



Councillor Information Bulletin

For the Ordinary Council Meeting
held on Thursday 20th February 2020

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House Trust Update



SHIRE OF WESTONIA

Dec 2019, Jan, Feb 2020

Date & Time	What	Where	Who
Tuesday 3 rd December	Westonia Seniors Luncheon	Westonia	CEO, Rates/Admin
Wednesday 4 th December	CRC AGM	Westonia	CEO, Cr Huxtable
Thursday 12 th December	Admin Xmas Wind Up	Westonia	Admin Staff
Thursday 12 th December	Coop Xmas Drinks	Westonia	CEO
Friday 13 th December	Catholic Church Service @ Old Hall	Westonia	CEO
Tuesday 17 th December	Works Crew Xmas Wind Up	Westonia	CEO, Outside Staff
Thursday 19 th December	Council Meeting	Westonia	CEO, Councillors
Thursday 19 th December	Annual Xmas Dinner & Presentations	Westonia	All Staff
Tuesday 24 th Dec – Mon 6 th January	Admin Office Closure (CEO Leave)	Westonia	CEO, President
Friday 10 th January	CRC Think tank	Westonia	CEO, Cr Huxtable
Thursday 23 rd January	Meeting – Gavin Cook	Westonia	CEO
Sunday 26 th January	Australia Day Holiday	Westonia	Councillors, Community
Tuesday 28 th January	OSH Committee Meeting	Westonia	Admin Staff
Wednesday 29 th January	WEROC Inc Executive Officer Interviews	Bruce Rock	CEO
Tuesday 4 th February	CEACA Committee Meeting	Kellerberrin	CEO, Louis Geier
Thursday 20 th February	Council Meeting	Westonia	CEO, Councillors
Monday 9 th March	DOAC Bushfire meeting	Merredin	CEO, CBFCO
Tuesday 10 th – Friday 13 th March	Wheatbelt Medical Immersion Program (Uni Students)	Westonia	CEO, Billets
Thursday 19 th March	Council Meeting	Westonia	CEO, Councillors

Annual Report

2018-2019





Vision

Serving the public interest by an informed Parliament and community

Mission

To help improve public sector performance and accountability by reporting independently to Parliament and entities

Values

Integrity – Quality – Respect

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

Wardong – Designed by Noongar artist Justin Martin, the artwork reflects the work of the Office of the Auditor General ([page 29](#)).

National Relay Service TTY: 13 36 77 (to assist people with hearing and voice impairment).
On request, we can deliver this report in an alternative format.

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Welcome

Welcome to the Office of the Auditor General's 2018-19 Annual Report. We hope you find this report valuable in understanding our performance and the services we delivered during the year to inform Parliament on public sector accountability and performance.

You can access this and earlier annual reports on our website at www.audit.wa.gov.au.

We have structured this report around the 4 result areas of our Strategic Plan – our people, tools, approach and products. It also describes our functions and operations, and presents the audited financial statements and key performance indicators for the year ended 30 June 2019.

Feedback

We welcome your feedback and comments on our Annual Report so we can improve the value of future reports. You can contact us by:

- emailing – info@audit.wa.gov.au
- writing to PO Box 8489 PERTH WA 6849.



**THE PRESIDENT
LEGISLATIVE COUNCIL**

**THE SPEAKER
LEGISLATIVE ASSEMBLY**

ANNUAL REPORT OF THE OFFICE OF THE AUDITOR GENERAL FOR THE YEAR
ENDED 30 JUNE 2019

In accordance with section 63, as modified by Schedule 3, of the *Financial Management Act 2006*, I hereby submit to Parliament for its information the Annual Report of the Office of the Auditor General for the year ended 30 June 2019.

The Annual Report has been prepared in accordance with the provisions of the *Financial Management Act 2006* and the *Auditor General Act 2006*.

A handwritten signature in black ink, appearing to read 'Caroline Spencer'.

Caroline Spencer

Auditor General

19 September 2019

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About us

The Auditor General is an independent officer of the Parliament with responsibility for auditing the public sector. The Auditor General has complete discretion in the performance of these functions. This independence and freedom from pressure, influence or interference is the cornerstone of public sector audit.

Ms Caroline Spencer was appointed Auditor General for a non-renewable term of 10-years in May 2018, in accordance with the *Auditor General Act 2006*. The Office of the Auditor General (OAG) supports the Auditor General and is one of the largest audit practices in Western Australia. The OAG is a public sector entity and the Auditor General is the Chief Executive Officer and employer of staff.

The Auditor General reports directly to Parliament. Three parliamentary committees have oversight of our operations – the Legislative Assembly’s Public Accounts Committee, the Legislative Council’s Estimates and Financial Operations Committee and the Joint Audit Committee.

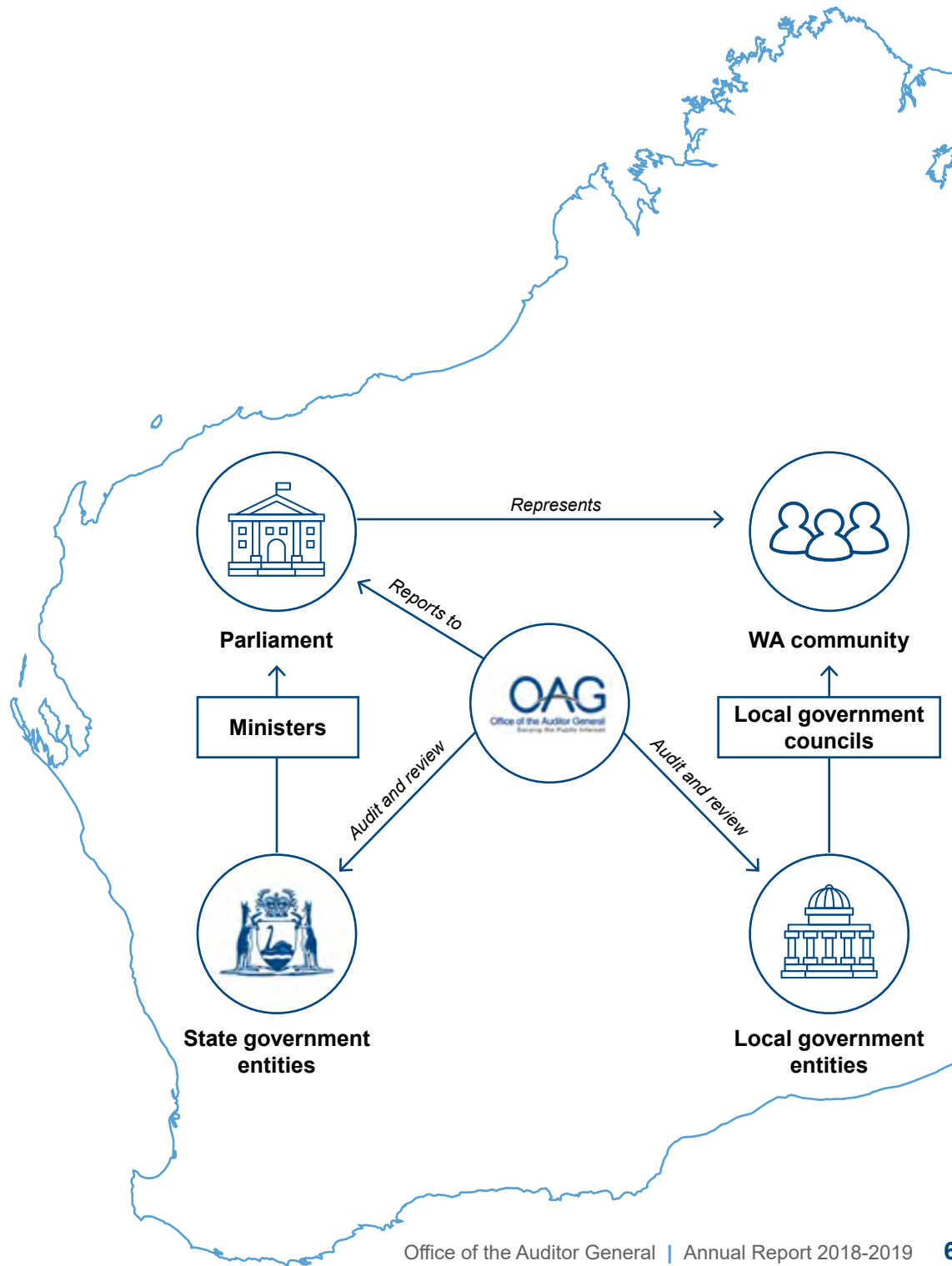


Figure 1: OAG reporting structure to Parliament

Our responsibilities

The Auditor General is responsible for:

- auditing the Annual Report on State finances
- conducting annual financial statement, key performance indicator (KPI) and control audits, and issuing audit opinions for State government entities including departments, statutory authorities, tertiary institutions and corporatised entities
- conducting annual financial statement audits and issuing auditor's reports for local government entities
- undertaking wide-ranging performance audits to ensure there are adequate controls within State and local government entities, compliance with relevant legislation, and most importantly efficiency and effectiveness of operations or programs
- reporting the results of audits to Parliament in an objective, competent, insightful and timely manner.

We achieve this with a budget of \$29.6 million, 170 employees and the professional resources of our contract audit firm partners. We have a diverse cultural and social workforce. Our people have a range of qualifications and experiences well beyond simply auditing. We are very proud of this diversity because it strengthens our capacity and culture, better reflects the vibrant WA community and makes the OAG a more enjoyable place to work.

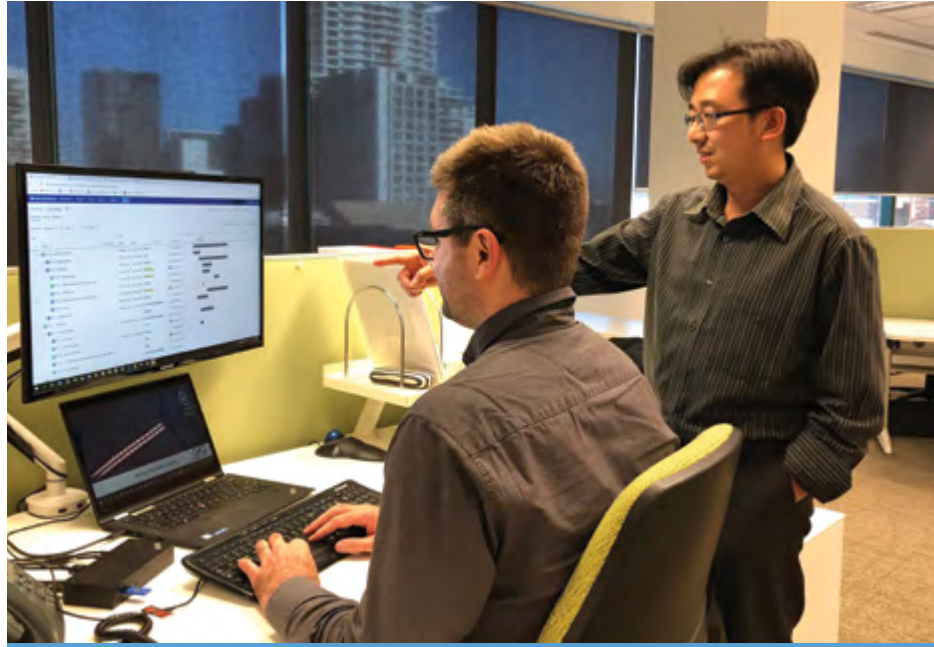


Figure 2: Members of our IT Services (top) and Performance Audit (bottom) teams

Executive summary from the Auditor General



May 2019 marked 190 years since the establishment of a public sector auditing function in Western Australia. Before even landing on the shores of what would become the Swan River Colony in 1829, Captain James Stirling formed a Board of Counsel and Audit. The Board was responsible for the management of the property of the Crown and of public property within the settlement.

From these origins the Office of the Auditor General (OAG) was built and I am privileged to have now completed my first full year as the State's 19th Auditor General. In November we will celebrate the 190th anniversary of

the Office. This occasion will provide an opportunity to recognise our foundations as well as the continued diligence and dedication displayed by the current OAG team in what has been a productive 12-months.

I was extremely pleased to see the Office meet its reporting delivery target for the year. I want to acknowledge the effort and hours all the audit teams put in to finalise these reports, many of which have highlighted important issues in public administration across both the State and local government sectors. The Office can be very proud of this work, which involved staff overseeing significant changes in local government auditing processes while progressing some key internal projects.

Our internal projects reflect an ongoing commitment to improving the efficiency of our work and its usefulness to our stakeholders. Operating in a tight economic environment with increasing demands means we must always look to improve how efficiently we audit without compromising the quality of our work. We recognise we are not alone in this pursuit and that the entities we audit and indeed many in the broader WA community face similar challenges.

In last year's Annual Report, I listed 4 key focus areas my Executive team and I committed to advancing. It was encouraging

to see the way our Office embraced this commitment and progress in all 4 areas is already evident. This is most notable in our work around **local government audit reform**.

In March, we delivered our first local government audit results report summarising the results of our audits of financial and management controls across 42 local government entities. I would like to thank my financial audit team, and the local government entities they audited, for the collaborative way in which they worked to manage this new relationship. Over the next 3 years, we will continue our transition to become the financial auditor of all 148 local government entities in Western Australia. This will represent an 80% increase in the number of entities we audit. While I have received encouraging feedback regarding our presence in the local government audit space, we will nonetheless seek to identify further opportunities to help them address the challenges this transition may present. In the interim, we will continue urging local government entities to develop a stronger commitment towards good and better practice rather than focusing on minimum compliance with their legislative responsibilities. This will undoubtedly help them enhance financial management controls, service delivery and community confidence.

We also demonstrated strong focus in our commitment toward maximising the impact of our audit work by publishing [better practice guidance](#) checklists in our performance audit reports. We have produced these checklists in 11 of our reports and have collated them on a better practice guidance page on our revamped website. The benefit of these checklists should extend well beyond the entities we audit. Indeed, I would encourage all State and local government entities to use our checklists to self-assess their practices and controls in key areas including fraud prevention, procurement, project management, contract management, and the use of cloud-based software services.

Within the organisation, we have sought to strengthen our internal capabilities and contribute to cross-entity knowledge-sharing by supporting an active secondment program. Throughout the year, 7 staff were seconded into the OAG and 10 of our officers took up placements in other State government entities. We also welcomed our largest annual intake of graduates (10) in February. These outcomes are consistent with my desire to see the OAG contribute to building a highly-skilled public sector workforce committed to diligently serving the community and the Parliament.

Among the internal initiatives progressed this year, a particular highlight was our Executive's endorsement of the OAG's inaugural **Reconciliation Action Plan**

2018-2021 (RAP). The RAP outlines how our Office will collaborate with Aboriginal people and communities wherever appropriate to enhance the outcomes from our audit work. As part of this commitment to greater collaboration, we have set a target of 100% Aboriginal community engagement on all relevant audit topics.

The RAP is one of several subtle but significant changes to our approach that I hope will see us further recognised in the community as a culturally aware and respectful organisation. I believe this is a fitting way of building on the strong legacy of my predecessors while adapting as necessary to the OAG's expanded role as auditor of both State and local government sectors.

I would like to thank the Parliament for the support I have received since assuming the role of Auditor General. I have appreciated the level of interest members have demonstrated when attending our report briefings and in their subsequent deliberations during parliamentary proceedings. While my position is that of an independent officer of the Parliament, I am keen to ensure that the OAG works as collaboratively as possible with the Parliament and its committees to support their important work as legislators. In this respect, we were pleased to provide evidence to 4 separate committee inquiries. We have also interacted regularly with our oversight committees, the Public Accounts

Committee, the Estimates and Financial Operations Committee and the Joint Audit Committee. I like to think these interactions are mutually beneficial. The attention these committees give to following up and scrutinising OAG reports and entity actions certainly provides a valuable supplement to our work.

