases and contracts should be regularly reviewed to account for changes in environmental legislation or conditions.
Completed March 2016 DECISION NO XXXXX

3.9 A data management program for the collection of the GHG emissions data should be established.
Completed March 2015 DECISION NO.21\3165

3.10 The Operational Risk Assessment of the Office of the Chief Executive should be further updated (minor matter).
Completed March 2015 DECISION NO.21\3165

City of Darwin

[NAME OF CONTRACTOR]
[NAME OF OPERATION]

OPERATIONAL ENVIRONMENTAL MANAGEMENT PLAN

[DATE]
[VERSION]

PART 1:   BACKGROUND AND PROJECT SPECIFICS

1.1.   Contractor information

Project name:	
Company name:	
Key contact:	
Date of EMP:	
EMP prepared by:	

1.2.   Project specifications

Site address	
Description of area	
Plan (layout) attached?	*Yes or No*
Brief summary of overall project:	
Key activities:	
Operation processes:	
Plant/assets/equipment	
No of employees (inc subcontractors)	
Timing/staging (e.g. operating hours)	

1.3.   Environmental background

Description of existing environment:	*Include land use and ownership, zoning, landmark features e.g. sensitive environments such as waterways, groundwater resources, natural features, conservation reserves, cultural sites.*
Inherent environmental qualities	*Prone to flooding, bushfires?* *Are there threatened species or ecosystems in the area?*
Quality of existing environmental conditions	*Comment on the air quality, surface water quality, and general environmental amenity of the area*

1.2.   Contractor environmental management system

Does your business have an environmental management system or policies that apply to this development?	
Copy attached?	*Yes/No*

1.3.   Legal and licensing

Relevant legislation	*Suggestions:* *Commonwealth:* • *Environment Protection and Biodiversity Conservation Act* • *Ozone Protection and Synthetic Greenhouse Gas Management Act* • *Aboriginal and Torres Strait Islander Heritage Protection Act* *NT:* • *Environmental Offences and Penalties Act* • *Local Government Act* • *Weeds Management Act* • *Soil Conservation and Land Utilisation Act* • *Water Act* • *Public and Environmental Health Act* • *Public and Environmental Health Regulations* • *Waste Management and Pollution Control Act* • *Litter Act* • *Animal Welfare Act* • *Territory Parks and Wildlife Conservation Act* • *National Pollutant Inventory* • *Plant Health Act* • *Plant Health Regulations* • *Planning Act* • *Aboriginal Sacred Sites Act* • *Heritage Act*
Licences, approvals or permits obtained or to be obtained	*Waste Discharge Licence ###* *Development Approval ###* *Aboriginal Areas Protection Authority Certificate ##*
Conditions of approval/consent or licenses	*Please insert the text of the conditions on any licence, approval or permit you have been granted. Alternatively, attach a copy of the document to Appendix 2 and note that in this box.*
Other regulatory requirements (e.g. contracts, professional standards)	

1.4. Environmental management structure

Position	
Name	
Responsibilities	
Contact	
Position	
Name	
Responsibilities	
Contact	
Position	
Name	
Responsibilities	
Contact	

PART 2:   **ENVIRONMENTAL RISK ASSESSMENT AND MANAGEMENT**

2.1.   **ENVIRONMENTAL HAZARD ASSESSMENT**

Activity	Possible or actual environmental impact	Likelihood of occurrence	Environmental consequences
Grading surfaces	*Wind will sweep up dust*	*Medium*	*Affected air quality*

2.2. ENVIRONMENTAL MANAGEMENT STRATEGIES

Environmental impact	Objective	Actions or tools to mitigate risk / control measures	Timing/frequency	Person responsible
Reduced air quality from dust	*Reduce dust*	*Spray down surfaces with water*	*Whenever grading*	*Project manager*

PART 3: ENVIRONMENTAL EMERGENCY CONTACT AND RESPONSE

Emergency contact name and number:	*The person, or people, who can be contacted 24/7 and have the authority to stop works if required*
Other emergency contacts:	*Police:* *Fire brigade:* *Ambulance:*
Emergency procedure:	*Describe in brief or attach a comprehensive emergency procedure policy to Appendix 2.* *The emergency procedure should include steps to follow in response to incidents, including contingency management measures to minimize environmental harm, and timeframes for notifying relevant authorities and the community*
Notification instructions – stakeholders and contact details	*Describe who you need to contact, by when, and what methods you will use (for instance, NTEPA; nearby residents; City of Darwin)*

PART 4: MONITORING, TRAINING AND AWARENESS

4.1. External reporting commitments

Reporting requirement	Content	Frequency and due dates	Responsible person
City of Darwin	*Annual compliance report*	*Annual (periodic)*	
City of Darwin	*Incident report*	*Incident based*	
NTEPA	*Pollution incident report (s 14 of WMPC Act)*	*Incident based*	
Police	*Discovery of skeletal remains*	*Incident based*	

4.2. Internal reporting commitments

Internal monitoring description	*Describe how you will monitor and measure that you are complying with the EMP, relevant laws, your contractual obligations and internal policies, and what actions you would take if there is non-compliance*
Internal monitoring schedule	*Fortnightly/monthly/annually*
Responsible person:	

4.3. EMP review

Review process:	*Suggestion:* • *The responsible person will:* • *reviews records about environmental incidents;* • *discuss operations with key staff;* • *record decisions;* • *make subsequent changes to the EMP;* • *provide EMP to City of Darwin for review and consideration*
Review frequency:	*Annually*
Responsible person:	

4.4   Training and awareness

Will you conduct environmental awareness training for your employees and sub-contractors?	*Yes or No*
Training frequency and timing:	*Suggestions:* • *When commencing employment* • *Following EMP updates* • *Every six months during the life of the contract*
Content	*Suggestions:* • *Site induction* • *Familiarisation with requirements of EMP* • *Environmental emergency response training* • *Familiarisation with site environmental controls* • *Targeted environmental training for specific personnel, depending on what the role is.* • *Maintain records of training.*

APPENDIX 1: **Maps, diagrams, blueprints, conceptual site model**

No	Date	Description
1.		
2.		
3.		

APPENDIX 2: **Environmental documents (e.g. relevant policies and procedures, environmental management system, licences and permits, etc)**

No	Date	Description
1.		
2.		
3.		

Environmental clauses for City of Darwin contractor agreements

Definitions

Word	Meaning
Activities	All activities, products and services that the Contractor has been engaged to provide to the Council.
Contaminant	Has the same meaning as in the *Waste Management and Pollution Control Act* (NT).
Environment	Has the same meaning as in the *Waste Management and Pollution Control Act* (NT).
Environmental harm	Has the same meaning as in the *Waste Management and Pollution Control Act* (NT)
Environmental Management Plan	A site or project specific plan developed to ensure that appropriate environmental management practices are followed during the construction and/or operation of a project.
Pollution incident	An event where: • a contaminant or waste is emitted, discharged, deposited or disturbed or escapes; or • a contaminant or waste, effect or phenomenon, that is present in the environment occurs as a consequence of an emission, discharge, deposition, escape or disturbance of a contaminant or waste.
Emergency environmental incident	Any pollution incident which: (a) has caused, or is likely to cause, serious environmental harm; or (b) has, or is likely to have, a serious public health risk.
Serious environmental harm	Has the same meaning as in the *Waste Management and Pollution Control Act* (NT)
Standard Operating Procedure	Means the City of Darwin document titled, Standard Operating Procedure: Contractor Reporting of Environmental Incidents, as amended from time to time.
Serious public health risk	Has the same meaning as in the *Public and Environmental Health Act* (NT)
Waste	Has the same meaning as in the *Waste Management and Pollution Control Act* (NT)

Compliance with environmental legislation

1) The Contractor shall comply with all applicable laws for the protection of the environment arising as a consequence of or in connection with the activities, including those arising under Commonwealth and Territory Acts, regulations, by-laws, and other subordinate legislation.

2) The cost of meeting these legislative requirements shall be borne by the Contractor.

3) The Contractor must ensure that all persons employed or engaged by the Contractor in connection with the activities also comply with these legislative requirements.

4) In this regard, the Contractor's obligations include:

   a) obtaining and maintaining any necessary approvals, permits or licenses for the activities,

   b) complying with the terms and conditions of the approvals, permits or licenses;

   c) ensuring that its employees and subcontractors are aware of and adhere to their environmental obligations;

   d) complying with the lawful notices, orders or communications from authorities for the protection of the Environment; and

   e) notifying relevant authorities for the protection of the environment in the event of environmental harm or pollution incident.

Indemnity

5) The Contractor indemnifies the Council against all claims, costs, expenses, losses or damages suffered or incurred by the Council arising out of or in connection with the activities that results in or causes environmental harm.

Environmental Management Plan

6) The Contractor must, within 30 days of the date of this Contract and prior to the commencement of any activities, submit to the Council an Environmental Management Plan (**EMP**).

7) The Contractor must consider any amendments to the EMP, or any update of the EMP, which the Council may propose.

8) The EMP must be reviewed at least annually from the date of the execution of the Contract.

9) In addition to the annual review, the EMP should be reviewed:

   a) When there is a change in the scope of the activities;

   b) Following significant pollution incidents;

   c) When there is the need to improve performance in an area of environmental management;

10) If, following a review, the Contractor makes any amendments or changes to the EMP, the Contractor must provided the amended EMP to the Council.

11) The Contractor, and its employees and subcontractors, must comply with their EMP in the performance of the Contract.

General environmental duty

12) The Contractor will:

   a) do all things reasonable and practicable to prevent or minimise the likelihood of environmental harm occurring as a result of, or in connection with, their activities;

   b) in respect of the activities, mitigate the risk of environmental harm on the site at its own expense.

   c) implement and enforce sound environmental work practices and procedures;

   d) conduct environmental training for employees and subcontractors; and

e) effectively respond to environmental harm and the risk of environmental harm occurring as a result of or in connection with its activities.

Notification / Reporting

13) The Contractor must provide a periodic environmental report to the Council [insert frequency determined between the parties]

14) Within 3 days of any pollution incident, the Contractor must notify the Council by following the procedure set out in the Standard Operating Procedure.

15) Within 24 hours of becoming aware of an emergency environmental incident the Contractor must notify Council by following the procedure set out in the Standard Operating Procedure.

16) The Contractor agrees to as soon as practicable provide to Council any correspondence received from environmental agencies as required under the Standard Operating Procedure.

17) The Contractor agrees that the Council may at all times access the Contractor's site, facilities, and associated vehicles, plant and equipment and records to satisfy itself that the Contractor is complying with its obligations under this Contract.

DRAFT

Environmental clauses for City of Darwin lease agreements

Definitions

Word	Meaning
Activities	Means all activities authorised under the Lease
Contaminant	Has the same meaning as in the *Waste Management and Pollution Control Act* (NT).
Environment	Has the same meaning as in the *Waste Management and Pollution Control Act* (NT).
Environmental Harm	Has the same meaning as in the *Waste Management and Pollution Control Act* (NT)
Environmental Management Plan	A site or project specific plan developed to ensure that appropriate environmental management practices are followed during the construction and/or operation of a project.
Lease	Means this Lease
Listed Waste	Has the same meaning as in the *Waste Management Pollution Control Act* (NT)
Native Vegetation	Has the same meaning as in the Planning Scheme
Planning Scheme	Means the Northern Territory Planning Scheme
Pollution Incident	An event where: • a contaminant or waste is emitted, discharged, deposited or disturbed or escapes; or • a contaminant or waste, effect or phenomenon, that is present in the environment occurs as a consequence of an emission, discharge, deposition, escape or disturbance of a contaminant or waste.
Environmental Agency	Means the Northern Territory Environmental Protection Authority, the Department of Lands, Planning and the Environment or any other government agency with powers with respect to environmental harm occurring on the Subject Land.
Emergency Environmental Incident	Any pollution incident which: (a) has caused, or is likely to cause, serious environmental harm; or (b) has, or is likely to have, a serious public health risk.
Environmental Law	Means all environmental, contamination or pollution laws and any orders, directions, ordinances or other requirements, permissions, permits or licences issues under them.

Environmental Notice	Means any written notice, direction, order, demand or other requirement to take any action or refrain from taking any action from any Environmental Agency in connection with any Environmental Law.
Serious Environmental Harm	Has the same meaning as in the *Waste Management and Pollution Control Act* (NT)
Subject Land	Means the land situated at [insert details] being the land referred to in Certificate of Title Volume [###] Folio [###].
Waste	Has the same meaning as in the *Waste Management and Pollution Control Act* (NT)

Compliance with environmental legislation

1) The Lessee shall comply with all Environmental laws and all other applicable laws for the protection of the environment arising as a consequence of, or in connection with, the activities, including those arising under Commonwealth and Northern Territory Acts, regulations, by-laws, and other subordinate legislation.

2) The cost of meeting these legislative requirements shall be borne by the Lessee.

3) In this regard, the Lesee's obligations include:

   a) obtaining and maintaining any necessary approvals, permits or licenses for the activities,

   b) complying with the terms and conditions of the approvals, permits or licenses;

   c) complying with any Environmental Notice or other orders or communications from authorities for the protection of the environment; and

   d) notifying relevant authorities for the protection of the environment in the event of environmental harm or pollution incident.

Indemnity

4) The Lessee indemnifies the Council against all claims, costs (including clean-up and land rehabilitation costs), expenses, losses or damages suffered or incurred by the Council arising out of or in connection with the activities that results in or causes environmental harm.

General environmental duty

5) The Lessee will:

   a) do all things reasonable and practicable to prevent or minimise the likelihood of environmental harm occurring as a result of, or in connection with, their activities;

   b) in respect of the activities, mitigate the risk of environmental harm on the site at its own expense.

   c) effectively respond to environmental harm and the risk of environmental harm occurring as a result of or in connection with its activities.

Clearing of land

6) The Lessee must not cut down, remove or destroy Native Vegetation or otherwise clear any part of the Subject Land, or disturb or affect the soil except as permitted under this Lease and the Environmental Laws; and

Waste

7) The Lessee will not:

   a) store, manage, treat, deposit, place or dispose of any Listed Waste on the Subject Land

8) Clause 8 does not apply to the extent that the storage, management, treatment, placement or deposition of any Listed Waste is:

   a) permitted under this Lease; and

   b) authorised by all applicable laws, including Environmental Laws.

Remediation of environmental harm to the Subject Land

9) The Lessee will:

   a) do all things necessary to remediate any environmental harm that has occurred on the Subject Land to the satisfaction of Council; and

   b) comply with any Environmental Notice or Environmental Law in relation to remediation and rehabilitation of the Subject Land.

Right of entry

10) [It is assumed that Council's leases will already provide for Council's right of access]

Notification / Reporting

11) The Lessee:

   a) must within 3 days of any pollution incident notify the Council of that Pollution Incident by [Council to specify how it wishes to be notified].

   b) must within 24 hours of becoming aware of an Emergency Environmental Incident notify Council of the emergency environmental incident by [Council to specify how it wishes to be notified].

   c) will provide to Council any Environmental Notice as soon as practicable after having received it.

   d) Will notify the Council of any complaint made to the Lessee, or the commencement of proceedings against the Lessee relating to an alleged failure by the Lessee to observe or perform an obligation under an Environmental Law.

ENCL: **RISK MANAGEMENT & AUDIT** YES **COMMITTEE/OPEN**	**AGENDA ITEM: 10.6**

OUTSTANDING AUDIT ISSUE NO. 140 – STRATEGIC PERFORMANCE FRAMEWORK PROGRESS REPORT 4

REPORT No.: 16TC0033 SJ:mb   COMMON No.: 1230662   DATE: 27/05/2016

Presenter: **Manager Strategy and Outcomes, Sheree Jeeves**

Approved: **Executive Manager, Mark Blackburn**

PURPOSE

The purpose of this report is to inform the Risk Management and Audit Committee (RMAC) of the progress of Outstanding Audit Issue No. 140 – Strategic Performance Framework.