Finally, I would like to offer my sincerest gratitude to my Executive team, our senior leaders, all OAG staff and our contract audit firm partners for their contributions throughout the year. Your determination to maintain the highest standards of professionalism and quality in the face of a significantly increasing and challenging workload has been impressive and inspiring.



Caroline Spencer
Auditor General

Year in review

About us



We have **170** employees



Our people spend over **12,000** hours on professional development



53% are from culturally diverse backgrounds

We audited

✓ State government entities

172 entities and subsidiaries



employing over **139,000** people



managing **\$225 billion** in assets

✓ Local government entities



148 local government entities

including the financial statements of **46** local government entities for the first year of the financial audit transition



employing over **24,500** people



spending nearly **\$4 billion** on service delivery and infrastructure



managing **\$40 billion** in assets

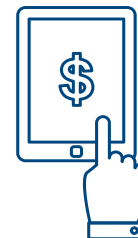
We delivered



29 reports to Parliament



201 certifications of financial and statistical information



217 opinions on financial statements

Satisfaction



95% of parliamentarians surveyed were satisfied with our reports and services

Highlights 2018-19



We tabled 29 reports in Parliament meeting our reporting delivery target for the year. They highlight important issues in financial and public administration across both the State and local government sectors ([page 68](#)).



Continuing with our local government audit mandate we undertook our first financial audits of 46 local government entities. This is the first year of a 4-year transition ([page 48](#)).



Our performance audits have brought positive change including a new salinity management program and a trial program to extend the age limit for young people living in State care ([page 78](#)).



Our first *Reconciliation Action Plan 2018-2021* was approved and in simple, clear terms states the activities and deliverables we aim to implement to contribute to reconciliation with First Nations people ([page 28](#)).



In February 2019, our largest graduate intake started their OAG journey with a 5-week induction ([page 26](#)).

Significant issues 2019-20



The *Local Government Amendment (Auditing) Act 2017* will increase the number of entities we audit by 80%. We have found that each local government audit takes more time than comparably sized State sector audits. We will continue to engage with the sector to help with the audit transition.



After over 10 years reporting on information and communications technology (ICT) systems in the State government sector, we find significant issues remain. We will liaise with the Office of Digital Government to support their whole-of-government initiative to improve cyber security and digital capability.



We will be replacing our financial and performance audit software. This is a significant undertaking, which will require extensive change management, risk management and staff training. We have developed a comprehensive project and communications plan to help manage the change ([page 37](#)).



The number of ministerial notifications we receive continues to draw resources away from our performance audit program. Opinions are a legislative requirement and improve Government transparency and accountability to the Parliament but it is difficult to anticipate and plan for how many we will receive and the scale of the work involved. We are looking at ways to manage this requirement without impacting the delivery of our performance audit program.

Our performance

Financial performance

Full details of our financial performance are presented in the financial statements section of this report from [page 80](#). The following summarises our actual financial performance versus target for 2018-19.

	2018-19 Actual \$'000	2018-19 Target \$'000	Variance \$'000	Status
Total cost of services	29,624	29,561	63	✗
Total income other than State Government	20,920	21,413	(493)	✗
Net cost of services	8,704	8,148	556	✗
Net decrease in cash and cash equivalents	(1,112)	(896)	(216)	✗
Total equity	13,537	13,239	298	✓
Number of approved full-time equivalent (FTE)	158	144	14	✗

Table 1: Key elements of our financial performance

The main reason for this variance is a lower than estimated stage of completion of financial audits at year-end against target (mainly for local government entities). This impacted income and consequently net cost of services and cash movement. Refer to note 9.9 Explanatory statement on [page 111](#).

The increase over target for staff levels is due to additional resourcing required as we progressed financial auditing of a further 66 local government entities. The expense of this increase was offset by a corresponding decrease in supplies and services for contract audit firms.

Key effectiveness performance

Our effectiveness indicator measures the extent to which we have informed Parliament about public sector accountability and performance against 4 specified categories.

Report category	2018-19 Actual	2018-19 Target	Status
Service delivery	2	7	✗
Economic development	1	2	✗
Social and environment	3	5	✗
Governance	23	15	✓
Total	29	29	✓

Table 2: Our effectiveness indicator – number of performance audit reports by category

While we did not achieve our target per category, we were able to meet our overall report target for 2018-19. While our topic selection process ([page 53](#)) aims to provide Parliament with advice and assurance across all categories, other factors play a significant role in our topic selection and for this reason our category targets may not always be met in any given year.

We also maintain a 3-year target to assist when developing the forward audit plan, 2018-19 is the first year in our current 3-year cycle.

Report category	Target over 3-years
Service delivery	21
Economic development	12
Social and environment	12
Governance	45
Total	90

Table 3: Three year report targets for 2019-2021

Full details of the categories and our performance including 5-year trend data are available on [page 117](#).

Key efficiency performance

Our key efficiency indicators measure the overall efficiency in delivering our public sector auditing service. Our efficiency indicators report our costs (relative to government expenditure) and the average number of days taken to issue our opinions.

Efficiency indicator	2018-19 Actual (\$)	2018-19 Target (\$)	Variance (\$)	Status
Total audit cost per million dollars of gross government expenditure	575	546	(29)	✗
Attest (financial) audit cost per million dollars of gross government expenditure	431	401	(30)	✗
Performance audit cost per million dollars of gross government expenditure	144	145	1	✓
Average number of days taken after balance date to issue financial audit opinions	65.6 days	68.0 days		✓

Table 4: Our efficiency indicators

Our total audit cost is broken into our 2 audit areas, financial and performance auditing. While the performance audit cost was on target, the attest (financial) audit area exceeded the target. This was due to expenditure associated with the financial auditing of local government that was not included in the original target.

The favourable variance between actual and target for the average number of days to issue financial opinions is due to entities preparing financial statements and key performance indicators in a timely manner and efficiency improvements in the audit process.

Full details of our key efficiency indicators including 5-year trend data are available on [page 118](#).

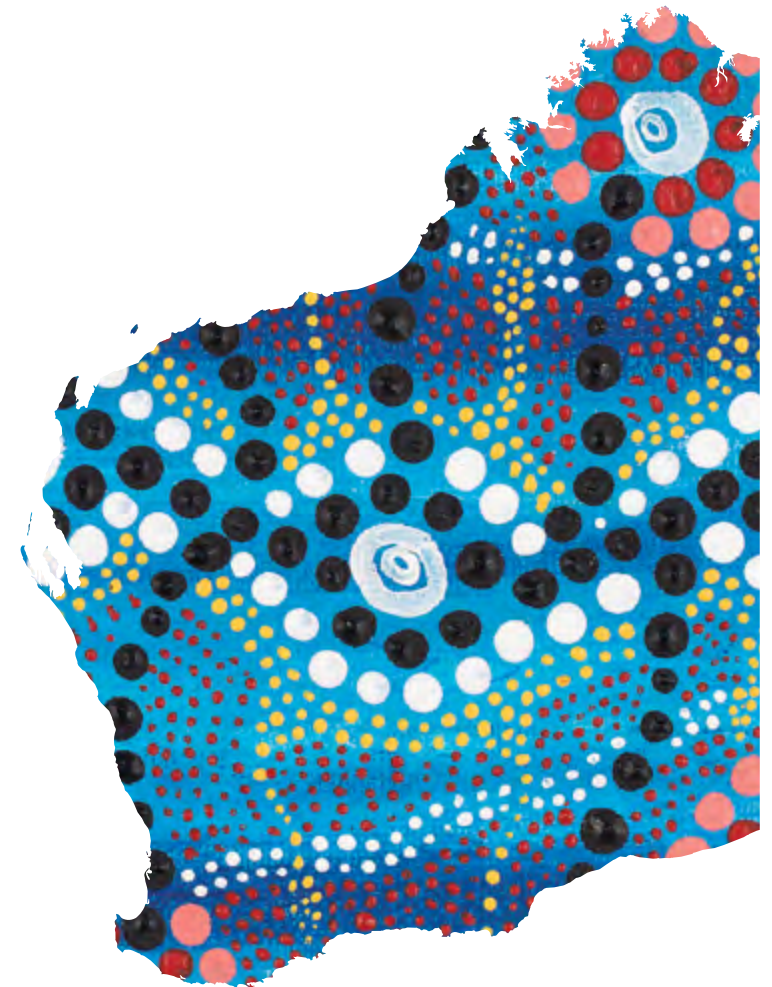
Additional indicator performance

We have also established targets for the various types of reports we table in Parliament. Although not audited we monitor these indicators because it is important in understanding our operational performance.

Parliamentary report types	2018-19 Actual	2018-19 Target	Status
Broad scope performance audits focus primarily on the effective management and operations of entity programs and activities.	4	10	✘
Narrow scope performance audits have a tight focus and generally target entity compliance with legislation, public sector policies and accepted good practice.	9	12	✘
Section 82 ministerial notifications are when a Minister is required to inform the Auditor General that they decided not to provide certain information to Parliament.	8	na	
Focus area audits concentrate on common financial business practices across the public sector and provide information about areas of better practice as well as potential deficiencies and pitfalls.	3	3	✔
Annual audits results reports	5	4	✔
Total	29	29	
Matters of significance to Parliament are the key messages in our reports defined as the issues a general parliamentary reader would take away from the report after the detail of specific findings and recommendations has receded into the background.	222	na	

Table 5: Parliamentary reports by audit type

While we aim to meet our report targets, we are also at times required to reallocate resources to section 82 ministerial notifications or other audits. During 2018-19, the reallocation of audit resources resulted in a lower number of broad and narrow scope performance audit reports tabled.



Performance management framework

State government entities work together to achieve 4 high level goals and broader strategic outcomes of the Western Australian Government.

Government goal	Outcome
Sustainable finances	Responsible financial management and better service delivery
Future jobs and skills	Grow and diversify the economy, create jobs and support skills development
Strong communities	Safe communities and supported families
Better places	A quality environment with liveable and affordable communities and vibrant regions

Table 6: Four State Government goals

The services and activities entities deliver are linked to the 4 Government goals and contribute to achieving the Government outcomes.

Through our desired outcome of ‘an informed Parliament on public sector accountability and performance’ we provide oversight of the Government’s achievement of its 4 goals including responsible financial management and better service delivery.

Our desired outcome and the service we provide reflects this:

Desired outcome against Government goals

An informed Parliament on public sector accountability and performance

Service provided

Public sector auditing

Key effectiveness indicator

The extent that the OAG is effective in informing Parliament about public sector accountability and performance is measured by the number of tabled reports compared to target for each of the following categories of audit matter:

- service delivery
- economic development
- social and environment
- governance.

Key efficiency indicator

The OAG is responsible for undertaking the external audit of the Western Australia public sector. This is done through audits of controls, financial statements, key performance indicators, efficiency and effectiveness, and reporting the results to Parliament. Efficiency is measured by the:

- audit cost per million dollars of gross government expenditure
- days taken to issue financial audit opinion.

Table 7: Performance management framework

Organisational structure

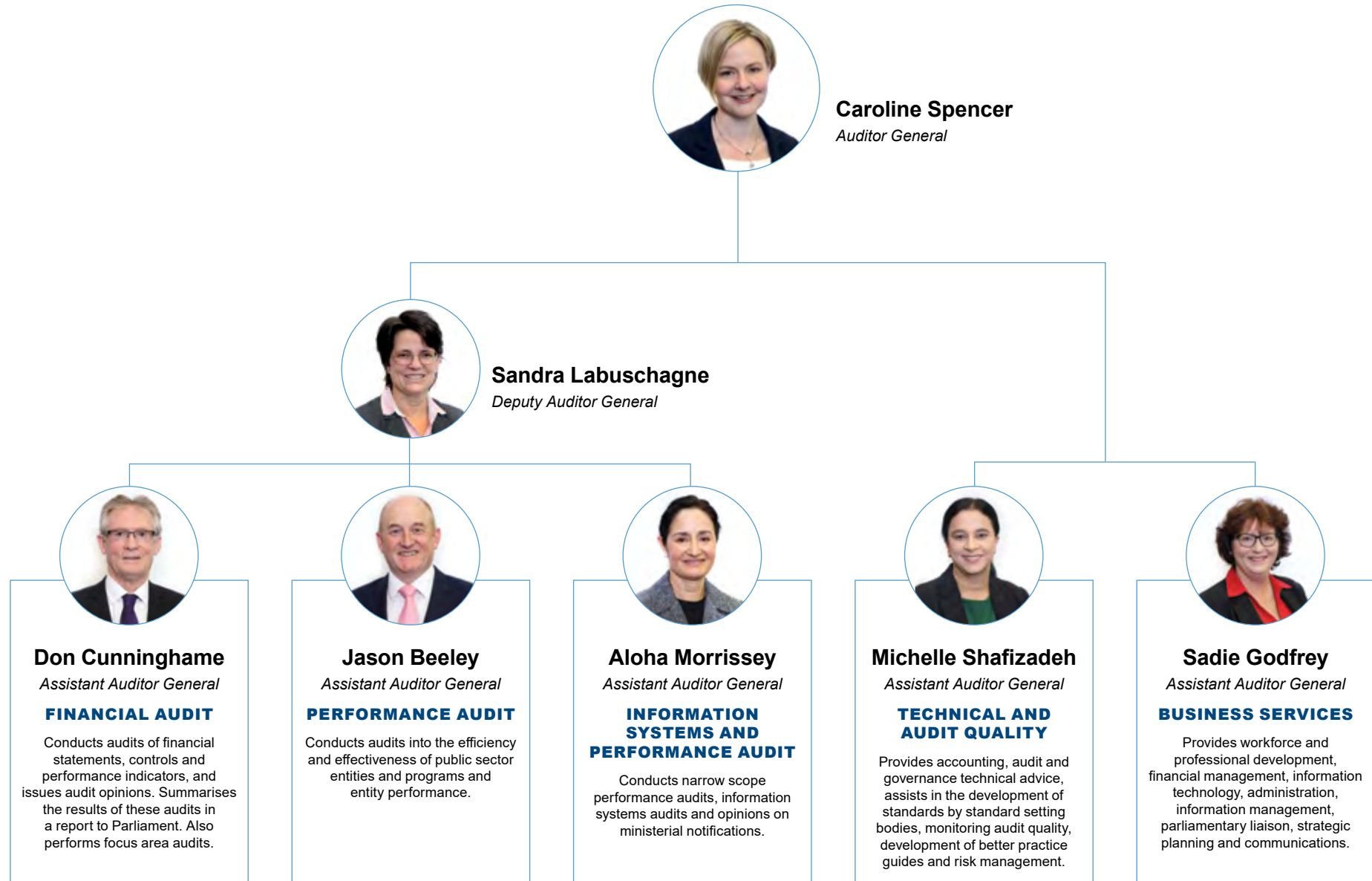


Figure 3: Organisational structure

Senior officers

The 7 members of the Executive Management Group set the strategic direction and organisational values that define the activities of the OAG.

Caroline Spencer

BBus, FCPA, FCA, GAICD, FGIA, FCIS

Caroline has experience in financial and performance audit across jurisdictions and sectors, and prior to her appointment led a professional services firm specialising in public sector audit and governance. Caroline has held a number of predominantly public sector board and audit committee roles in several jurisdictions.

Caroline has a passion for promoting accountability and continuous improvement across the public sector and the audit profession – to enhance trust and performance for the benefit of the communities we serve.

Sandra Labuschagne

BCompt, Hons BCompt CA (SA)

Sandra was appointed Deputy Auditor General in December 2018. She joined the OAG in 2012 and has extensive public and private sector auditing experience in South Africa, New Zealand and Australia.

Don Cunninghame

BCom, FCPA, CISA

Don was appointed Assistant Auditor General in 2008. He joined the OAG in 1992 after an information systems audit career mainly in the internal audit divisions of large insurance companies. Don has worked in our information systems audit branch, headed our corporate services division, and was our chief finance officer and a director of financial audit.

Jason Beeley

BA Hons (Oxon), Dip Strategic Studies

Jason was appointed Assistant Auditor General in 2009. He joined the OAG in 2006, following 5 years as a commercial and general manager in the defence and technology sectors. Jason previously worked with the UK National Audit Office conducting and managing value for money studies, mainly of the Ministry of Defence.

Aloha Morrissey

BBus, Grad Dip Bus Admin, CPA

Aloha was appointed Assistant Auditor General in June 2019. She joined the OAG in 2002 and was appointed as a Director in the Information Systems and Performance Audit business unit in 2014. Prior to joining the OAG, Aloha held a range of investigation and audit positions with the Australian Securities and Investments Commission and the Australian Taxation Office.

Michelle Shafizadeh

BBus, FCA, FCPA, FAIM, FGIA, GAICD, MIPAA, Registered Company Auditor

Michelle was appointed Assistant Auditor General in 2011 after joining the OAG in 2010. Previously, Michelle was the National Assurance Services Technical Director for William Buck Chartered Accountants and before that a Perth Assurance Services Partner for BDO Chartered Accountants.

Sadie Godfrey

MBA (Curtin), Assoc Dip Bus (Accounting)

Sadie was appointed Assistant Auditor General in 2008. She has diverse and extensive experience in corporate management, working in the areas of education and industrial relations. Sadie was previously Director of Corporate Services at the Department of the Registrar, Western Australian Industrial Relations Commission before joining the OAG.

Enabling legislation

The Governor appoints the Auditor General under the *Auditor General Act 2006*. The OAG is a department of the public sector under the *Public Sector Management Act 1994*. As the accountable authority, the Auditor General must discharge responsibilities under the *Financial Management Act 2006*.

Key legislation

We have processes and controls in place to ensure that we comply with all State and Commonwealth legislation and regulations that affect our activities, including laws affecting entities and activities subject to audit by the Auditor General. The following laws have a direct impact on our operations:

[*Auditor General Act 2006*](#)

Disability Services Act 1993

Equal Opportunity Act 1984

[*Financial Management Act 2006*](#)

Industrial Relations Act 1979

Local Government Amendment (Auditing) Act 2017

[*Local Government Act 1995*](#)

Minimum Conditions of Employment Act 1993

Occupational Safety and Health Act 1984

Public Interest Disclosure Act 2003

Public Sector Management Act 1994

Salaries and Allowances Act 1975

State Records Act 2000

State Supply Commission Act 1991

Workers' Compensation and Injury Management Act 1981.

Our strategic plan and direction

Our [strategic plan](#) centres around 4 key areas of the business that we have identified as important in achieving our vision and mission.

Our people working with **our tools** with the right **approach** will deliver **our products** to fulfil our **outcome**:

Work that makes a difference and helps to improve the public sector.

- We have identified that we need our people to be motivated, innovative, collaborative, accountable, valued, skilled and knowledgeable.
- Our tools are vital in supporting our people to achieve our goals. Our tools need to be robust, efficient, user-friendly, flexible, agile, reliable and compliant.
- Our approach needs to be consistent, fair and balanced, independent, transparent, pragmatic, professional and contemporary.

We have cascading internal plans which are integrated with our strategic plan to ensure that all areas of the business are working in the same direction to deliver common goals.

Our full strategic plan is outlined in [Appendix 1](#).

During the year a review of the existing strategic plan confirmed the actions, measures and targets remain relevant and current so we can be confident that our areas of focus will deliver the required outcomes. Our current plan is dynamic and has been adapted in response to our changing environment, emerging concerns or opportunities.

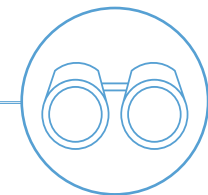


Figure 4: The OAG Strategic Plan 2016-2020



Figure 5: The OAG Executive team

>> Looking forward



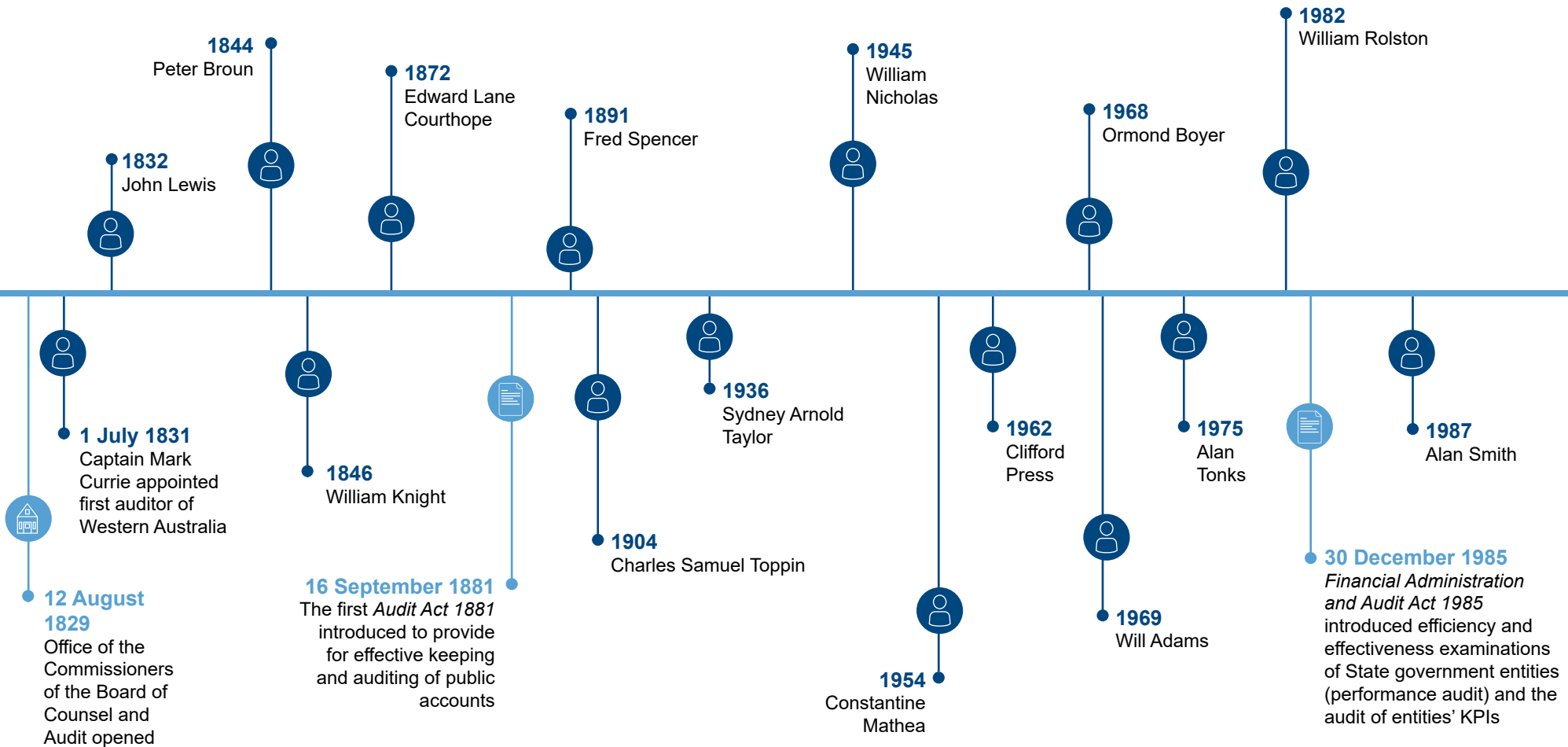
We are entering the fourth year of our 5-year strategic plan and in the next year we will start work on a new strategic plan. We will evaluate the effect of recent significant changes including the local government audit mandate and our new leadership team, and review our desired outcomes and strategic direction, ensuring our strategies and actions are relevant and contemporary. We will also review our key internal plans that support the strategic plan.

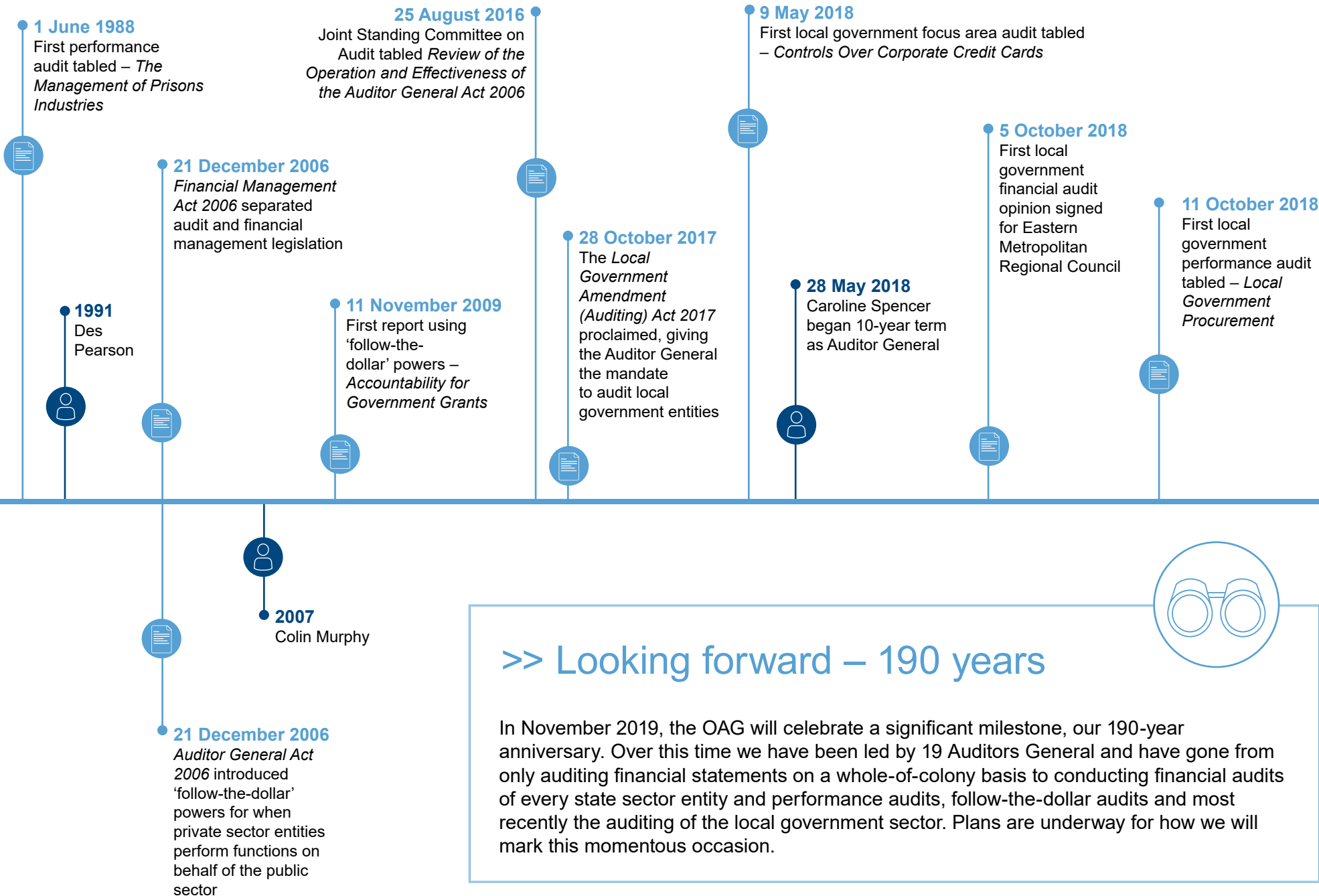
Our history

The origins of the OAG date back to the first months of settlement of the Swan River colony in 1829. In May, before even landing on shore, Captain Stirling formed a Board of Counsel and Audit in the management of the property of the Crown, and of public property within the settlement.

Stirling commanded the Office of the Commissioners of the Board of Counsel and Audit be opened for the despatch of business on 12 August 1829. But they were very humble beginnings, operating out of a tent on the site chosen for the Town of Perth.

Western Australia has had 19 Auditors General. The current Auditor General, Caroline Spencer, is the first female appointed to the role.

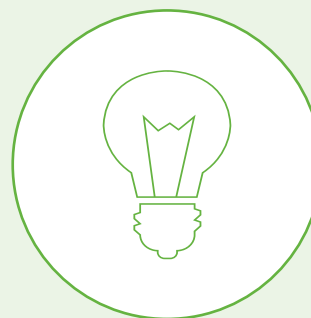




Our people

Motivated, innovative, collaborative, accountable, valued, skilled, knowledgeable

We have
170
employees



Our people spent over
12,000
hours, or 5% of their time
on professional development

53% of our people are from **culturally diverse backgrounds**, well above the public sector 13.2% average



10 **financial audit graduates** started in February 2019, our largest graduate intake

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Our people

We are able to efficiently and effectively deliver quality audit services to Parliament, the public sector and the people of Western Australia due to the skills, dedication and enthusiasm of our people.

We strive to select, retain and develop all of our people to meet the ongoing challenge of an increasing audit program while staying conscious of the State's economic environment.

The Auditor General is an independent officer of Parliament however, the OAG is a public sector entity and is subject to the obligations and constraints of the *Public Sector Management Act 1994*.

We employ 170 people which equates to 158 full time equivalent (FTE) employees. Table 8 shows an increase in FTE employees this year, primarily to resource our new local government audit mandate ([page 48](#)).

Business Unit	2014-15	2015-16	2016-17	2017-18	2018-19
Auditor General	5.00	6.00	6.00	5.00	5.00
Financial Audit	66.30	64.88	68.48	73.68	88.48
Information Systems and Performance Audit	16.10	16.66	16.60	17.44	20.84
Performance Audit	19.00	14.72	16.55	18.56	19.82
Technical and Audit Quality	5.80	4.80	4.00	5.00	1.00
Business Services	22.50	25.21	23.58	25.50	23.10
Total	134.70	132.27	135.21	145.18	158.24

Table 8: FTE at 30 June for the last 5 years

Our attrition rate rose this year to 16% (from 11% in 2017-18). Eighteen employees left: 10 resigned, 1 retired and 7 transferred to other public sector entities. Although an increase on previous years, it is pleasing the skills and professionalism we develop in our people is attractive and transferable within the public sector and is recognition of the value of the audit work they deliver.

Staff who leave are given the opportunity to complete an exit survey. Of the 18 employees that left this year, 6 completed the survey. Of those 80% said they would consider returning to the OAG and 100% said they would recommend the OAG as an employer to others.

Team support, encouragement and work colleagues were highlighted as the positive aspects of working with us while time pressures and reducing red tape were noted as areas where improvements could be made.

We regularly review our retention strategies and other initiatives in our Workforce Plan with a strong emphasis on professional development and succession planning. While this enhances our recruiting competitiveness and employee retention it also ensures we are well placed to promote internally and provide a career path for our employees.

Our strategic plan identifies that to achieve our outcomes we need our people to be motivated, innovative, collaborative, accountable, valued, skilled and knowledgeable.

Some strategies we use to achieve this include:

- a strong learning and professional development program
- a process for performance development and review
- an annual graduate recruitment program
- supporting internal and external secondments
- a comprehensive university liaison program.