LINK TO STRATEGIC PLAN

The issues addressed in this Report are in accordance with the following Goals/Strategies of the City of Darwin 2012 – 2016 as outlined in the 'Evolving Darwin Towards 2020 Strategic Plan':-

Goal
5   Effective and Responsible Governance
Outcome
5.3   Good governance
Key Strategies
5.3.3 Understand and manage Council's risk exposure

KEY ISSUES

- In September 2015 KPMG was engaged to review the Strategic Performance Framework and the implementation of Outstanding Audit Issues Register items.
- **Attachment A** provides an update on the outstanding items.
- A key recommended action is that Council consider replacing the Quarterly Team Update Reports with quarterly Municipal Plan reporting, such as **Attachment C.**

PAGE: 2
REPORT NUMBER: 16TC0033
SUBJECT: OUTSTANDING AUDIT ISSUE 140 – STRATEGIC PERFORMANCE FRAMEWORK PROGRESS REPORT 4

RECOMMENDATIONS

THAT the Committee resolve under delegated authority:-

A.   THAT Report Number 16TC0033 SJ:mb entitled Outstanding Audit Issue No. 140 - Strategic Performance Framework, be received and noted.

B.   THAT the Outstanding Audit Issue Register be updated as detailed in **Attachment A** of Report Number 16TC0033 SJ:mb entitled Outstanding Audit Issue No. 140 – Strategic Performance Framework Audit – Progress Report 4.

C.   THAT Outstanding Audit Issue 143 be moved to the Completed Audit Issues Register.

BACKGROUND

DECISION NO. 21\4220

Outstanding Audit Issue No. 140 - Strategic Performance Framework – Progress Report 3
Report No. 16TC0021 SJ:ph (18/03/16) Common No. 1230662

A.   THAT Report Number 16TC0021 SJ:ph entitled Outstanding Audit Issue No. 140 - Strategic Performance Framework – Progress Report 3, be received and noted.

*B.   THAT the Outstanding Audit Issue Register be updated by replacement of existing outstanding actions with those in **Attachment A** of Report Number 16TC0021 SJ:ph entitled Outstanding Audit Issue No. 140 – Strategic Performance Framework Audit – Progress Report 3.*

DISCUSSION

The City of Darwin annual internal audit program required Council to undertake an audit of its adopted Strategic Performance Framework during 2013. The final audit report was presented to the RMAC in November 2013. Moderate risk audit findings 1.0 – 4.0 were placed on the Outstanding Audit Issues Register.

Manager Strategy and Outcomes has been working with KPMG to ensure Outstanding Audit Issue 140 is addressed and review the current status of the Strategic Performance Framework.

Attachment A provides details of the progress against the Outstanding Audit Items 140 – Strategic Performance Framework. All items are now complete except for Item 4.1.

Item 4.1 - Based on area needs, CoD should develop a standard suite of reporting to be produced from Interplan

This action was based on duplication of reporting existing due to staff producing Quarterly Team Update Reports as well as reporting against the Municipal Plan. The idea was to get Interplan to produce reports in the same format as the current Quarterly Team Update Reports produced by staff. The Strategic Performance Review completed with KPMG has identified Quarterly Team Update Reports are being completed and considered part of the Planning and Performance Framework, however they are not linked to the Planning and Performance Framework and their purpose and relevance should be reviewed. The reporting should align with the Planning Framework.

The Quarterly Team Update Reports provide a commentary of work being undertaken in each area, there isn't a consistent approach to the format of the reports and the type of information to be included. Generally the information included is quite low level operational detail. They are presented to the relevant Standing Committees. The Quarterly Team Update Reports should be replaced by quarterly reports against the Municipal Plan, produced from Interplan. This could be presented to Council as a complete progress report against the whole Municipal Plan, or it could be presented to the Standing Committees based on Program Profiles, therefore they would receive reports from the same areas as they do currently.

Attachment B and **Attachment C** provide an example of the current reporting format and the proposed change to reporting against the Municipal Plan. **Attachment B** provides the Climate Change and Environment Quarterly Team Update Report in the current format. **Attachment C** provides the Climate Change and Environment Quarterly Report against the Municipal Plan. It is proposed that reporting transition away from the current format **(Attachment B)** to the format reporting against the Municipal Plan **(Attachment C).**

The reporting against the Municipal Plan is based on responsible officers reporting progress of the Key Functions and Outputs and KPIs in each Program Profile. **Attachment D** provides the Program Profile for Climate Change and Environment. The Program Profile covers all key functions and outputs of each program area, therefore providing all relevant information to the Elected Members. In reporting against the Municipal Plan, if there are areas that are identified as gaps in the reporting, then that information will be valuable for the planning of the next year's Municipal Plan to ensure those gaps are then included in the planning.

CONSULTATION PROCESS

In preparing this report, the following City of Darwin officers were consulted:

- Executive Leadership Team
- 31 staff have been involved with the review with KPMG

POLICY IMPLICATIONS

Whilst there are not direct policy implications, implementation of the recommendations will contribute to continuous review and improvement of the City of Darwin Strategic Performance Framework.

BUDGET AND RESOURCE IMPLICATIONS

The change from Quarterly Team Update Reports to quarterly reporting against Municipal Plan will have a positive effect on resources by reducing the duplication of reporting requirements by staff.

RISK/LEGAL/LEGISLATIVE IMPLICATIONS

Legislative Implications
The functions (s12) and objectives (s13) of the *Local Government Act* provide for Council to develop and implement a Strategic Planning / Performance Framework that suits its needs.

(s22) requires Council to have a plan for its area which is to include the indicators for judging the standard of its performance. The City of Darwin is known as a municipal council and the plan is therefore referred to as the 'Municipal Plan'.

Risk Implications

The risks associated with not responding to the recommendations in the Audit Report and staff discussions include:

- Inability to develop robust and accountable planning and performance documents;
- Legislative non-compliance; and
- Organisational culture not aligned with strategic direction and performance reporting.

ENVIRONMENTAL IMPLICATIONS

Nil

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REPORT NUMBER: 16TC0033
SUBJECT: OUTSTANDING AUDIT ISSUE 140 – STRATEGIC PERFORMANCE
                  FRAMEWORK PROGRESS REPORT 4

COUNCIL OFFICER CONFLICT OF INTEREST DECLARATION

We the Author and Approving Officers declare that we do not have a Conflict of Interest in relation to this matter.

SHEREE JEEVES   **MARK BLACKBURN**
MANAGER STRATEGY AND   **EXECUTIVE MANAGER**
OUTCOMES

For enquiries, please contact Sheree Jeeves on 89300531 or email: s.jeeves@darwin.nt.gov.au.

Attachments:

Attachment A: Outstanding Audit Issue 140 – Strategic Performance Framework
Attachment B: Climate Change Quarterly Team Update Report
Attachment C: Climate Change Quarterly Report against Municipal Plan
Attachment D: Climate Change and Environment Municipal Plan Program Profile

Finding	Detailed Finding	Rating	Recommended Action	Responsibility	Amended Target Date	Progress Mar 2016	Comments
1	Reliability of Monitoring & Reporting Processes	Moderate	1.0 The Manager Strategy and Outcomes to ensure all KPIs reported in Interplan are supported by accurate and reliable source documentation. This documentation should be retained (either electronically within Interplan or in hard copy) for each Progress Report. These requirements should be clearly documented and communicated to management and staff across the council.	Manager Strategy & Outcomes	June 2016	100%	The 2014/15 Annual Report showed all Strategic and Municipal Plan KPIs. The RMAC Report 30/10/15 identified that source data was available for all 25 of the Strategic Plan KPIs. For the Municipal Plan KPIs there were 85 with source data available, 7 KPIs without source data available and 10 KPIs were no longer relavent. A collaborative process was undertaken in the development of the 2016/17 Municipal Plan to update Program Profiles, ensuring the KPIs used all have source data available. The KPMG review also identified inconsistencies with the current list of Program Profiles i.e. they were defined at different levels within Departments. This has also been addressed in the 2016/17 Municipal Plan development with some changes to the Program Profiles.
2	Lack of Linkage within Strategic Performance Framework	Moderate	2.1 Review the Strategic Performance Framework to ensure only those plans required in the process are included and that each cascades from the previous to ensure linkages. A pragmatic approach should be taken with this review to ensure the plans are relevant and will be applied.	Chief Officers Group	June 2016	100%	The Strategic Planning Framework was reviewed in the development of the 2016/17 Municipal Plan and changes were made to the Program Profile structure to better reflect the operating environment. The Planning Framework is revisted each year in line with Municipal Planning.
			2.2 Include both a City and Council Vision with separate Council strategic goals.			100%	Action 2.2 Feb 2014 - Action 2.2 is considered complete as Council does not feel it necessary to develop a City and Council Vision. Jul 2014 - Action 2.2 Complete
			2.3 Gain business ownership in strategic direction. The business needs to be involved in the strategic planning development process as well as its application throughout the year. They should be questioning any operational activities not contributing to the agreed strategic direction. The agreed strategic direction should be reflected in actions and performance assessments, including staff appraisals.		June 2016	100%	Middle Managers and Program Managers are engaged in the development of the Municipal Plan, Customer Satisfaction Tool and Annual Report each year. As part of the KPMG Strategic Performance Review, a number of staff met with KPMG to discuss the Planning Framework, identify issues and opportunities for improvement. A number of staff raised the issue of duplication of reporting with Quarterly Team Update Reports and reporting against the Municpal Plan. Workshops were held with staff to complete the 6 month Strategic and Municipal Plan Progress Report. This included discussions about the Planning Framework and ensuring reliability of reporting information. Workshops were then held to develop the 2016/17 Municipal Plan. Engagement with staff will continue to occur on an ongoing basis to maintain business ownership.
3	Inappropriate Key Performance Measures	Moderate	3.0 Using the information provided as a result of this Internal Audit project, review the suite of KPIs focussing on what is key, measurable and relevant, as well as including both lead (or real time) and lag indicators.	Manager Strategy & Outcomes	June 2016	100%	For the 2015/16 Municipal Plan KPIs there were 85 with source data available, 7 KPIs without source data available and 10 KPIs were no longer relavent. The review with KPMG and a collaborative process undertaken to develop the 2016/17 Municipal Plan has focussed on producing relevant KPIs with source data. All KPIs are measurable. Continuous improvement of the selection of KPIs can occur by improving data capture.
4	Inefficient Reporting Processes	Moderate	4.1 Based on business area needs, CoD should develop a standard suite of reporting to be produced from Interplan.	Manager Strategy & Outcomes	June 2016	50%	The Strategic Performance Review completed with KPMG has identified Quarterly Team Update Reports are being completed and considered part of the Planning and Performance Framework, however they are not linked to the Planning and Performance Framework and their purpose and relevance should be reviewed. Reporting should align with the Planning Framework. The Quarterly Team Update Reports provide a commentary of work being undertaken in each area, there isn't a consistent approach to the format of the reports and the type of information to be included. Generally the information that is included is quite low level operational detail. The Quarterly Team Update Reports should be replaced by quarterly reports against the Municipal Plan.
			4.2 CoD should also review the process to record and update information in Interplan to improve its efficiency. Revised processes should then be rolled out across the organisation. Business areas should then be encouraged to use Interplan rather than alternative sources.	Manager Strategy & Outcomes	June 2016	100%	Interplan was considered in the Planning and Reporting Review completed with KPMG. The initial finding being that the program can deliver what the Council requires, but the information within the Planning Framework should be finalised first before Interplan is rolled out to the organisation again. Interplan is currently being used by the Strategic Services team. Interplan is ready to be used for reporting against the Municipal Plan. Interplan was used to complete the 6 month progress report against the 2015/16 Municipal Plan through workshops with staff.

ATTACHMENT A

ENCL: NO	ENVIRONMENT & INFRASTRUCTURE COMMITTEE/OPEN	AGENDA ITEM:
CLIMATE CHANGE ACTION PLAN QUARTERLY REPORT – JANUARY TO MARCH 2016		
REPORT No.: 16TC0011 SG:nj	**COMMON No.: 1792647**	**DATE: 24/05/2016**

Presenter: **Manager Climate Change & Environment, Shenagh Gamble**

Approved: **Executive Manager, Mark Blackburn**

PURPOSE

The purpose of this report is to inform the Committee of progress towards the Climate Change Action Plan and associated environmental initiatives during the third quarter, January – March 2016.

LINK TO STRATEGIC PLAN

The issues addressed in this Report are in accordance with the following Goals/Strategies of the City of Darwin 2012 – 2016 as outlined in the 'Evolving Darwin Towards 2020 Strategic Plan':-

Goal
3   Environmentally Sustainable City
Outcome
3.1   Council's carbon footprint reduced
Key Strategies
3.1.1-Reduce Council's greenhouse gas emissions

KEY ISSUES

- Electricity consumption decreased in this quarter compared with the previous quarter and compared with the equivalent time last year.
- Water consumption was lower this quarter than the previous quarter, in keeping with annual patterns of consumption
- Fauna assessment of East Point Reserve and Nightcliff Foreshore will be conducted in the next quarter
- Solar PV installation was awarded for 58kWh systems to be installed at Nightcliff and Casuarina Pools

RECOMMENDATIONS

THAT the Committee resolve under delegated authority:-

THAT Report Number 16TC0011 SG:nj entitled Climate Change Action Plan Quarterly Report – January to March 2016, be received and noted.

PAGE: 2
REPORT NUMBER: 16TC0011 SG:nj
SUBJECT: CLIMATE CHANGE ACTION PLAN QUARTERLY REPORT – JANUARY TO MARCH 2016

BACKGROUND

This report provides an update on progress against the Climate Change Action Plan and associated activities as completed by the Climate Change & Environment Team in the period January – March 2016.
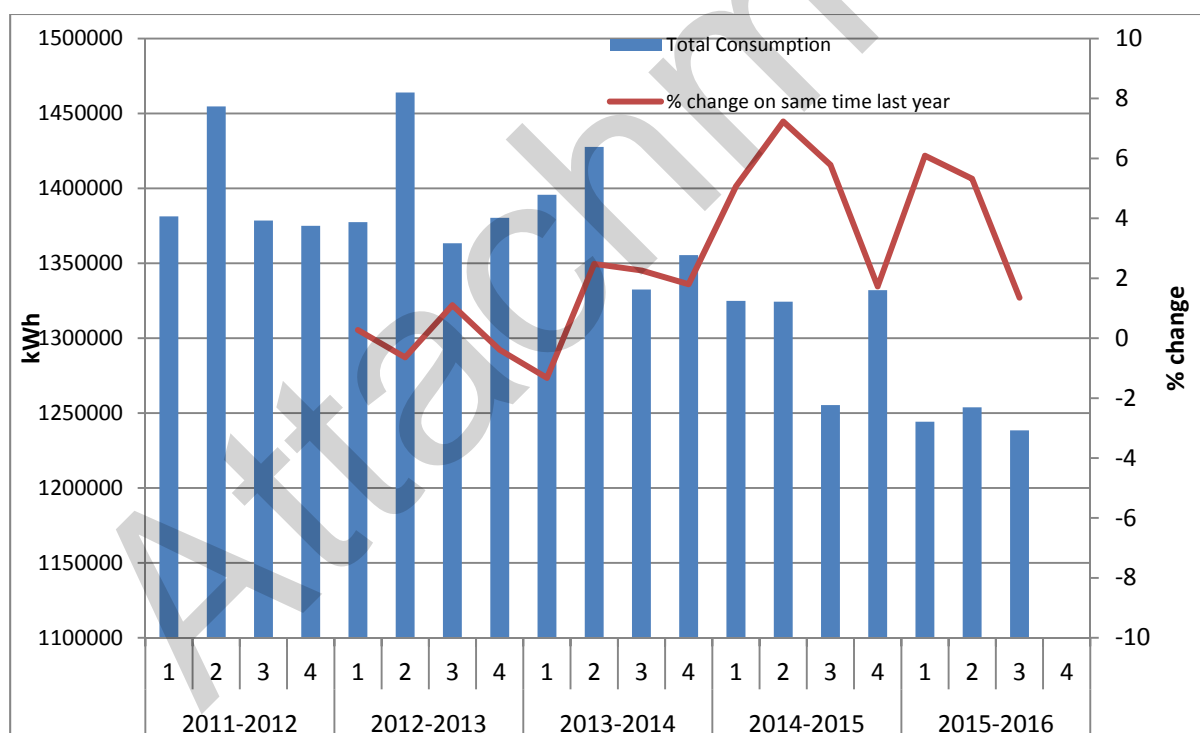
DISCUSSION

CCAP Outcome1 : Council's energy consumption is reduced
Performance Measure: Electricity consumption is reduced

Figure 1 below shows total electricity use for the City of Darwin. The graph includes the percentage of change based on the same time in the previous year.