Learning and professional development

Our Professional Development Committee develops our annual professional development program for Executive approval. The program is designed to meet the needs of both the OAG and the career goals of individuals. As the committee has representatives from all business units the annual program is varied, comprehensive and considers a range of topics.

Ideas and topics come from:

- changes to legislative or policy frameworks
- professional and technical standards boards
- changes in our social, political and economic environment
- directly from our people
- employee feedback on the relevance and quality of our professional development program
- development areas identified in the employee performance development and review.

Our professional development program is primarily delivered through monthly whole-of-office training, which includes technical and non-technical learning. We source specialist internal and external speakers to lead sessions.

Information and cyber security topics have featured strongly this year as a key issue across the sector. We have continued our focus on local government as we continue to progressively incorporate local government entities into our audit program.

In 2018-19 we also focused on personal and organisational value alignment and a range of Aboriginal cultural awareness training.

Our long-standing commitment to clear, concise, jargon-free report writing is supported by regular, intensive plain English training.

We use internal subject matter experts to deliver targeted sessions on specific topics and provide specialist or technical guidance. This is of particular importance and value to employees undertaking CPA

Australia and Chartered Accountants Australia and New Zealand (CA ANZ) post graduate accounting studies.

Our status as a Recognised Employer Partner Status with CPA Australia gives member employees automatic continuing professional development recognition. CA ANZ offer similar benefits to employee provisional members due to our status as a Recognised Training Employer.

We have implemented a learning management system and successfully rolled out a number of online training courses to our employees. We have more under development, including specific information technology and information management security courses.



Attraction and retention of our employees

For the first time this year we supported our commitment to a highly skilled and qualified workforce through payment of approved employee professional memberships. This includes:

- mandatory memberships – individuals are required to maintain membership as an essential criterion for their position (e.g. CA ANZ or CPA Australia for financial auditors)
- non-mandatory memberships – not essential for employment but membership benefits the OAG and employees by enhancing professional currency, skills and capacity.

Capped payment of professional memberships is a new and positive attraction and retention strategy which reflects standard practice in public and private sector audit firms.

Performance development and review

Performance development and review is a process where our managers and employees can discuss how people are performing in their roles, set expectations and identify areas where training or development is required. This year, we continued the roll out of an online employee performance development and review tool and identified how we can improve the tool with the intention to fully replace our paper-based approach. Initial trials have been successful and will inform our system and process refinements going forward.

This year we have engaged in values-based training to raise awareness of communicating clear expectations that are meaningful and contribute to a more constructive performance review process. This training and our online forms are designed to prompt discussions to positively inform reviews.



>> Looking forward

Employee suggestions and ideas

This year we launched The Cactus Times, an internal news platform that allows us to share information from manager profiles to updates on our local government audit mandate. We also launched a social newsfeed on the homepage of our intranet where employees can post non-work related information such as appropriate social items, events, fundraising and special interest links. While these initiatives have been well received, we also have a number of ways employees can provide feedback including an online suggestion box and innovation wiki that allows employees to share and build on others' innovative ideas. We are not getting the engagement of previous years on these feedback channels and next year will consider opportunities to reignite participation.



Figure 6: Our 2019 graduates

Graduate recruitment and support

Our annual intake of graduates is key to the growth and future sustainability of our workforce. The opportunity to train and develop new auditors to our required standard is an exciting challenge.

This year we welcomed our largest intake with 10 financial audit graduates starting in February 2019. Our advertised recruitment program attracted 84 applicants, with 30 invited for interview.

Our intensive 5-week induction and training program, the foundation of our graduates' time with us and the building blocks of their audit careers, includes:

- introduction to the OAG and the broader public sector
- professional behavioural and customer service standards
- practical auditing
- legal compliance requirements
- a 3-week practicum.

Our support of the graduates continues with a 3-year training program of key technical development and mandatory professional accounting studies.

Secondments

Placements	2014-15	2015-16	2016-17	2017-18	2018-19
Into OAG	3	4	5	6	7
Out of OAG	9	11	7	9	10
Total	12	15	12	15	17

Table 9: Secondments in and out of OAG for the last 5 years

Employees seconded in from other entities benefit the OAG through their different perspectives, ideas and suggestions. Seconding employees to other entities broadens their experience, improves expertise and increases skill sets. The secondment process is a cost-effective, efficient practice as all employees carry acquired skills and knowledge back to their home entities.

Due to our unique relationships with audit offices in Australia and around the world we extend secondment opportunities to our employees for both international and interstate audit offices. This year we welcomed back 2 employees who had ended their placements at the British Columbia Audit Office and the Victorian Auditor-General's Office. The placements are mutually beneficial, offering a way to share audit knowledge and expertise throughout and beyond the Australasian Council of Auditors-General (ACAG) community.

University liaison program

This year we continued our strong liaison with Western Australian universities through:

- targeted sponsorship of business school awards and scholarships at all 5 universities
- regular involvement by the Auditor General at student events speaking about the importance of public sector audit
- student placements which reward participants with credits to their units of study
- placement opportunities for Edith Cowan University students who develop and enhance software, and analyse and track system with extranet facilities. This exposure to complex information systems (IS) environments in our Information Systems Audit unit delivers a mutual benefit to us and the students.

These are valuable strategic relationships that promote us as well as the broader public sector as a potential employer to high calibre students.

Our sponsorships have again this year given a positive return through the recruitment of a business school award winner into our graduate program.



Figure 7: Senior leaders in our Financial Audit team

Building cultural awareness

In 2018-19, the OAG began its cultural awareness journey. This included the launch of our first reconciliation action plan, celebrating cultural events observed by our employees and commissioning Aboriginal artwork to reflect the work of the Auditor General.

Our first reconciliation action plan

In July 2018, Executive approved our *Reconciliation Action Plan 2018-2021* (RAP). This was an important step for the OAG in making a useful contribution to closing the gap of disadvantage.

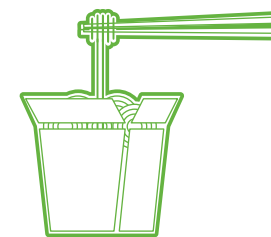
Our RAP states the activities and deliverables we aim to implement to contribute to reconciliation with First Nations people.

During the first year of our RAP we have:

- appointed an Aboriginal performance auditor who helped us engage with stakeholders during our *Improving Aboriginal Children's Ear Health* audit
- opened all internal professional development days and office forums with an Acknowledgement of Country
- included a written Acknowledgement of Country in our external email signatures and audit reports
- amended our procurement policy and increased our purchases from Indigenous suppliers
- educated employees in cultural learning through presentations by Aboriginal presenters Richard Walley OAM and Shaun Nannup
- employed temporary staff through Indigenous recruitment agency Ochre People
- encouraged employees to participate in cultural events such as an internal NAIDOC Week event and the 2019 NAIDOC Family Day in Ashfield
- recognised Aboriginal culture by placing an Aboriginal flag in our reception.

In the coming year we will conduct a detailed review of our RAP and will measure our activities and deliverables against our targets.

Getting a taste of different cultures



This year we have celebrated cultural events observed by our employees

such as Lunar New Year and the Islamic celebration, Eid. At each event we have sampled traditional food and heard from our colleagues about the history and importance of the celebration. Later in the year we will celebrate NAIDOC Week and Diwali, the Festival of Lights. These events are a great reminder for us about the importance of inclusion and diversity in our workforce.



Figure 8: Our employees enjoying cultural morning teas



Figure 9: Artist Justin Martin with Assistant Auditor General Performance Audit Jason Beeley

Commissioning Aboriginal artwork

We plan to brand all future audit reports specific to Aboriginal communities with Aboriginal artwork. This year our *Improving Aboriginal Children's Ear Health* report was the first to include Aboriginal artwork. Designed by Noongar artist Justin Martin *Wardong* reflects the work of the OAG. The black dots symbolise the Auditor General reaching out to people and public sector entities throughout Western Australia. It is drawn from Noongar and Yamatji country imagery of black dots representing a black crow, which also has a role in overseeing the countryside.

Improving Aboriginal Children's Ear Health report

We employed an Aboriginal consultant to help us engage with Aboriginal people during this audit. Over the course of the audit we consulted with providers and users of ear health services in communities across the Goldfields and Kimberley regions and in Perth with the help of the health and wellness centre Mooditj Koort.

For the first time we published a community edition of the audit. The booklet was developed in consultation with an Aboriginal non-government organisation and allowed us to share with the community our audit findings on whether State government entities are effectively helping Aboriginal children and their families with ear health and hearing problems.

The [full report and community edition](#) are available on our website.



>> Looking forward

Albert Facey House cultural capability

In June 2019, Albert Facey House (AFH) tenant chief executives met to discuss working together to support organisational cultural capability. Our intention is to work together, where appropriate and within each entity's legislative mandate, to:

- take symbolic and practical action to promote appreciation of and learning from Aboriginal culture
- provide opportunities for Aboriginal members of the WA community to contribute to our work and gain experience in public administration
- listen to and where possible act upon the guidance offered by the AFH Aboriginal Representatives Committee and Aboriginal members of the community
- encourage staff to support cultural initiatives and events.

AFH tenants include the OAG, Ombudsman WA, Office of the Information Commissioner, Office of the Inspector Custodial Services, Economic Regulation Authority, Health and Disability Services Complaints Office.



Equity and diversity

Together with other public sector entities, we appreciate the value of integrating diversity and equity into our organisation. We aim to have a workplace that is fair and transparent, where all diverse gender, race and cultural perspectives are valued.

Approximately half of our employees come from culturally and linguistically diverse and non-English speaking backgrounds which provides both opportunities as well as unique challenges, especially in the area of communication skills.

We provide tools to assist with communication including speech therapy and introductory plain English workshops. These are of personal benefit and are stepping-stones for more advanced training and development. The online version of the Macquarie Dictionary, which includes an English pronunciation tool, is available and accessible on our intranet.

Our graduates and new employees attend workplace behaviour and equal employment opportunity training, delivered as part of their induction program. This training presents and clarifies the OAG's behavioural expectations.

Equity and diversity	2014-15 (%)	2015-16 (%)	2016-17 (%)	2017-18 (%)	2018-19 (%)
Women	59.00	55.15	62.41	57.14	56.00
Aboriginal	0.00	0.00	0.00	0.00	0.59
People from culturally diverse backgrounds	34.00	33.83	45.86	54.65	53.84
People with disabilities	0.74	0.74	0.00	0.62	0.59
Youth (24 and under)	6.00	5.89	6.02	3.72	4.73

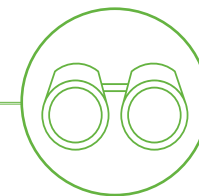
Table 10: Each diversity group as a percentage of our workforce

Code of Conduct

Our Code of Conduct specifies appropriate standards of employee behaviour, with direct relevance to our unique role and responsibilities. We formalise and acknowledge our commitment to the highest standards of corporate governance through annual employee declarations.

The signed declaration details employees' personal and professional obligations of working with the OAG and confirms their continuing compliance with the Code's requirements.

Employees acknowledge their understanding of and commitment to our Code of Conduct, and their compliance with legislation, internal policies and professional standards of conduct.



>> Looking forward

Employee survey

Our next employee survey will be conducted in April 2020. Every 2-years employees have the opportunity to provide feedback and express their views on how well the OAG functions. The survey feedback provides valuable information and identifies areas where we can make improvements.

Our auditors out and about

Jocelyn during a financial audit at Central Regional TAFE in Geraldton



Spencer getting to know the business at the WA Country Health Services Midwest Region



Andrew and Amelia speaking with St John Ambulance WA staff for our Delivering WA's Ambulance Services - Follow-up Audit



Adam discussing performance audits at a local government conference



Bagas meeting the locals while conducting a financial audit at Perth Zoo



Grievance resolution

Grievances or disputes can arise in any workplace. The OAG provides a fair and transparent process for the resolution of grievances and complaints raised by employees. Our expectations about appropriate workplace behaviour are endorsed through regular education and awareness training, with support resources promoted on the intranet and posters around the office. Employees trained in grievance resolution are available and their details, as well as those of our Human Resources team, are published on our intranet.

Occupational safety and health

Occupational safety and health (OSH) is a priority at all times, in all circumstances. We are committed to providing and maintaining a safe and healthy work environment and are fortunate that our employees work in a very low risk environment. We do not take this for granted and all employees receive online OSH training.

We have designated and trained OSH safety officers and all of our practices comply with our legislative responsibilities under the *Occupational Safety and Health Act 1984*, *Workers' Compensation and Injury Management Act 1981* and all policy requirements in Western Australia.

All new employees receive information and instruction on their obligations and responsibilities under our OSH and injury management policies as part of their induction process. All documents are readily available on our intranet, including:

- Occupational Safety and Health Policy
- Management of Ill or Injured Workers Policy
- Working from Home Policy
- Reasonable and Flexible Working Hours Policy
- workers' compensation guides

- injury management and return to work program
- incident and accident report forms.

We target our online OSH training to ensure the most appropriate and relevant level is delivered to employees. We have 2 levels of OSH awareness and injury management training – non-supervisory employees and supervisory and management employees. Training completion rates are reported to Executive and used to identify areas for further training.

Our Audit and Risk Management Committee (ARMC) monitors trends, maintains awareness of serious issues and monitors timely and appropriate risk management. Day-to-day responsibility to ensure that the workplace, facilities, equipment and systems do not expose employees to hazards sits with the Business Services unit.

Our statement of commitment and performance in 2018-19 on occupational safety, health and injury management is reported on [page 125](#).



>> Looking forward

OSH management and processes

To help us deliver a safer, healthier workplace we have engaged an external assessor to review and assess our OSH management and processes. The review will be undertaken in August 2019 and we look forward to understanding areas where continual improvements can be made. The review will assess the OAG against the following 5 areas:

- management commitment
- planning
- consultation and reporting
- hazard management
- training and supervision.

Office forums

As our workforce is highly mobile and the majority of our auditors work away from the office, we think it is important to bring all employees together during the year. Our office forums provide such an opportunity and are held 4 times a year. At each forum the Auditor General communicates strategic initiatives, challenges and achievements, current or emerging issues and the accomplishments of the different business units. Other regular agenda items include audit client survey results, updates on our local government auditing mandate and personal news relating to engagements, weddings and babies.

At the first forum of the year, our financial audit graduates from the previous year present on their experience as a graduate. The results are often humorous and always insightful. In the final forum of the year, we invite a guest speaker to provide an inspirational, motivational or light-hearted end-of-year session.

Wellness Committee

Employees spend the majority of their waking hours at work. We want to ensure our employees achieve balance through caring for their mind, body and spirit so they can lead a full and healthy life. Our Wellness Committee promotes wellbeing and activities to achieve this through:

- Well at Work e-magazine with strategies, tips, recipes and exercises
- flu vaccinations
- increasing ergonomic accessory range for employees
- ergonomic 'quick' assessments
- professional ergonomic assessments for special requirements
- lunch and learn sessions on superannuation
- blood donations
- fundraising activities
- doubling the number of trained first aid officers.

Employee assistance program

Many factors come into play in an individual's life and often people need additional assistance or resources to help them manage as external factors can impact emotional as well as physical wellbeing. To assist with this our employees have access to our employee assistance program. The program offers services including independent counselling, advice and support. As issues can be of a domestic nature and can affect members of an employee's family, we extend the program to immediate families.

Employees and their immediate families also have access to an online application that is a key tool for supporting resilience and offers a mood checker, podcasts, guided meditations, heart rate monitor and resilience exercises.

All contact and appointments are highly confidential. Our provider reports de-identified data annually that we use to identify any trends and take actions such as awareness raising, health and wellbeing promotion and training.

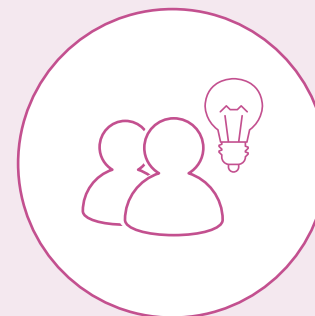
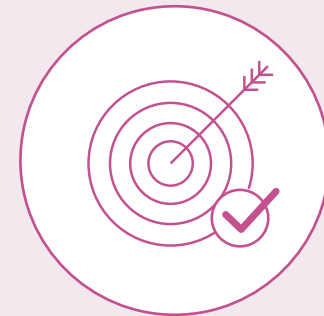
Social club

Our social club plays a vital role in socially connecting our employees across all business units. It is run by an active voluntary employee committee that organises a number of events each year including a welcome sundowner for new graduates, autumn and spring breakfasts, an end of financial year lunch and Christmas lunch. With almost half of our employees being social club members and many non-members attending, these functions celebrate a range of key events and are highlights throughout our busy year.

Our tools

Robust, efficient, user friendly, flexible, agile, reliable, compliant

We use **9 key principles** to help us achieve good governance



We established **2 new committees** to provide operational and governance support to Executive

We reviewed

40 policies

in line with our approach of reviewing each policy every 2 years



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In March 2019,
Executive endorsed our
IT Strategic Plan
a blueprint of how information systems will be developed and managed to support our business

Governance

We are committed to achieving and demonstrating good governance. In monitoring and assessing our performance, we use the 9 key governance principles of the Public Sector Commission's Good Governance Guide to assist us to achieve a high standard of organisational performance.

Governance principle	Our commitment
1. Government and public sector relationship – <i>the agency's relationship with the government is clear.</i>	We have processes in place to ensure clear communication and interaction between us and members of Parliament and State and local government entities.
2. Management and oversight – <i>the agency's management and oversight are accountable and have clearly defined responsibilities.</i>	Our strategic plan clearly defines our vision and the strategies we will undertake to achieve our outcomes.
3. Organisational structure – <i>the agency's structure serves its operations.</i>	The leader of each business unit is a member of Executive, which is responsible for ensuring we achieve the outcomes articulated in our strategic plan. A number of committees support Executive.
4. Operations – <i>the agency plans its operations to achieve its goals.</i>	Each business unit has an operational plan that identifies its work program and progress towards initiatives. These plans are key supporting documents for our strategic plan and reported on at Executive strategic planning meetings.
5. Ethics and integrity – <i>ethics and integrity are embedded in the agency's values and operations.</i>	Ethical behaviour and integrity are core values that underpin our work. Our Code of Conduct defines the high standards we require from our employees.
6. People – <i>the agency's leadership in people management contributes to individual and organisational achievements.</i>	Workforce planning is a high priority and includes policies and strategies to enable the attraction, retention and management of people as well as development and growth.
7. Finance – <i>the agency safeguards financial integrity and accountability.</i>	Our finance policies and processes are consistent with accounting standards and we have formal structures to monitor actual versus budget. Financial performance is reported to Executive monthly.
8. Communication – <i>the agency communicates with all parties in a way that is accessible, open and responsive.</i>	We disseminate information efficiently and effectively following policies and guidelines to ensure our stakeholders are well informed, via the correct channels in a timely manner.
9. Risk management – <i>the agency identifies and manages its risks.</i>	A comprehensive Risk Management Framework forms an integral part of our strategic plan. The framework outlines the policies and processes relating to the management of risk and preventative measures to ensure our risk is within acceptable levels.

Table 11: Good Governance Guide references

Key governance arrangements

Executive Management Group

Our Executive Management Group is our team of senior managers who plan, manage and lead our business. They set the strategic direction and organisational values that define our activities. Chaired by the Auditor General, they meet monthly and hold informal weekly meetings.

Executive also holds specific strategic planning meetings to discuss strategic and tactical matters. They monitor the implementation of our strategies and measure performance against targets.

The Executive profiles are on [page 17](#).

OAG committees

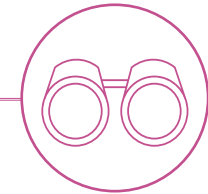
A number of committees with roles in governance, inter-office engagement and employee development provide Executive with operational and administrative advice. During 2018-19, we established 2 new committees: the Information Governance Committee and the Audit Tool and Methodology Project Steering Committee.

Information Governance Committee

This committee is responsible for examining our Information, Technology and Security Governance Framework and identifying areas where we can make improvements. It replaced the former Information and Communication Technology Committee and held its first meeting in May 2019. More information on this committee is on [page 41](#).

Audit Tool and Methodology Project Steering Committee

This committee is responsible for providing governance and oversight of our new project to implement a whole-of-office audit tool and replace our financial audit methodology. It held its first meeting in November 2018.



>> Looking forward

New audit tool and methodology

During the year we were advised our financial audit tool was no longer being updated and that our technical support would soon cease. We are taking the opportunity to procure a new audit tool (software) that will meet the needs of both financial and performance auditors.

In April 2019, we went out to tender for a new whole-of-office audit tool and financial audit methodology. The new tool is expected to increase opportunities for collaboration within the office, bring training efficiencies and improve audit reporting.

The audit tool and financial audit methodology are expected to be piloted during the coming financial year.

Audit and Risk Management Committee

Our Audit and Risk Management Committee (ARMC) meets regularly to improve the effectiveness of financial and performance reporting, internal audit, external audit, compliance and risk management. Des Pearson, former Auditor General for Western Australia and Victoria, started as the independent chair on 22 June 2018. The remuneration detail for this role is on [page 121](#).

The ARMC proactively oversees the risk management and reporting of the OAG. An important component of this is setting and managing our annual internal audit program and overseeing the external audit process.

The key responsibilities of the committee are to:

- monitor the oversight of the Risk Management Framework
- coordinate our internal audit and external audit program
- monitor the effectiveness of the internal control system and ensure that it is reliable, complies with legislation and reduces the risk of fraud and error
- oversee and manage our actions to address any internal audit, quality assurance and external review findings
- monitor the financial and key performance indicator (KPI) reporting process
- oversee our Business Continuity Management Program and treatment action plans.

The Committee, led by the independent chair, also includes:

- Michelle Shafizadeh – Assistant Auditor General, Technical and Audit Quality (biography on [page 17](#))
- Jordan Langford-Smith – Senior Director, Financial Audit
- Andrew Harris – Director, Performance Audit
- Kamran Aslam – Associate Director, Information Systems and Performance Audit.

Audit methodology user groups

We have audit methodology user groups for performance and financial audit. The groups facilitate user feedback about audit methodologies to ensure they are appropriate to our needs and operating environment. They also ensure the methodologies are aligned to the relevant Auditing and Assurance Standards and are effectively and efficiently used within the OAG. The groups meet at least twice a year.

The groups are currently assisting the Audit Tool and Methodology Project Steering Committee in procuring the new whole-of-office audit tool and financial audit methodology.

Other committees

Several other committees provide focused advice and support to Executive, including the:

- Culture Committee – chaired by the Auditor General, the committee fosters a culture of respect, support and innovation within the OAG and provides advice and recommendations to Executive on improvements to our workplace culture
- Office Consultative Committee – facilitates the efficient and effective conduct of OAG activities by enabling the views of employees to be taken into account in decision-making
- Professional Development Committee – plans and implements the OAG’s annual professional development program for employees
- Technical Determination Committee (see [page 39](#)).

Risk Management Framework

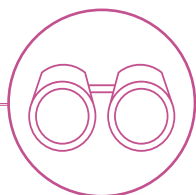
We consider risk management to be a fundamental component of our work. Our comprehensive Risk Management Framework forms an integral part of the strategic planning processes.

The purpose of the framework is to:

- provide an overview of our risk management processes
- define the key attributes and objectives for the OAG's risk culture
- describe roles and responsibilities for managing risk
- outline the process for reporting on risk and ongoing monitoring and review.

The framework is complemented by the OAG Risk Register and business unit risk registers that identify and assess relevant strategic and operational risks, and the treatment action plans to address them.

Our Risk Register is supported by the OAG Fraud and Corruption Control Plan and the OAG Business Continuity Management Program, which address particular types of risks within specific areas of the OAG's operational activities.



>> Looking forward

Embedding quality practices into our operations

We will start 2019-20 with a trial initiative to embed quality practices into our operational business units. This involves changes to our Technical and Audit Quality business unit and moving 4 employees into our Performance Audit and Financial Audit teams. This change puts quality up front in our processes, and will also make some of our highly skilled people more accessible to the business and part of day-to-day audit delivery operations. We will review the trial after 12 months.

Policy framework

Our policies are designed to answer the most frequently asked questions on audit, administrative, accounting and personnel matters. They support and promote efficient and effective administration by providing consistent operational rules and procedures containing administrative and other compliance requirements.

We formally review our policies every 2-years undertaking an evaluation and assessment based on feedback from staff, and changes to legislation or other external environments.

This year we reviewed 40 policies. One was newly created, 2 were rescinded and 13 were updated. All were approved by Executive. Staff are informed of policy changes by email, on the intranet and at staff professional development days.

Technical advice

Auditing, accounting and financial reporting knowledge and skills are fundamental to audit quality and performing efficient and effective audits.

A Technical Determination Committee comprising senior staff from across the OAG is convened to provide advice on complex and contentious technical matters, to resolve differences of opinion about such matters, and to review all proposed modifications to auditor's reports. This committee may seek advice from external sources where necessary.

Information systems

In September 2018, we embarked on an ambitious but vital project for improving the management and governance of our information systems and data management. This was driven by 2 key factors. Firstly, a number of our systems were nearing the end of their useful life. Secondly, our Information Technology (IT) Strategic Plan was due to be revised in November 2018.

It is imperative that any replacement systems are contemporary and fit-for-purpose, provide value-for-money and facilitate improved operations. They also need to align with our long term strategic plan and the delivery of key projects and initiatives. Consequently, we put into place a Technology Transformation Project.

A key focus of the project is to improve alignment between business requirements and efficiency opportunities by using appropriate technology platforms which ensure the security and continuity of information systems, address risks and maintain the confidentiality and integrity of our information.

In March 2019, Executive endorsed 2 key deliverables of the project: a revised IT Strategic Plan and the establishment of an Information Governance Committee.

IT Strategic Plan 2019-2022

The IT Strategic Plan provides a blueprint of how information development, management and systems will be used to support the OAG's core business activities and organisational objectives. It establishes a framework to drive improved project and service delivery.

The plan was developed through a range of workshops focusing on the questions *Where are we? What is important to us? and What must we achieve?* An important step was to refine our enterprise architecture and define the IT infrastructure needed to effectively achieve our current and future objectives.

The end result, endorsed by Executive, is a 3-year roadmap of projects and initiatives including a prioritised list of improvement opportunities, justifications for each project and estimated cost and duration of each project.



Developing our IT Strategic Plan

In developing our IT Strategic Plan, we identified the following principles that underpin our decision-making and strategic IT activities.

-  We use technology to deliver high-quality audit products.
-  We manage information securely and responsibly.
-  We maintain technology independence.
-  We enable internal stakeholders.
-  We use integrated business solutions.
-  We prioritise digital engagement.
-  We are preparing for the future.

Information Governance Committee

The second aspect of the project was to examine our existing Information, Technology and Security Governance Framework and identify areas where we could make improvements.

The OAG is responsible for a significant amount of information held in both electronic and paper-based formats, and it is critical that this information be protected appropriately. We have an information security framework that considers people, processes and technologies. It includes effective security controls at the process level and management oversight, monitoring and appropriate reporting at an executive level.

Our framework ensures:

- alignment between our strategic priorities and investment in information and technology
- that the performance of information and technology projects and operations meets our expectations
- information under our care is protected appropriately for its value and impact.

Our review identified and recommended the establishment of an Information Governance Committee. Chaired by the Deputy Auditor General, this committee replaced the former Information and Communication Technology Committee and held its first meeting in May 2019.

GovNext-ICT program

The GovNext-ICT program has been promoted to entities as a coordinated and mandated opportunity to modernise information and communication technology (ICT) functionality and delivery, at less cost. We have a staged decision-making process to transition to GovNext-ICT with consideration for technical, financial and our independence requirements.

We successfully implemented the first stage in April 2019. This was the uptake of GovNext-ICT internet connectivity services to replace services previously provided by ServiceNet, the internet service provider for Western Australian Government.

As we are a customer of the program as well as the auditor, careful consideration is required prior to the adoption of any additional GovNext-ICT services.

Financial management

We use financial data to monitor and report on our performance and inform our decisions. In addition, budget forecasting and meeting long-term resourcing requirements are key aspects of our strategic planning. Ensuring sound financial management of our business is crucial and more critical as the sector is striving to deliver efficiencies in all aspects of operations.

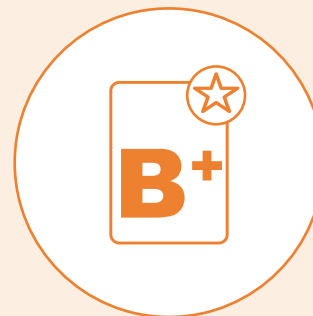
This year we have continued with a procurement process to replace our 25-year-old finance system. We are investigating all financial management options available and assessing the most cost-effective and efficient approach that matches our needs. We expect to have our decision finalised so any changes to our system or processes can be implemented prior to June 2020.

Our approach

Consistent, fair and balanced, independent, transparent, pragmatic, professional, contemporary

95%

of parliamentarians surveyed were satisfied with our reports and services



Consistent with last year we received a

B⁺ rating

from our internal auditor

We issued

23 opinions
on ministerial notifications



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93%
of local government
entities surveyed value our
recommendations to improve
their financial management

Financial auditing

Financial auditing provides independent assurance to Parliament that the annual financial reports of State and local government entities:

- are presented in accordance with Australian Accounting Standards, relevant regulations, instructions and other mandatory professional reporting requirements
- are based on proper accounts
- present fairly the operating results and cash flows for the period under review
- show the financial position at the end of the financial reporting period.

Each year the Auditor General issues:

- For the majority of **State government entities**, most of which operate under the *Financial Management Act 2006*:
 - an opinion on the financial statements of the entity
 - an opinion regarding the financial management-related controls in the entity
 - an opinion on the key performance indicators (KPIs) of the entity and whether they are fairly presented, relevant and appropriate.

Most State government entities are required under the *Financial Management Act 2006* to have their annual reports tabled within 90 days of financial year end.

- For **local government entities**, progressively from 2017-18 ([page 133](#)), an auditor's report on the annual financial report and any other matters required by the local government audit regulations.

Under the *Local Government Act 1995*, local government entities are required to publish their annual reports on their website within 14 days of their council accepting the report. The local government financial audit process is explained on [page 49](#).

- For **entities operating under other legislation** an opinion on their financial statements.

You will find an overview of the financial audits undertaken this year on [page 66](#). [Appendix 2](#) is a complete list of entities subject to financial audit.

Working with audit firms

We currently outsource about 35% of our financial audit work for State government entities and approximately 90% for local government entities. The Auditor General, or a delegate, signs the audit opinion and is accountable for the work of our contract audit firm partners.

Auditors General outsourcing audits is common practice across jurisdictions and our contract management processes ensure that outsourced audits are efficient, cost-effective and meet our audit quality standards.

We have been contracting out audits for many years and the benefits for us and our clients include:

- allowing us to respond to the risks and needs of our clients
- partnering with accredited audit firms to develop innovative audit practices
- accessing specialist knowledge or skills we might not have or are costly to maintain
- learning from accredited audit firms to improve our audit processes, quality and reporting
- providing a mechanism for us to benchmark our cost effectiveness, audit processes, quality and reporting.