In this quarter, electricity reduced by 1% on the same time last year.

Performance Measure: Renewable energy is invested in
In this period, a tender for the installation of 58kW solar PV systems at each of the Nightcliff and Casuarina Pools was awarded to Country Solar. The systems at these pools are expected to generate 464kWh of electricity daily, saving council around $49,000 annually.


CCAP Outcome 2: Water consumption is reduced **Performance Measure: Council understands its water usage**

Council staff continue to work with Power and Water to better understand location and functions of water meters.

Performance Measure: Amount of water used in properties and buildings *and* **Performance Measure: Amount of water used in irrigation of parks**

Note, total water consumption is listed below as functional classification has not yet been completed for all water accounts. Functional classification will allow separate reporting for properties and buildings, and irrigation/outdoor.

Figure 2 below shows a consistent annual pattern of water consumption across all sites. It is worth noting that although this year's wet season received less than average rainfall a water consumption reduction of 9% and 1% for the second and third quarters respectively was achieved.
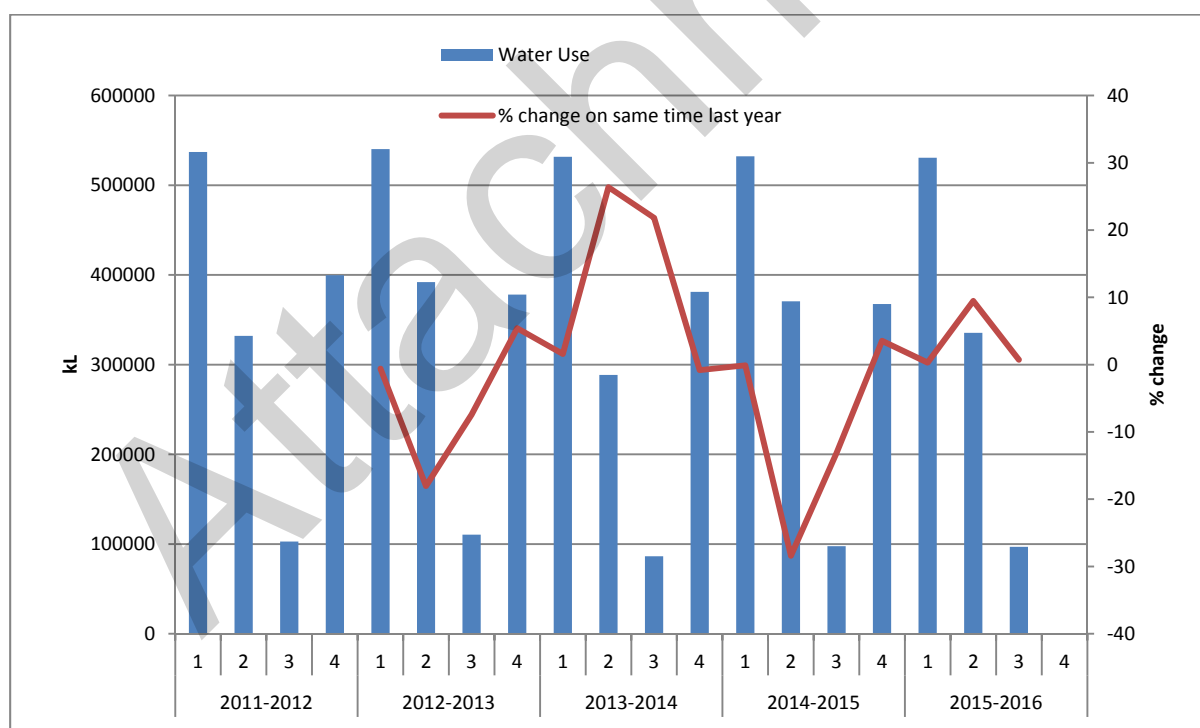
CCAP Outcome 3 Waste is reduced

Note, this information is reported through the Waste And Recycling Quarterly Report - January To March 2016, report 16TS0065 NN:tz

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REPORT NUMBER: 16TC0011 SG:nj
SUBJECT: CLIMATE CHANGE ACTION PLAN QUARTERLY REPORT – JANUARY TO MARCH 2016

CCAP Outcome 4: High levels of biodiversity are maintained across Darwin

Performance Measure: Native habitats across the municipality are connected and sustainably managed

A request for quotation to undertake a fauna assessment at East Point Reserve and Nightcliff Foreshore received a number of high quality responses. The job was awarded to the Northern Territory Government Flora and Fauna division who are estimated to commence work in May 2016.

Performance Measure: Weeds and pests are controlled

This quarter was a significant time for weed control and slashing, spraying and hand pulling has occurred across the municipality. Further information is provided in the Infrastructure Maintenance Quarterly Report – March 2016, report 16TS0075 KS:je

CCAP Outcome 5: Erosion on Council land is managed
Performance Measure: Impacts of sea level rise and storm surge on new infrastructure are minimised.

Significant sea wall construction works at Nightcliff commenced during this quarter. This is reported in more detail in the Capital Works - March 2016 Quarterly Report, report 16TS0069 NK:jg.

CCAP Outcome 6: The built environment supports sustainable lifestyles
No significant progress towards this outcome during this quarter.

CONSULTATION PROCESS

In preparing this report, the following City of Darwin officers were consulted:

- Manager Strategy & Outcomes

In preparing this report, the following External Parties were consulted:

- Planet Footprint

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REPORT NUMBER: 16TC0011 SG:nj
SUBJECT: CLIMATE CHANGE ACTION PLAN QUARTERLY REPORT – JANUARY
                             TO MARCH 2016

POLICY IMPLICATIONS

Activities described in this report are consistent with the actions and outcomes of the Climate Change Action Plan (2011-2015) and City of Darwin Policy No. 59 Climate Change.

BUDGET AND RESOURCE IMPLICATIONS

All activities have been completed within operational budgets.

RISK/LEGAL/LEGISLATIVE IMPLICATIONS

Nil

ENVIRONMENTAL IMPLICATIONS

Activities described in this report are inherently beneficial to the environment.

COUNCIL OFFICER CONFLICT OF INTEREST DECLARATION

We the Author and Approving Officers declare that we do not have a Conflict of Interest in relation to this matter.

SHENAGH GAMBLE   **MARK BLACKBURN**
MANAGER CLIMATE CHANGE &   **EXECUTIVE MANAGER**
ENVIRONMENT

For enquiries, please contact Shenagh Gamble on 89300530 or email:
s.gamble@darwin.nt.gov.au.