Surveys of financial audit entities

We aim for continuous improvement and a way of doing this is by acting on feedback from our stakeholders. All audited entities have the opportunity to participate in our annual survey. The survey (conducted by an independent research company) gauges how our staff and contracted audit firms are performing in the key focus areas of audit process, audit reporting and audit value (which includes the value of our financial statement, key performance indicator and information systems audits). For each area, respondents are asked several questions regarding our performance. We have chosen to highlight 2 questions per area (Table 12). The survey results highlight areas where we can improve.

State government entities

A total of 118 out of 133 financial audit clients responded to our survey this year, a response rate of 89% (up from 87% last year). Despite slight decreases compared to last year in the key areas of audit reporting and audit value, our results were positive overall.

The results were particularly positive in relation to:

- the professional conduct, and skills and knowledge of our auditors which were again the 2 highest rated audit process aspects
- senior auditor involvement, which increased this year following 3 consecutive years of flat performance
- the value placed on our recommendations to improve the financial management and internal controls of our clients' organisations.

Other areas where we have improved are the audit program undertaken in a timely manner and the auditors being responsive to clients' needs.

The results this year suggest we need to consider the clarity of the issues covered in our management letters as satisfaction in this area declined slightly. In addition, our information systems audit work recorded areas for improvement including communications skills and understanding of entities' information systems.

Focus area	Indicator	% Agree					
		2014-15	2015-16	2016-17	2017-18	2018-19	
Audit process	The OAG's audit program was undertaken in a timely manner	91	87	84	86	90	↑
	Audit staff were responsive to our needs	95	87	88	89	90	↑
Audit reporting	The Auditor General's audit opinion was issued in a timely manner	95	91	94	95	97	↑
	The management letters clearly communicated the audit findings and issues	94	94	90	93	90	↓
Audit value	We value the assurance we obtain from the audit of our statutory financial statements	95	96	97	99	98	↓
	We value the OAG's recommendations to improve the financial management and internal controls of our organisation	95	96	91	96	97	↑

Table 12: State government entity financial audit survey results of 2 key questions in 3 focus areas

We also use the survey analysis to calculate an aggregate score across all questions. The score is the average response for every question transformed to a 100 point scale and then averaged to determine an index score. We saw a marginal decrease in the overall performance index score for our financial audits. This highlights the need for us to maintain our focus on continuous improvement.

	Index score				
	2014-15	2015-16	2016-17	2017-18	2018-19
Overall performance	81.2	81.4	81.3	82.3	81.2 ↓

Table 13: State government entity financial audit aggregate score

Local government entities

A total of 31 out of 38 local government entities responded to our first survey of the sector (a response rate of 82%). The survey (conducted by an independent research company) gauges how our staff and contracted audit firms are performing in the key focus areas of audit process, audit reporting and audit value. For each area respondents are asked several questions regarding our performance. We have chosen to highlight 2 questions per area (Table 14).

The results were generally positive, particularly in relation to overall audit value, however, aspects of audit process and audit reporting rated comparatively lower.

The results were positive in relation to the:

- auditors' professional conduct
- involvement of senior audit staff in the audit
- auditors' professional skills and knowledge required to conduct the audit.

Areas where we could improve include:

- our auditors' responsiveness to clients' needs
- timeliness of the audit.

Focus area	Indicator	% Agree
		2018-19
Audit process	The OAG's audit program was undertaken in a timely manner	68
	Audit staff were responsive to our needs	65
Audit reporting	The Auditor General's audit opinion was issued in a timely manner	84
	The management letters clearly communicated the audit findings and issues	93
Audit value	We value the assurance we obtain from the annual audit of our financial statements	97
	We value the OAG's recommendations to improve the financial management of our organisation	93

Table 14: Local government entity financial audit survey results of 2 questions in 3 focus areas

In addition we use the survey analysis to calculate an aggregate score for all questions. The score is the average response for every question transformed to a 100 point scale and then averaged to determine an index score. Our overall performance index score was 77.

As this is our first year surveying local government clients we have no comparative indicators. The results provide a starting point and an indicator of areas where opportunities exist to make improvements.

Information systems auditing

Our information systems audits focus on the information technology (IT) environments of public sector entities. We audit general computer control (GCC) environments to determine whether the controls effectively support the confidentiality, integrity and availability of information systems (IS). These audits support the financial audit and controls opinions. GCCs include controls over the IT environment, computer operations, access to programs and data, program development and program changes. We use the results of our GCC work to inform our capability assessments of entities. We have developed a model that uses accepted industry good practice as the basis for assessing the maturity of the IT controls an entity has established. The model provides a benchmark for entity performance and a means for comparing results from year-to-year.

Each year we also review a selection of important applications that entities rely on to deliver services. Applications are software programs that facilitate an entity's business processes including finance, human resources, case management, licensing and billing. We focus on the key controls that ensure data is complete, and accurately captured, processed, maintained and reported. In addition, we also often complete a broader scope IS audit on a specific topic, including passwords in 2018 ([page 68](#)), malware in 2016 and database security in 2015.

Our IS audit work is a very important part of our audit program as it reveals the common IS weaknesses that can seriously affect the operations of government and potentially compromise sensitive information held by entities. Our IS audit reports contain recommendations that address these common weaknesses and as such, have a use broader than just the entities we specifically audited.



Survey of audit committee chairs

Audit committees play a key, cost-effective role in assisting boards, councils and chief executive officers with financial management, control and reporting.

We firmly believe that an appropriately established and effective audit committee is vital in assisting entities to fulfil their corporate governance and oversight responsibilities. The importance of audit committees is heightened in times of change, such as during the current period of public sector reform, where integrity and other risks are elevated.

We have engaged closely with entities to actively encourage improvement and build capacity in this area. As part of our commitment to continuous improvement, we surveyed audit committee chairs for the first time in 2018-19.

The survey was conducted by an independent research company and 97 out of 106 audit committee chairs responded, which is a response rate of 92%.

The results in relation to the value, process and reporting of our audit work is combined to provide an overall index score. Our financial audit area achieved a high result of 83.9 from audit committee chairs with the value of financial audits receiving the strongest favourable response. Our performance audit area result was not as strong with an overall index of 78.7 and both audit process and audit reporting were highlighted as areas where we can improve.

Other questions in the survey related to general impressions and expectations of the OAG and the positive assessment was reflected in a high index score of 89.4.

As this is the first time we have conducted this survey, the results provide us with a baseline indicator and identify areas where we can make improvements.

Progressing our local government audit mandate



On 28 October 2017, the *Local Government Amendment (Auditing) Act 2017* was proclaimed, giving the Auditor General the mandate to conduct financial and performance audits of Western Australia's 139 local governments and 9 regional councils (LG entities).

Reports tabled

In 2018-19, we tabled 6 local government audit reports, taking our total to 8:

- 3 performance audits
- 4 focus area audits
- 1 financial audit results report.

Learning more about the sector

Since stepping into the local government space in 2017, we have actively engaged with LG entities, the Department of Local Government, Sport and Cultural Industries (DLGSC), WA Local Government Association (WALGA) and Local Government Professionals Australia WA (LG Professionals) to learn more about the sector and to inform them about our processes.

In 2018-19 we engaged with the sector through:

- 3 conferences
- 4 branch/zone meetings and network forums
- 1 financial and 2 performance audit feedback surveys
- 2 update letters to all LG entities
- direct communication with LG entities involved in financial and performance audits
- participation in the *Local Government Act 1995* review working group
- meetings with staff from the DLGSC, WALGA and LG Professionals.

We developed our employee's local government knowledge through professional development training and internal communication.

We will continue to actively engage with the sector during 2019-20, and also continue development of our employees to build capacity for future audits and providing guidance to entities.



Encouraging better practice

Like State government entities, we expect LG entities to aim for best practice, not just compliance with legislation. To support them in this, our audit reports now include better practice guidance where appropriate. All 5 of our 2018-19 LG focus area and performance audits included better practice guidance, available at the back of each report or at www.audit.wa.gov.au/better-practice-guidance.



1 May 2017

The Local Government Amendment (Auditing) Bill 2017 was introduced to Parliament



28 October 2017

The *Local Government Amendment (Auditing) Act 2017* was proclaimed



12 February 2018

Following consultation with LG entities, contract auditors and the DLGSC, we confirmed the financial audit transition program



9 May 2018

First local government focus area audit *Controls Over Corporate Credit Cards* tabled in Parliament

Transition for financial audits

The *Local Government Act 1995* states responsibility for financial audits will transition to the Auditor General over 4-years as LG entities' existing audit contracts expire. We worked with LG entities, their previously appointed contract audit firms and the DLGSC to clarify when audit contracts ended. We have recontracted many of the same audit firms to conduct audits on the Auditor General's behalf. The following table shows how many audits we will have responsibility for each year, how many are conducted by the OAG or by a contract audit firm and the audit status.

Financial year	Total LG audits	Conducted by the OAG	Conducted by a contract audit firm (opinion signed by the Auditor General)	Status
2017-18	46	3	43	Reported to Parliament in March 2019
2018-19	112	13	99	Audits taking place during the second half of 2019
2019-20	132	-	-	We will contact LG entities in late 2019 about their audits
2020-21	148	-	-	We will contact LG entities in late 2020 about their audits

Table 15: Financial audit roll-in schedule for LG entities



11 October 2018

First local government performance audit *Local Government Procurement* tabled in Parliament



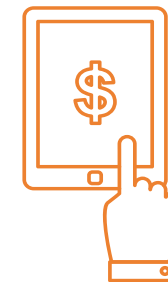
7 March 2019

First local government financial audit results report tabled in Parliament

2017-18 financial audits

In our first year of LG entity financial auditing we completed 45 out of 46 audit opinions. One entity was not audit ready, as such their audit was not finalised this financial year.

We issued 37 of these opinions by the required date of 31 December 2018. We will work with the sector to improve this result as we continue the roll-in schedule for the remaining LG entities.



Financial auditing requirements

**30
September**

- LG entity financial reports are due to the Auditor General.
- Financial reports must include:
 - a statement of financial position, statement of comprehensive income by nature or type, statement of comprehensive income by program, statement of changes in equity and statement of cash flows
 - a rate setting statement
 - 7 financial ratios required by the Local Government (Financial Management) Regulations 1996.

**31
December**

- The Auditor General is required to have completed LG entity financial audits.

Within 14 days

- of Council accepting the entity's annual report, the annual report must be published on the entity's official website.

Performance auditing

Performance audits are an integral part of our overall program of audit and assurance for Parliament. Our performance audits assess the efficiency and effectiveness of State and local government entity activities, services and programs. These audits can also identify instances of waste, legislative non-compliance, examples of good practice and make practical recommendations for improvement.

We conduct performance audits in accordance with section 18 of the *Auditor General Act 2006* and in accordance with Australian Standard on Assurance Engagement ASAE 3500 *Performance Engagements*. Summaries of the Auditor General's reports tabled in 2018-19 are from [page 68](#). We use a comprehensive process to select these audits.

Internally we differentiate audits on the basis of size and complexity:

- **Broad scope performance audits** focus primarily on the effective management and operations of State and local government entity programs and activities. These audits can highlight best practice approaches for all entities to consider implementing.
- **Narrow scope performance audits** focus more narrowly on entity compliance with legislation, public sector policies and accepted good practice across State and local government entities. They serve to highlight issues surrounding regulatory, financial and administrative processes. Narrow scope audits aim to identify good management principles and practices that apply to the wider public sector.
- **Focus area audits** are conducted at a sample of State or local government entities as an extension of our annual financial audits, using more detailed testing than is required for forming our financial audit opinions. Our aim is to assess how well entities perform common business practices and related controls. The findings of these audits provide an insight into good practice, so all entities, including those not audited, can consider their own performance.

We also selectively conduct follow-up performance audits to examine an entity's progress in implementing our recommendations from a previous report. These can also cover significant issues or developments in the area or activity. These audits provide Parliament with an assessment of changes that have occurred as a result of the initial audit.

In our broad scope performance audits we now require entities to explicitly accept or disagree with the recommendations of our reports and specify a timeframe for implementation. This is to increase transparency and accountability for Parliament as it is not good enough to simply accept the findings, it is vital that timely action is also taken to address concerns. This change has so far been well-accepted by entities.

Responsibility for following up our audit recommendations lies with the accountable authority, management and audit committee of each State or local government entity. The Public Accounts Committee (PAC) also has a key role in following up entity action on the Auditor General's reports ([page 58](#)).



Making a difference

Young People Leaving Care

This broad scope performance audit assessed whether the Department of Communities effectively supports young people leaving its care to successfully transition into independent living. We found that a large proportion of young people eligible for support were not receiving it early enough or at all, putting them at-risk of homelessness and unemployment. We also found many care leavers, especially those with complex needs, were not well prepared to leave care and start living independently.

To inform our findings we specifically engaged service providers and young people to hear their experience of leaving care. The audit recommended Communities consider extending its support and case management for those that need it after they turn 18 years old.

On the day the report was tabled, the State Government acknowledged it had not done enough to support children leaving out of home care - and that it can do better. In March 2019, the Minister for Child Protection announced a trial to enhance support for vulnerable care leavers between the ages of 18 and 21. It will provide accommodation, pathways to education and employment, and mentoring and practical assistance. The trial will focus on those care leavers who may be at risk of homelessness and unemployment to help them develop and build on their support networks and independent living skills. This is an example of our audit work having an impact. See the full audit summary on [page 68](#).

Surveys of performance audit entities

Shortly after we table a performance report in Parliament, we invite the entities involved to complete a survey. Like our financial audit surveys, they are conducted by an independent research company and are based on 3 focus areas: audit process, audit reporting and audit value. For each focus area respondents are asked several questions regarding our performance. We have chosen key questions per area to show our performance.

The nature of audit work includes close scrutiny and possible criticism of entity performance, and we understand that this can influence the responses to the survey. Nevertheless, the surveys provide a valuable way for us to identify areas for improvement.

The survey response rate this year was 94%, with 32 of the 34 clients providing a response – this is an improvement on 90% for last year. Overall, the 2018-19 results were mixed as satisfaction increased significantly in some areas and decreased in others.

Strong result areas this year include:

- our auditors conducted themselves professionally
- we provided adequate opportunities for entities to comment on the findings and issues before the final report was tabled.

We use the results of these surveys to identify where we may need additional effort or training, including:

- how our auditors can better understand the audited entity and its operating environment
- how our auditors can communicate more effectively with entities.

Consequently it was pleasing to see that 2 areas of concern we focused on from last year increased this year. Those areas were the value of our audits (up 16%) and entities' level of agreement that our audit reports are factually accurate (up 12%).

The survey results also show that other areas identified last year as requiring consideration, still need further attention following this year's results:

- how we demonstrate to entities the professional skills and knowledge of our auditors
- if we are clearly communicating our audit findings and issues in the tabled audit report.

The results of this survey (and all surveys undertaken) are a key consideration by Executive as we focus on improving the service we provide in all audit areas.

Focus area	Indicator	% Agree				
		2014-15	2015-16	2016-17	2017-18	2018-19
Audit process	The auditors communicated with us effectively	78	81	85	85	76 ↓
	We were promptly informed of significant issues/findings as they arose during the audit	80	73	73	78	72 ↓
	The auditors adequately understood our organisation, including our operating environment	45	58	44	63	52 ↓
	The auditors demonstrated that they had the professional skills and knowledge required to conduct the audit	75	78	80	74	72 ↓
	The auditors conducted themselves professionally during the audit	88	93	93	96	93 ↓
Audit reporting	We were provided with adequate opportunities to comment on the audit findings and issues before the final report was tabled in Parliament	83	81	78	85	86 ↑
	The tabled audit report communicated the audit findings and issues clearly	83	85	83	70	66 ↓
	The tabled audit report was factually accurate	78	81	71	56	68 ↑
	The tabled audit report was balanced and fair	65	73	71	67	64 ↓
Audit value	The audit will help us improve the performance of the audited activity	76	74	75	63	79 ↑

Table 16: Performance audit survey results of key questions in 3 focus areas

In addition we use the survey analysis to calculate an aggregate score for all questions. The score is the average response for every question transformed to a 100 point scale and then averaged to determine an index score. We were pleased the performance audit client survey saw a substantial rise in overall performance.

	Index score				
	2014-15	2015-16	2016-17	2017-18	2018-19
Overall performance	70.8	73.7	71.8	67.3	71.1 ↑

Table 17: Performance audit aggregate score

Performance audit topic selection

Deciding what to audit is a key part of the Auditor General's independence and is not subject to direction from Parliament or government. We have to exercise this independence responsibly, so we have processes in place to make sure our [selection of topics](#) is objective, robust and transparent.

We draw topic ideas from a range of sources including members of Parliament, parliamentary committees, State and local government entities, community and our employees.

We assess and review potential topics against our criteria, priority themes and KPIs. We seek to select a program that is balanced in its coverage, contains topics that matter to Parliament and the community,

and that reflects how and where the State is spending taxpayer's money.

A key part of establishing our forward audit program is firstly discussing potential topic ideas with key stakeholders that may have a view on the topic, the timing of the potential audit and any other considerations that may influence the audit program. This includes discussions with PAC and the Estimates and Financial Operations Committee as well as the relevant directors general and chief executive officers.

Once established, we make our forward audit program topics list available on our website. When an audit has begun, we expand this to include the audit objective, focus and timeframes, at www.audit.wa.gov.au/audit-program.

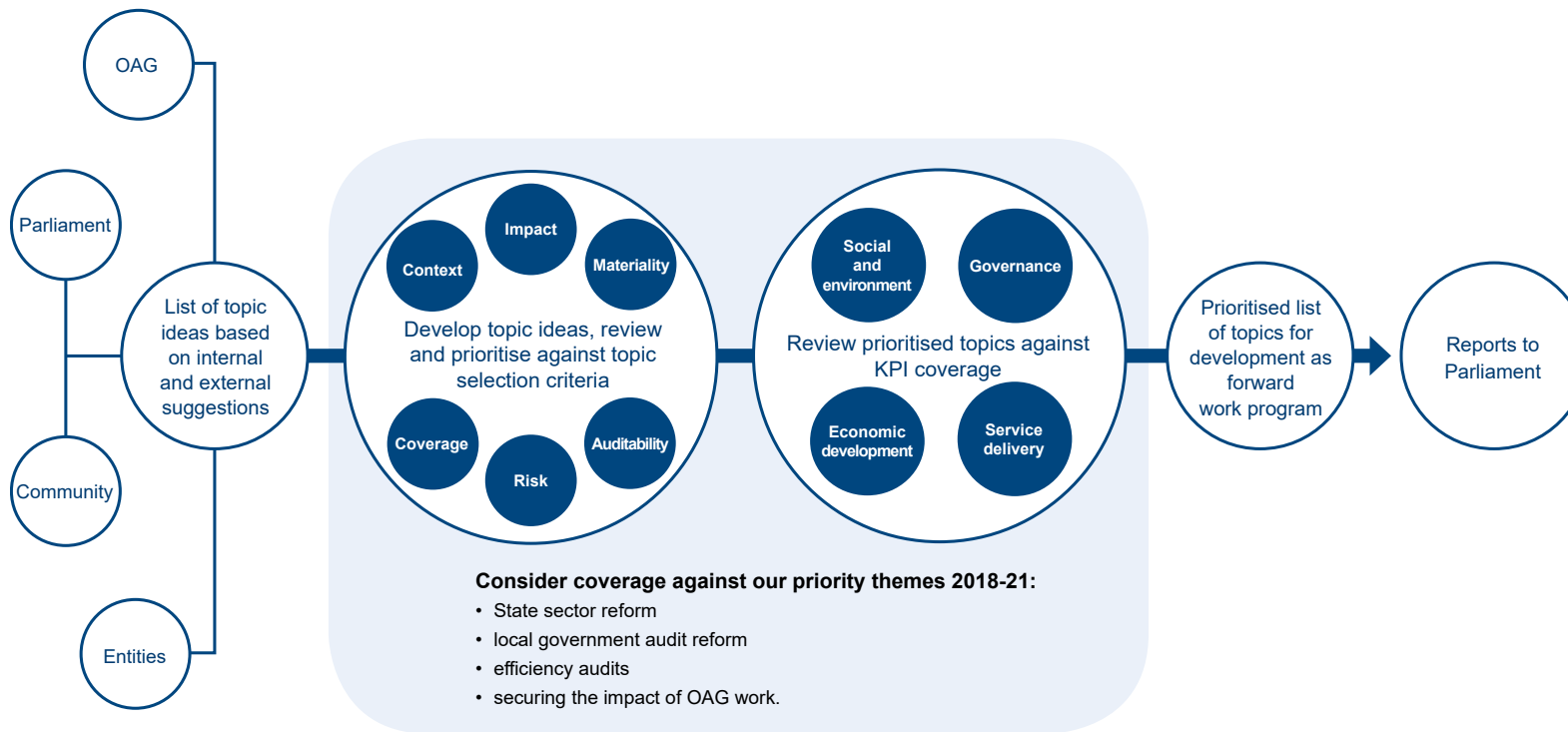


Figure 10: Our topic selection framework



>> Looking forward

3-year forward audit program

We will develop a 3-year rolling forward audit program that is objective, robust and transparent. This program will set our long-term work plan and will encourage entities to make improvements prior to the audits commencing.

Feedback on potential audit themes and topics is an important part of developing a forward program that meets the needs of Parliament and the community for assurance and transparency on how efficiently and effectively taxpayers' money is used to deliver public services and infrastructure.

Some topics may not go ahead or the scope and/or timing may change in response to entity action, activity being undertaken by another integrity entity, parliamentary inquiries or other emerging priorities and risks across the sector.

In the future we plan to publish our 3-year forward audit program on our website. Our current practice is to publish audits underway and those topics planned for commencement within the next 12-months.

Opinions on ministerial notifications

When a Minister decides not to provide certain information to Parliament concerning the conduct or operation of a State government entity (usually a decision taken in response to a parliamentary question), then requirements under section 82 of the *Financial Management Act 2006* and section 24 of the *Auditor General Act 2006* come into force.

Essentially, the Minister is required to notify the Auditor General of their decision not to provide information and the Auditor General is then required to form an opinion and report to Parliament on the reasonableness and appropriateness of the Minister's decision. A significant number of ministerial notifications are referred to the OAG each year and this year we received 26. A notification may result in more than 1 opinion, this year we issued 23 opinions. Summaries of the [ministerial notification reports](#) we tabled in Parliament are available from [page 69](#).

	2014-15	2015-16	2016-17	2017-18	2018-19
Number of ministerial notifications received	14	10	50 ⁽¹⁾	27	26
Being assessed at 30 June	6	0	0	8	11
Total cost for opinions issued	- ⁽²⁾	\$232,483	\$527,561	\$393,277	\$483,927
Total hours for opinions issued	- ⁽²⁾	1,013	2,174	1,962	2,459

(1) Includes 41 notifications relating to the same question directed at 41 entities administered by 14 Ministers.

(2) We have not calculated the costs and hours of section 82 work prior to 2015-16.

Table 18: Ministerial notifications received in last 5 years

Quality framework

Quality is one of our values and is fundamentally important to everything we do. We have a framework that establishes and maintains quality over the audit work we perform. At every opportunity we demonstrate and promote our belief that audit quality is more than meeting professional standards.

Our framework includes a Quality Assurance Plan, which Executive and the Audit and Risk Management Committee (ARMC) endorse and the Auditor General approves on an annual basis. We link this plan to our strategic plan and it plays a vital role in terms of internal control, risk management, corporate governance and compliance monitoring.

Technical training is a critical overarching part of the Quality Assurance Plan. We regularly deliver training sessions on what the plan is, its importance and its role and responsibility for audit quality.

Our ongoing quality assurance activities include:

Activity	Purpose
Inspection of in-house engagement files	To ensure a quality audit is performed and continuous improvement opportunities and good practice are identified and shared.
Disclosure review of financial statements	To ensure the quality of public sector financial statements to meet the compliance requirements.
Review of audit methodologies	To ensure that audit methodologies continue to comply with the auditing and assurance standards.
System of quality control	To ensure that the system of quality control represents better practice and is compliant with auditing and assurance standards.
Preapproval of contract audit firms	To ensure the quality of contract audit firms who are able to tender for financial audit work for the OAG.
Review of audit files of contract audit firms	To ensure the quality of contract audit firms who perform audit work on our behalf.
Review of published information of contract audit firms	To ensure we know the results of public information including quality assurance reviews performed by regulatory bodies and membership organisations.
Liaison with contract audit firms	To seek information about the firms on aspects of their business that may be topical or may represent a particular risk for the current year.
Engagement quality control reviews	To evaluate and report on the implementation of the engagement quality control process.
Independence	To evaluate and report on the implementation of the Conflict of Interest Policy.
External peer review program	To get an independent opinion as to the quality of the audits we perform. This may be from another audit office in Australia or New Zealand or from an independent reviewer.
Independent panel review of performance audit reports	To get an independent opinion as to the effectiveness of our performance audit reports.

Table 19: Quality assurance activities

Reviews

We are often asked who audits the Auditor General and the answer is, many people do. We are subject to various oversight and review processes, which we value as they hold us accountable to those we serve and provide us and our stakeholders with assurance that our processes are effective, efficient and evolving as necessary.

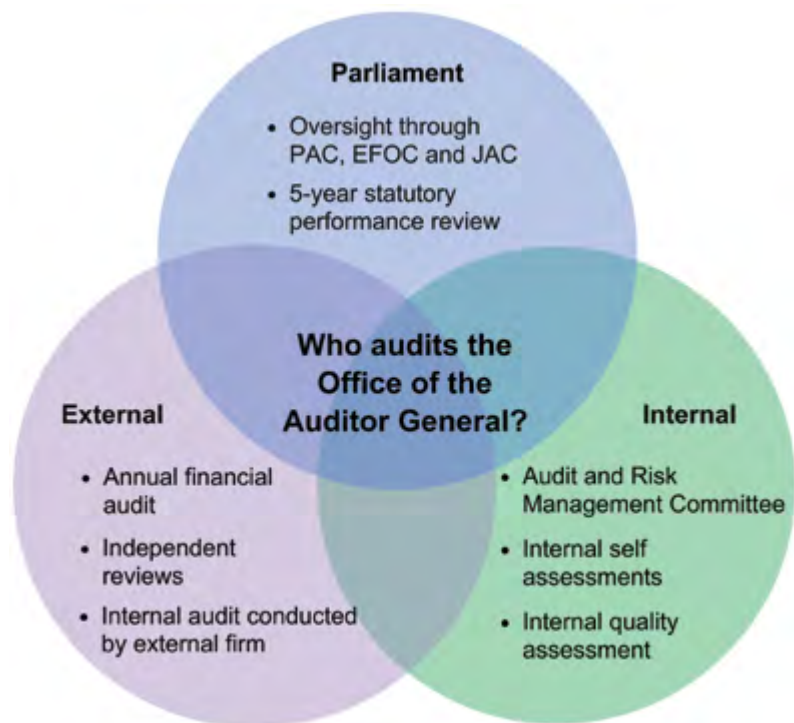


Figure 11: Reviews of the OAG

Internal audit

Our internal auditors (2020 Global) provided their 2018-19 report on 10 June 2019. This year, 5 key areas were audited which were developed in consultation with our Executive and the ARMC.

The report concluded:

‘Overall, in our opinion the practices reviewed are sound and the OAG has once again demonstrated a high level of focus in managing the control environment.’

In our opinion, based on the functions/areas subject to review, the Office’s control environment is of a good standard for the scope areas examined. There are some opportunities for improvement, albeit minor. Reflecting the number, nature and potential value of observations we assess a “B+” rating.’

We have accepted all 10 recommendations and already addressed 5 with the remainder expected to be implemented prior to the end of December 2019.

Self-assessment against our audit reports

Many of the audits we conduct of public sector entities also have relevance to us, especially our focus area audits, as they concentrate on common business practices across the public sector, and our IS audits, which give us the opportunity to assess our internal IS management.

Our intention is always to use these audits as a form of self-assessment of our own internal processes and controls against the audit criteria used for these audits. This enables us to address any improvement opportunities coming out of the reviews.

Relevant topics for internal assessment that were the subject of an OAG audit this year include:

- verifying employee identity and credentials
- timely payments to suppliers
- records management
- contracts for services – consultants.

Verification of the identity, experience and credentials of employees, secondees and contractors prior to employment was part of our internal audit where we received a compliant rating. Unfortunately we did not complete the other self-assessments prior to the end of the financial year. We plan to finalise and submit the assessments to Executive early in the new financial year.

Independent reviews

During 2018-19, we organised a peer review of 2 of our financial audit files by the Victorian Auditor-General's Office. These reviews are important, as they allow us to take stock of where we are at, provide us with continuous improvement opportunities and challenge our thinking.

The final report identified no material departures from auditing standards, no evidence of over or under auditing and identified some improvement opportunities. We are considering how they can be incorporated into our audit methodology and practice.

Next year, 2 performance audits and a ministerial notification report will be peer reviewed.

Working with Parliament

Unlike public sector entities, we do not report to any government minister but report directly to Parliament. As our key client, we strive to keep Parliament informed on public sector accountability and performance and we have developed a number of initiatives to promote quality relationships with Parliament and parliamentary committees.

Parliamentary liaison program

Our parliamentary liaison program ensures that we provide Parliament with relevant and timely information, in keeping with our obligations under the *Auditor General Act 2006*. This benefits Parliament and us, and supports our mission to help improve public sector performance and accountability by reporting independently to Parliament.

This program includes:

- briefing parliamentarians on our tabled reports
- briefings to our parliamentary oversight committees on our proposed forward audit program and current audits
- briefings for new ministers, members of Parliament and parliamentary committees
- regular meetings and briefings with parliamentary committees and key parliamentarians
- providing information to support inquiries by parliamentary committees.

We use the results of our members of Parliament survey ([page 58](#)), together with direct feedback throughout the year, to identify any potential initiatives or improvements that could further enhance our parliamentary liaison program.

Parliamentary inquiries

After conducting a series of public hearings throughout June 2018 which examined entity responses to a selection of our 2015 and 2016 performance audit reports, PAC presented its findings in 4 reports in Parliament:

- [*No \(more\) time to waste: The ongoing implementation of Western Australia's Waste Strategy*](#) (October 2018)
- [*Further along the path: The development and implementation of the Western Australian Bicycle Network Plan*](#) (November 2018)
- [*Setting the stage for improvement: Department of Education's management of student attendance*](#) (November 2018)
- [*Where to from here? The status of the Ord-East Kimberley Development Plan*](#) (March 2019).

These reports, and PAC's follow-up process more generally, focus on the extent to which entities have addressed our audit recommendations and provides a much-valued supplement to our work. We will continue to support PAC with its activities in this area when requested and where appropriate, always mindful of the need to work collaboratively, but independently of each other.

We also appeared before and provided information to our other oversight committees—the Legislative Council's Estimates and Financial Operations Committee (EFOC), and the Joint Audit Committee (JAC)—to assist those committees in performing their statutory functions under the *Auditor General Act 2006*. The information we provided to EFOC included a submission for its current Inquiry into the Government's Local Projects, Local Jobs Program.