Attachment C

City of Darwin

PREMIUM Action and Task Progress Report

July 2015 - June 2016

Report Filters:

Date From :01-07-2015
Date To :30-06-2016
Section :Climate Change & Environment
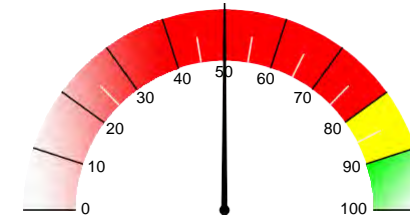Program Profile :Climate Change and Environment
Display Task : No
Action Filter :Show All

Action Status

Off Track 100.0%
Monitor 0.0%
On Track 0.0%
No Target 0.0%
Total: 100.0%

Action Progress Against Targets

8 Actions reported on
0 At least 90% of action target achieved
0 Between 70 and 90% of action target achieved
8 Less than 70% of action target achieved
0 Actions with no target set

Office of the Chief Executive
Climate Change & Environment
STRATEGY: 3.1.1 Reduce Council's greenhouse gas emissions

Action	Responsibility	Action Status	Start Date	End Date	% Comp.	Target	% On Target
3.1.1.1 Coordinate the improvement of the environmental performance of Council's operations	Shenagh Gamble - Manager Climate Change & Environment	In Progress	01/07/2015	30/06/2016	75%	100%	🟢

Program Profile	Budget Type			
Climate Change and Environment	Operating			

ACTION PROGRESS COMMENTS

Six Monthly Update (July – December 2015)

Implementation of recommendations from the Deloittes Environmental System assessment continued in this period. Notably the development of Standard Operating procedures for environmental reporting and site inspections, environmental checklist, register of NT and Commonwealth legislation and clauses to be used in contractor and lease arrangements . These documents will be brought together into an Operational Environmental Management Plan.

Three Quarter Update (January – March 2016)

CCE staff are working with OHS staff based at the Operations Centre to include environmental conditions in Safe Working Methods Statements

Last Updated - 20/01/2016

STRATEGY: **3.2.1 Increased community understanding of climate change and environment issues and mitigation and adaption actions**

Action	Responsibility	Action Status	Start Date	End Date	% Comp.	Target	% On Target
3.2.1.1 Manage and implement the City of Darwin Climate Change Policy and Action Plan 2011-2020	Shenagh Gamble - Manager Climate Change & Environment	In Progress	01/07/2015	30/06/2016	75%	100%	🟢⬛⬛

Program Profile	Budget Type						
Climate Change and Environment	Operating						

ACTION PROGRESS COMMENTS

Six Monthly Update (July – December 2015)

Key initiatives that have occurred in this six month period include: Solar PV installation at Bishop Street Operations Centre

Water audits (performed by Living Water Smart) undertaken at Casuarina Pool and Civic Centre Lunchtime seminar series, covering Sustainable House Day and Water efficient design Community tree planting day at East Point Reserve

Ongoing projects contribute to energy, waste and water reduction as well as enhancing biodiversity across the municipality.

Three Quarter Update (January – March 2016)

Electricity consumption decreased by 1% this quarter, compared with the same time last year.

Despite a significantly lower average rainfall this quarter, water consumption decreased by 1% this quarter compared with the same time last year.

The Northern Territory Government Flora and Fauna division has been engaged to undertake fauna assessment at East Point Reserve and Nightcliff Foreshore

Last Updated - 20/01/2016

Action	Responsibility	Action Status	Start Date	End Date	% Comp.	Target	% On Target
3.2.1.2 Foster environmentally sustainable behaviour in the Darwin community	Shenagh Gamble - Manager Climate Change & Environment	In Progress	01/07/2015	30/06/2016	75%	100%	🟢⬛⬛

Program Profile	Budget Type						
Climate Change and Environment	Operating						

ACTION PROGRESS COMMENTS

Six Monthly Update (July – December 2015)

Community initiatives this period include: Garage Sale Trail

Backyard Bird Count Sustainable House Forum Water Efficient Design Forum Community Tree Planting Day

12 Sustainable Days of Christmas

Progress ongoing

Three Quarter Update (January – March 2016)

The quarter from January through to March is typically a quiet time for community engagement. However initiatives include:
- Discussions with community members about developing information signs regarding shorebirds at Nightcliff Foreshore
- Participate in discussion regarding Water Sensitive Cities, a workshop hosted by the CRC for Water Sensitive Cities

- Deliver initiatives under the Darwin Bike Plan education and engagement plan, including working with stakeholders to develop Share the Roads and Share the Paths education material
- Develop request for quotation for Wayfinding Strategy (including cycling wayfinding)
- The Climate Change Challenge (key schools engagement activity) will occur on 1 June, and planning is well underway with schools across Darwin actively involved

Last Updated - 20/01/2016

STRATEGY: **3.2.3 Lobby governments, developers and industry to undertake sustainable projects and behaviours**

Action	Responsibility	Action Status	Start Date	End Date	% Comp.	Target	% On Target
3.2.3.2 Manage Council's response regarding legislation, government policy and land use strategy as it affects environmental management and climate	Shenagh Gamble - Manager Climate Change & Environment	In Progress	01/07/2015	30/06/2016	75%	100%	

Program Profile	Budget Type				
Climate Change and Environment	Operating				

ACTION PROGRESS COMMENTS

Six Monthly Update (July – December 2015)

the Climate Change & Environment team provides advice to development applications and input to government submissions as needed.

Three Quarter Update (January – March 2016)

Prepared and submitted comment on Northern Territory Government's Balanced Environment draft Strategy

Last Updated - 20/01/2016

Action	Responsibility	Action Status	Start Date	End Date	% Comp.	Target	% On Target
3.2.3.4 Advocate to the Territory Government and comment on Development Applications to foster environmentally sustainable development	Shenagh Gamble - Manager Climate Change & Environment	In Progress	01/07/2015	30/06/2016	75%	100%	

Program Profile	Budget Type				
Climate Change and Environment	Operating				

ACTION PROGRESS COMMENTS

Six Monthly Update (July – December 2015)

Where appropriate, comment is provided on development applications and submissions provided to NT Government initiatives. For example, attended a briefing session regarding changes the NT Environmental Regulatory System prior to preparing comment on these changes.

Three Quarter Update (January – March 2016)

Comment was made on a number of development applications during this time.

Last Updated - 20/01/2016

STRATEGY: **3.3.1 Advocate for the conservation of natural systems**

Action	Responsibility	Action Status	Start Date	End Date	% Comp.	Target	% On Target
3.3.1.1 Monitor stormwater and waterway water quality	Shenagh Gamble - Manager Climate Change & Environment	In Progress	01/07/2015	30/06/2016	75%	100%	

Program Profile	Budget Type				
Climate Change and Environment	Operating				

ACTION PROGRESS COMMENTS

Six Monthly Update (July – December 2015)

Regular water quality monitoring continued through this period. As a result of this monitoring Lake Alexander was closed during the Christmas break due to high bacteria readings

Stormwater "first flush" sampling occurred at all 12 sites across the municipality.

Three Quarter Update (January – March 2016)

Stormwater wet season sampling was difficult during this period due to sporadic rainfall and few significant rain events.
No closures for Lake Alexander were required during this period.

Council has participated in the development of a Strategy for Integrated Monitoring and Research Program for the Darwin Harbour Region.

Last Updated - 20/01/2016

STRATEGY: **3.3.2 Increase biodiversity richness and abundance across Darwin**

Action	Responsibility	Action Status	Start Date	End Date	% Comp.	Target	% On
3.3.2.1 Manage and implement the East Point Reserve Biodiversity 5 Year Plan (2014-2018)	Shenagh Gamble - Manager Climate Change & Environment	In Progress	01/07/2015	30/06/2016	75%	100%	

Program Profile	Budget Type					
Climate Change and Environment	Operating					

ACTION PROGRESS COMMENTS

Six Monthly Update (July – December 2015)

the Climate Change & Environment and Parks & Reserves teams continue to work well to deliver the East Point Biodiversity Plan. Key activities this period include the community tree planting day, which for the first time directly targeted school groups. This event was very successful and productive and the same approach will be used for future community planting days.

Three Quarter Update (January – March 2016)

The nursery on site at East Point has been re-established with seed collection and propagation

CDU student research is ongoing including leaf litter assessments and assisting with planting both on community planting day and in Feb.

Staff have sighted three different individual monitors / goannas. This is important as it suggests there are several large reptiles present at East Point Reserve

Last Updated - 20/01/2016

Action	Responsibility	Action Status	Start Date	End Date	% Comp.	Target	% On
3.3.2.2 Manage Council's strategies for biodiversity and conservation management	Shenagh Gamble - Manager Climate Change & Environment	In Progress	01/07/2015	30/06/2016	75%	100%	

Program Profile	Budget Type					
Climate Change and Environment	Operating					

ACTION PROGRESS COMMENTS

Six Monthly Update (July – December 2015)

An assessment of green spaces across the municipality has been undertaken. Climate Change & Environment are now working with Parks & Reserves team leaders to develop strategies for developing green infrastructure in each precinct.

Three Quarter Update (January – March 2016)

A request for quotation to undertake a fauna assessment at East Point Reserve and Nightcliff Foreshore received a number of high quality responses. The project was awarded to the Northern Territory Government Flora and Fauna division who are estimated to commence work in May 2016.

Last Updated - 20/01/2016

OFFICE OF THE CHIEF EXECUTIVE

Program: Climate Change & Environment			
Responsible Officer:	Manager, Climate Change & Environment	**Number of FTE's:**	3.0
Strategic Goal:	3. Environmentally Sustainable City		
Primary Outcome:	3.1 Council's carbon footprint reduced		

Program Description:

Provide leadership, deliver best practice environmental management practices and manage Council's response to Climate Change Adaptation and Mitigation.

Key Functions & Outputs:

- Manage and implement the City of Darwin Climate Change Policy and Action Plan 2011-2020
- Manage and implement the East Point Reserve Biodiversity 5 Year Plan (2014-2018)
- Foster environmentally sustainable behaviour in the Darwin community
- Monitor stormwater and waterway water quality

- Manage Council's response regarding legislation, government policy and land use strategy as it affects environmental management and climate change outcomes
- Manage Council's strategies for biodiversity and conservation management
- Coordinate the improvement of the environmental performance of Council's operations
- Advocate to the Territory Government and comment on Development Applications to foster environmentally sustainable development

2015/16 Budget:	**$**		**$**
Operational Income:	50,000	Capital Income:	0
Operational Expenditure:	535,143	Capital Expenditure:	0
Net Operating Cost:	**485,143**	**Net Capital Cost:**	**0**

Key Performance Indicator:	**Unit**	**Target**
Community satisfaction with Council's priority for leading and advocating for the sustainability and protection of our environment and lifestyle	%	60%
Percentage of 2015/16 planned Climate Change Action Plan 2011-2020 actions completed	%	95%
Reduction of volume of Council's greenhouse emissions from Council operations	tCO2-e	15%

OPEN SECTION

RMAC5/5

Risk Management & Audit Committee Meeting – Friday, 27 May 2016

11.   INFORMATION ITEMS

11.1   Outstanding Audit Issues Register
Common No. 422690

*The Outstanding Audit Issues Register is **Attachment A.***

OAI NO.	AUDIT NAME & AUDITOR	AUDIT ISSUE & REFERENCE	RESPONSIBLE OFFICER	AGREED COMPLETION DATE	IMPLEMENTATION STATUS
		CITY OF DARWIN RISK MANAGEMENT & AUDIT COMMITTEE REGISTER OF OUTSTANDING AUDIT ISSUES			**EFFECTIVE DATE: 18 MARCH 2016**
122	**REVIEW OF FRAUD MANAGEMENT ARRANGEMENTS**

Deloitte

August 2011 | **2.2.5 (1.2.4) Financial services (finance, payroll) procedures require further enhancement and updating.**

• Updating information based on changes in approval limits or resulting from system upgrades
• Noting the dates when the procedure was adopted and last adopted as well is the date of its next review
• Updating position titles move with the procedure especially in the case delegated officers were significant approval limits
• Identifying and noting the procedure owner
• Ensuring each section heading includes the appropriate text/instructions or, if deemed inapplicable is removed from the procedure
• Clarifying which position is responsible for the following listed procedures, either by preparing the procedures in the third person or including an overall statement at the beginning of the procedure. | Manager Finance | March 2012
Amended to December 2012
Amended to May 13
Amended to Oct 2013
Amended to May 2014
Amended to July 2014
Amended to October 2014
Amended to October 2015 per RMAC 27032015
Amended to March 2016 per RMAC 30102015
Amended to May 2016 | See Report in Agenda for June 2012.
See Report in Agenda for March 2013.
See Report in Agenda for August 2013.
New revised recommendations as per March 2014 report
See Minutes from item 10.1 May 2014 meeting.
See Minutes from item 9.4 August 2014 meeting. |
| 140 | **STRATEGIC PERFORMANCE FRAMEWORK**

BDO
December 2013 | **Reliability of Monitoring & Reporting Processes**

1   The Manager Strategy and Outcomes to ensure all KPIs reported in Interplan are supported by accurate and reliable source documentation. This documentation should be retained (either electronically within Interplan or in hard copy) for each Progress Report. These requirements should be clearly documented and communicated to management and staff across the council. | Manager Strategy & Outcomes | March 2014
Amended to June 2014
Amended to 31 December 2014
Amended to June 2016 | New revised recommendations as per March 2014 report
See Minutes from item 9.6 August 2014 meeting
The 2014/15 Annual Report showed all Strategic and Municipal Plan KPIs. The RMAC Report 30/10/15 identified that source data was available for all 25 of the Strategic Plan KPIs. For the Municipal Plan KPIs there were 85 with source data available, 7 KPIs without source data available and 10 KPIs were no longer relavent. A collaborative process is being undertaken in the development of the 2016/17 Municipal Plan to update Program Profiles, ensuring reliable KPIs with source data is available. The KPMG review also identified inconsistencies with the current list of Program Profiles i.e. they are broken down to different levels in different Departments and at odds with operational structure in some areas. This is also being addressed in the 2016/17 Municipal Plan development. |
| | | **Lack of Linkage within Strategic Performance framework**

2.1 Review the Strategic Performance Framework to ensure only those plans required in the process are included and that each cascades from the previous to ensure linkages. A pragmatic approach should be taken with this review to ensure the plans are relevant and will be applied. | Manager Strategy & Outcomes | June 2014
Amended to 31 December 2014
Amended to June 2016 | New revised recommendations as per March 2014 report
The Strategic Planning Framework is being updated in line with developing the 2016/17 Municipal Plan to identify new and rescinded plans to better reflect our operating environment. The Framework is revisted each year in line with Municipal Planning. |
| | | **Lack of Linkage within Strategic Performance framework**

2.2 Include both a City and Council Vision with separate Council strategic goals. | Manager Strategy & Outcomes | June 2014
Amended to 31 December 2014
Amended to June 2016 | New revised recommendations as per March 2014 report
Action 2.2 Feb 2014 - Action 2.2 is considered complete as Council does not feel it necessary to develop a City and Council Vision. Jul 2014 - Action 2.2 Complete |
| | | **Lack of Linkage within Strategic Performance framework**

2.3 Gain business ownership in strategic direction. The business needs to be involved in the strategic planning development process as well as its application throughout the year. They should be questioning any operational activities not contributing to the agreed strategic direction. The agreed strategic direction should be reflected in actions and performance assessments, including staff appraisals. | Manager Strategy & Outcomes | June 2014
Amended to 31 December 2014
Amended to June 2016 | New revised recommendations as per March 2014 report
Middle Managers and Program Managers are engaged in the development of the Municipal Plan, Customer Satisfaction Tool and Annual Report each year. As part of the KPMG Strategic Performance Review, a number of staff met with KPMG to discuss the Planning Framework, identify issues and opportunities for improvement. Workshops were held with staff to complete the 6 month Strategic and Municipal Plan Progress Report. This initiated conversations about reliability of reporting information. Workshops were then held to commence planning of the 2016/17 Municipal Plan, with a focus on producing Program Profiles which have reliable source data. |
| | | **Inappropriate Key Performance Measures**

3.1   Using the information provided as a result of this Internal Audit project, review the suite of KPIs focussing on what is key, measurable and relevant, as well as including both lead (or real time) and lag indicators. | Manager Strategy & Outcomes | June 2014
Amended to December 2014
Amended to June 2016 | New revised recommendations as per March 2014 report
For the 2015/16 Municipal Plan KPIs there were 85 with source data available, 7 KPIs without source data available and 10 KPIs were no longer relavent. The review with KPMG and a collaborative process being undertaken to develop the 2016/17 Municipal Plan has a focus on producing relevant KPIs with source data. |

ATTACHMENT A

OAI NO.	AUDIT NAME & AUDITOR	AUDIT ISSUE & REFERENCE	RESPONSIBLE OFFICER	AGREED COMPLETION DATE	IMPLEMENTATION STATUS
		CITY OF DARWIN RISK MANAGEMENT & AUDIT COMMITTEE REGISTER OF OUTSTANDING AUDIT ISSUES			**EFFECTIVE DATE: 18 MARCH 2016**
140	**STRATEGIC PERFORMANCE FRAMEWORK** BDO December 2013	**Inefficient Reporting Processes** 4.1 Based on business area needs, CoD should develop a standard suite of reporting to be produced from Interplan. 4.2 CoD should also review the process to record and update information in Interplan to improve its efficiency. Revised processes should then be rolled out across the organisation. Business areas should then be encouraged to use Interplan rather than alternative sources.	Manager Strategy & Outcomes	December 2013 Amended to 30 September 2014 Amended to June 2016	New revised recommendations as per March 2014 report 4.1 The Strategic Performance Review completed with KPMG has identified Quarterly Report Team Updates are being completed and considered part of the Planning and Performance Framework, however they are not linked to the Planning and Performance Framework and their purpose and relevance should be reviewed. Reporting should align with the Planning Framework. 4.2 Interplan was considered in the Planning and Reporting Review completed with KPMG. The initial finding being that the program can deliver what the Council requires, but the information within the Planning Framework should be finalised first before Interplan is rolled out to the organisation again. Interplan is currently being used by the Strategic Services team.
143	**ENVIRONMENTAL MANAGEMENT SYSTEM ASSESSMENT** DELOITTE August 2014	**3.2** **Reporting processes against environmental KPIs should be further clarified**. a) Update Standard Operating Procedure 010 "Tree Planting Reporting" to include: Frequency of reports against KPIs	Manager Infrastructure Services	December 2014	

		3.5 **Contractors' reports should contain explicit reference environmental issues or conditions.**
		
		  a) Develop standard reporting procedures for contractors
		  b) Incorporate reporting procedures into contract documents
		  c) Develop report database
		  d) Reporting procedures to be updated annually and as required by the legislation register listed above
			Manager Climate Change & Environment
			and
			Manager Contracts
			and
			Manager Infrastructure Capital Works
				July 2015
				Amended to December 2015
				Amended to May 2016	

		3.6 **Contractors should submit environmental management plans.**
		
		  a) Develop template Environmental management Plan documents
		  b) Incorporate requirements into standard contract documents
			Manager Climate Change & Environment
			and
			Manager Contracts
			and
			Manager Infrastructure Capital Works
				July 2015
				Amended to December 2015
				Amended to May 2016	

		3.7 **A standard set of environmental conditions based on legislative requirements should be written into contracts or leases.**
		
		  a) Research and develop environmental clauses and conditions
		  b) Incorporate into new leases and contracts
		  c) Incorporate into reviewed leases and contracts
			Manager Climate Change & Environment
			and
			Manager Contracts
				July 2015
				Amended to December 2015
				Amended to May 2016	

		3.8 **Leases and contracts should be regularly reviewed to account for changes in environmental legislation or conditions**.
		
		  a) Compile relevant legislation
		  b) Develop Standard Operating Procedure for review of leases and contracts
		  c) Develop clause for review of all contracts and leases for environmental legislation
			Manager Climate Change & Environment
			and
			Manager Contracts
			and
			Manager Infrastructure Capital Works
				July 2015
				Amended to December 2015
				Amended to May 2016	

145	**Asset Management Audit** Deloitte March 2015	**1** **On implementation of Asset Management System, develop and implement new procedures, and update existing draft procedures, where relevant in consultation with Finance.**	Manager Technical Services in consultation with Manager Finance	November 2015	Status Report in May 2016
		2 **Finalise list of policies, procedures and standards for asset management, define purpose of each, the responsible sections and schedule review dates**	Manager Finance in consultation with Manager Technical Services	June 2015	Status Report in May 2016

OAI NO.	AUDIT NAME & AUDITOR	AUDIT ISSUE & REFERENCE	RESPONSIBLE OFFICER	AGREED COMPLETION DATE	IMPLEMENTATION STATUS
145	**Asset Management Audit** Deloitte March 2015	**3 Develop, finalise and implement individual asset management plans, taking into account relevant recommendations from the 2012 asset sustainability review report (refer to Section 4 for more information)** a) Assign roles and responsibilities resulting from the plans and communicate these to relevant staff members b) Review asset management plans on a regular basis c) Ensure future plans indicate likely service level and risk trends resulting from long term financial plan d) Ensure that strategy plan and management plan performance measures align with AMP service levels e) Continue to develop additional AMP scenarios as required to align with the long term financial plan and show service outcomes and risk consequences of long term financial plan resourcing levels f) Update AMPs with state of the assets service levels for condition, function and capacity as per summary dashboards. g) Continue to develop additional AMP scenarios as required to align with the long term financial plan and show service outcomes and risk consequences of long term financial plan resourcing levels h) Introduce state of the art reporting for assets in the annual report	Manager Technical Services	November 2015	Status Report in May 2016
		4 Ensure the Asset Management Strategy covers the following areas: a. The Asset Management Strategy must include a Council endorsed Asset Management Policy b. The Asset Management Strategy must identify assets that are critical to the council's operations and outline risk management strategies for these assets c. The Asset Management Strategy must include specific actions required to improve council's asset management capability and projected resource requirements and timeframes. d. Annually review the asset management strategy and update improvement plan as required.	Manager Technical Services	January 2016	
		5 Develop Asset Management Improvement Program (AMIP). Program to include all improvement tasks identified in Council's Asset and Risk Management Plans and Strategy. a. Ensure that the current register is kept up to date and asset condition is monitored and reported as part of the annual review of the works programme. b. Provide a data improvement programme as part of the asset management improvement programme based on benefit/cost/risk. c. Develop and implement a maintenance and inspection management policy/framework and complete condition assessment manuals for all asset classes as required.	Manager Technical Services	January 2016	

OAI NO.	AUDIT NAME & AUDITOR	AUDIT ISSUE & REFERENCE	RESPONSIBLE OFFICER	AGREED COMPLETION DATE	IMPLEMENTATION STATUS
	CITY OF DARWIN RISK MANAGEMENT & AUDIT COMMITTEE REGISTER OF OUTSTANDING AUDIT ISSUES				**EFFECTIVE DATE: 18 MARCH 2016**
		6 **Asset Finder is not integrated to Civica Authority at this stage.** a. Further considerations are necessary for the future regarding detailed procedures and degree of integration between accounting and asset management systems b. Implementation date is notional at this stage as it is entirely dependent on all current asset data being entered into Asset Finda	Manager Technical Services in consultation with Manager Finance	May 2016	
146	**Investments Audit** KPMG, February 2016	**1** **Ensure the officer executing the transaction is independent of the officer receiving the investment confirmation. The officer receiving the investment confirmation should execute appropriate verification procedures to validate that the transaction was appropriate.**	Manager Finance		
		2 **Conduct a review of the Investment procedures and include in the document future review dates and last approval date.**	Manager Finance		
		3 **Put in place access controls and spreadsheet protection over the Cash Flow and Investment Workbook.**	Manager Finance		
		4 **The review cycle for Policy No. 024 - Investment Policy be updated to correspond with the Local Government Investment Guidelines with an annual period of review.**	Manager Finance		
		5 **Remove specific mention of the TIO as an acceptable approved instrument issuer from the investing policy.**	Manager Finance		
147	**Financial Statements Audit**	**1** **That the long-outstanding balances in the trust account be investigated and amounts be refunded to individuals and/or entities where deemed appropriate.**	Manager Finance		
		2 **That the internal policies and procedures regarding the trust account are reviewed, amended where appropriate and followed accordingly.**	Manager Finance		

OPEN SECTION

RMAC5/6

Risk Management & Audit Committee Meeting – Friday, 27 May 2016

12. **GENERAL BUSINESS**

13. **CLOSURE OF MEETING**