In addition to this work with our oversight committees, we provided information to several other parliamentary committees including:

- Joint Standing Committee on the Corruption and Crime Commission's inquiry into public sector procurement of goods and services and its vulnerability to corrupt practice

- Joint Standing Committee on the Commissioner for Children and Young People's inquiry into the monitoring and enforcing of child safe standards
- Community Development and Justice Standing Committee's inquiry into the protection of crowded places from terrorist acts.

Members of Parliament survey

We use an independent research company to conduct our annual survey of members of Parliament. The results assist us to monitor our performance in meeting our outcome of an informed Parliament on public sector accountability and performance. Through this survey, members can share their views in areas such as satisfaction with our services and the effectiveness and usefulness of our products.

Members provided the following comments on our reports and services:

- 'were excellent in providing a well-researched report into issues of significance'
- 'focus attention to issues that we need to address in government and as a community'
- 'are essential to the good governance of the State'.

Almost two thirds of surveyed members said that an audit report tabled in the last 12 months was helpful to them. Members most commonly cited reports' usefulness, relevance and their own personal or professional interest in these reports as the main reasons for finding them helpful.

While members indicated an overall higher level of satisfaction with our reports compared to last year, Table 20 shows the level of satisfaction declined in the remaining 3 aspects surveyed.

The continual decline in satisfaction relating to our effectiveness in achieving our outcome is of concern and requires further effort to understand the factors behind this result. Although the 3 areas continue to rate highly, the decline from previous years is something we will closely monitor and seek to address.

Indicator	% Agree or strongly agree				
	2014-15	2015-16	2016-17	2017-18	2018-19
The OAG is effective in achieving its desired outcome	90	84	na*	77	75 ↓
Reports dealt with matters of significance to Parliament	97	94	na*	93	87 ↓
Services and reports are useful to Parliament	87	86	na*	94	87 ↓
Overall satisfaction with Auditor General reports and services	97	92	na*	92	95 ↑

*We did not conduct a survey in 2016-17 due to the timing of the State election and the large number of new members.

Table 20: Members of Parliament survey results against 4 key areas

The results are important in understanding how we are performing and how well we are meeting the needs and expectations of our key client. They also inform our ongoing quality assurance and continuous improvement efforts and are used to measure the effectiveness of a number of our strategic plan initiatives.

We have a number of other avenues which allow members to engage with us and provide comments outside the survey process, including the briefing opportunities in our parliamentary liaison program ([page 57](#)).

Working with our peers and stakeholders

Australasian Council of Auditors-General

ACAG is an association established by Auditors General in 1993. It allows Auditors General to share information and business intelligence, and supports the development of effective and efficient auditing methods and practices by members.

ACAG also enables Auditors General to provide a collective public sector perspective on auditing, assurance and accounting standards, and exposure drafts issued by the Australian Auditing and Assurance Standards Board, the Australian Accounting Standards Board, and their international equivalents.

We also participate in ACAG's subgroups, which provide mutual benefits and learning opportunities between audit offices.

Department of Treasury

We regularly engage with the Department of Treasury to discuss financial reporting issues of common interest and those that align closely with our priorities. During the year we liaised with the Treasury on:

- updates on the review of the *Financial Management Act 2006* and *Auditor General Act 2006*
- proposed publications such as Treasurer's Instructions, Treasury Circulars and Model Annual Reports.

We also discussed with Treasury initiatives undertaken by other entities that affect the public sector as a whole:

- drafts of proposed new accounting standards issued the Australian Accounting Standards Board
- the annual valuation of WA public sector land and buildings by Landgate.



Australasian Council of Auditors-General macro benchmarking survey

Each year since 1994, we have participated in the ACAG macro benchmarking exercise. This allows us to compare our activities with other Australian audit offices on a variety of quantitative and qualitative measures. We use this information to inform decision-making and for organisational planning.

One benchmark is the time and cost of performance audits. For the first time in 2018-19, we included both narrow and broad scope performance audits within this measure to better align ourselves with our ACAG peers. We had previously only included our broad scope audits. This has significantly lowered our average costs and resulted in the cost and time taken for our performance audits being less than the ACAG average.

Average costs have been calculated on a consistent basis across participating offices and are calculated from the start date to the parliamentary tabling date.

Average cost	2016-17 (\$'000)	2017-18 (\$'000)	2018-19 * # (\$'000)
OAG	\$519	\$397	\$342
Average of State and territories	\$346	\$368	\$384

Average time is measured from the date substantive work commenced to the date the report was tabled in Parliament.

Average time	2016-17 (months)	2017-18 (months)	2018-19 * # (months)
OAG	11.0	10.9	10.4
Average of State and territories	9.7	10.2	12.0

* NT did not participate in 2018-19.

OAG data includes both narrow and broad scope performance audits.

Table 21: Selected ACAG benchmarking survey results

We value the insight the benchmarking survey provides in terms of our productivity, cost and resourcing as this process helps us to identify where changes are needed and where efficiency improvements can be made.

International Organisation of Supreme Audit Institutions (INTOSAI)

We were invited to attend the April 2019 INTOSAI meeting of the Working Group on IT Audit and 9th Performance Audit Seminar in Fiji. It is rare for Australian State audit offices to be invited to participate in such a high-level meeting of international audit institutions, with representation from countries who are world leaders in IT audit.

The meeting on IT audit reflected the emphasis in our current audit program on providing assurance around a range of information security matters for the State. This includes ensuring entities have adequate controls in place to protect their data, reviewing key government applications that are relied on for service delivery and ensuring processes are in place to manage potential cyber threats.

This was a valuable opportunity to exchange insights and learnings in the fields of IT and performance audit with INTOSAI members. The lessons learned have been shared across the OAG to promote development and the professional capacities of our employees. This knowledge will enhance our future audits and guidance for public sector entities.

State Records Commission

Under section 58(b) of the *State Records Act 2000*, the Auditor General is an ex-officio member of the State Records Commission.

Public sector entities use public funds to provide services, deliver programs and manage assets. Good records support good decision-making, effective business practice and improve accountability and efficiency.

A common theme across many of our audits is poor recordkeeping practices. Through our audit work with entities we continue to support the proper safeguarding, retention and integrity of official records, and highlight and encourage continuous improvement in this important aspect of public administration.

Records Management in Local Government

Good recordkeeping practices are a cornerstone of good governance. They support local governments in transparent decision-making, allow for effective business practices, and can improve accountability and efficiency in the WA public sector. For this reason, it was relevant that recordkeeping was examined as 1 of our first local government performance audits.

Our audit confirmed that the 146 local government entities we reviewed have recordkeeping plans approved by the State Records Commission, as required under the *State Records Act 2000*. However, the 4 local governments examined in more detail didn't have effective policies and procedures in place to implement their plans.

We have audited records management at State government entities several times in the past few years, and previous audits consistently found that entities are not prioritising good recordkeeping practices. Too often records management is treated as an additional task rather than being integrated into normal business practice.

Better practice principles are contained in the report as a self-assessment guide for local government entities to review their recordkeeping practices.

Figure 12: Auditor General Caroline Spencer with State Archivist Cathrin Cassarchis at the Australian Society of Archivists 2018 Conference



Managing feedback and complaints

We receive information from many different sources that assists us to perform our functions. We treat this information confidentially, applying best practice processes, as recommended by the Western Australian Ombudsman. We manage all feedback, suggestions and concerns in a way that demonstrates our values of integrity, quality and respect.

Our [website](#) includes information on how to contact us and provides an opportunity to submit feedback on current audits or suggest a future audit topic. Information received through these avenues may be examined under the *Auditor General Act 2006*, and can be considered as part of our topic selection process ([page 53](#)).

Referrals and enquiries

Referrals can be an early warning of issues relating to the performance, probity and compliance of the public sector. We record and review all referrals and enquiries received through our reception and website to identify any trends and wider issues across State and local government.

When considering the issues referred to us, our focus is on systemic weaknesses rather than a one-off issue affecting an individual. We assess relevant issues against our internal protocols and in an ethical and objective manner to determine if further investigation is warranted. This can potentially lead to an audit. If the issue is outside our mandate, we will endeavour to redirect their issues to those who can best assist.

Where matters cross jurisdictional boundaries, such as the work of the Corruption and Crime Commission or the Public Sector Commission, we have processes in place to communicate with other integrity entities to highlight potential issues, while maintaining confidentiality.

In 2018-19, we received 120 referrals and enquiries, a decrease of 29% from last year.

Source of referrals and/or enquiries	2014-15	2015-16	2016-17	2017-18	2018-19
Members of the public	76	116	79	101	86
Member of Parliament or parliamentary committees	20	17	9	11	7
WA State government entities	37	30	16	11	10
WA local governments entities	na*	na*	na*	46	17
Total	133	163	104	169	120

*Referrals and enquiries from local government entities were counted in the figures for 'members of the public' prior to 2017-18.

Table 22: Number of referrals and enquiries received 2014-15 to 2018-19

In 2018-19, we took an average of 3 days to respond, an increase from 2 days last year. We responded to 89% of all referrals and enquiries within our working day target of 10 days, which was considerably less than last year's outcome of 96%. This is something we will work on improving.

Public interest disclosures

The OAG is an accountability entity to which people can make public interest disclosures (PID) under the *Public Interest Disclosure Act 2003*.

The Act establishes us as the appropriate authority to receive PIDs that relate to substantial unauthorised or irregular use of, or substantial mismanagement of, public resources.

In 2018-19, we spent 98 hours on PID matters. We assessed 4 matters, 3 of which met the PID criteria.

The Auditor General appoints employees, including members of Executive, as PID officers. Appropriate training is provided for these employees so they can receive and manage PIDs effectively.

Complaints

We define a complaint as any expression of dissatisfaction or concern made about the OAG, its staff, external contractors, services, products or practices. We accept that individuals may wish to raise a complaint with us about our services or operations and that these may identify areas where we can improve or prevent potential issues.

Arrangements for enabling people to make complaints are customer focused, visible and accessible. Individuals can lodge a complaint on our [website](#) or by email, mail or telephone.

Table 23 shows that we have received a minimal number of complaints. We have a comprehensive process in place to ensure any complaints received are addressed promptly and the complainant is satisfied that we have taken appropriate action to rectify the matter.

	2014-15	2015-16	2016-17	2017-18	2018-19
Number of complaints	0	0	1	1	1

Table 23: Number of complaints about the OAG received 2014-15 to 2018-19

Our internal complaints management policies and procedures were reviewed and updated in August 2018. These documents provide guidelines to ensure complaints received are effectively managed in accordance with relevant legislation, guidelines and principles including:

- Public Sector Commissioner's Circular 2009-27: Complaints Management
- Public Sector Code of Ethics
- Ombudsman Western Australia Guidelines on Complaint Handling.

Our policy stipulates that complaints are to be responded to and handled objectively, fairly and confidentially ensuring the complainant is provided with information about the decision-making process and any changes that will be effected as a result of the complaint.

Responses to complaints are to be provided within 2 working days of receipt unless the matter is considered complex and requires further investigation. In this instance, we will acknowledge receipt of the complaint and provide a date the complainant can expect a response.

We ensure all complaints and responses are fully documented and assessed for any potential ongoing risk and if necessary, the issue may be referred to the ARMC for discussion. Executive are advised of all complaints to enable them to identify opportunities for continuous improvement.

Our products

Value for money, timely, relevant, accurate, quality, innovative

We tabled
29 reports
in Parliament, which
was our target for
the year

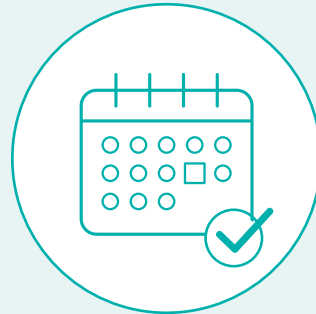


We delivered
217
financial audit
opinions, an
increase resulting from
our local government
financial audit mandate

We delivered

98.4%

State government entity opinions within 90 days of financial year end, an improvement on last year



We took an average of

65.6 days,

to issue our financial audit opinions to State government entities with

42% delivered earlier than last year

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Financial auditing

This year we delivered 217 audit opinions for State and local government entities.

Audit opinions issued	2014-15	2015-16	2016-17	2017-18	2018-19
Annual Report on State Finances	1	1	1	1	1
Parliamentary departments	3	3	3	3	3
Government departments	42	44	45	46	31 [#]
Statutory authorities	83	85	83	84	84
Local government entities	-	-	-	-	45
Universities and state training providers	15	26*	9*	9	9
Superannuation funds	3	2	2	2	2
Corporatised entities	19	13	13	13	13
Cemetery boards	5	8	7	4	4
Subsidiary entities	11	19	20	17	20
Request audits	7	4	4	4	5
Total	189	205	187	183	217

* Numbers fluctuated due to restructuring of the state training sector.

Numbers reduced due to amalgamations from public sector reform.

Table 24: Audit opinions delivered from 2014-15 to 2018-19

State government entities

We aim to deliver all audit opinions in time for entities to table annual reports within 90 days of the end of the financial year as required by the *Financial Management Act 2006*. This year we achieved 98.4%, primarily due to entities not being audit ready (Table 25).

	2014-15	2015-16	2016-17	2017-18	2018-19
%	99.3	99.3	100	97.9	98.4

Table 25: Percentage of audit opinions issued to State government entities within 90 days of financial year end

It took us an average of 65.6 days to issue our financial audit opinions and we delivered 42% of our audit opinions earlier than last year.

Local government entities

This year was the first of a 4-year transition of local government financial audits to the OAG. We have delivered 45 out of 46 audit opinions, 97.8% of our audit program, as 1 entity was not audit ready and the audit could not be finalised this year.

We issued 37 of 46 audit opinions, or 80%, before the required date of 31 December 2018. We will continue to work with the sector to improve this result as we continue the roll-in schedule for the remaining local government entities ([page 49](#)).

Our reports tabled in 2018-19

During 2018-19, we tabled 29 reports in Parliament. We aim to deliver timely, relevant and quality reports on public sector performance and accountability. These reports help us to achieve our vision and outcome of an informed Parliament and work that makes a difference and helps to improve the public sector.

On the following pages is a brief summary of the reports tabled this year which are available on our website at www.audit.wa.gov.au/reports.

Website statistics provide an indication of the degree of interest in our reports, and we use these to inform our topic selection process. Four of the top 10 accessed reports in 2018-19 were from previous years. This year there was considerable interest in our first performance audits of local government entities as well as the annual information systems report which is consistently among the most accessed reports.

Report	Total Pageviews	PDF downloads
Opinions on Ministerial Notifications (13 November 2013)	4,381	28
Local Government Procurement (11 October 2018)	2,087	817
Audit Results Report - Annual 2017-18 Financial Audits of State Government Entities (8 November 2018)	2,060	798
Information Systems - Application Controls Audits (27 June 2013)	2,680	97
Office of the Auditor General Annual Report 2017-18 (20 September 2018)	2,045	592
Audit Results Report - Annual 2017-18 Financial Audits of Local Government Entities (7 March 2019)	1,834	799
Records Management in Local Government (9 April 2019)	1,819	449
Information Systems Audit Report 2018 (21 August 2018)	1,533	555
Administration of the Patient Assisted Travel Scheme (26 June 2013)	1,903	12
Follow-on Performance Audit to 'Room to Move: Improving the Cost Efficiency of Government Office Space' (17 April 2013)	1,484	9

Table 26: Top 10 reports accessed from the OAG website in 2018-19

2018-19 reports



Information Systems Audit Report 2018

Information systems report x 3

KPI category - Governance

Tabled - 21 August 2018

This report looked at general computer controls across 47 State government entities, including an in-depth look at the use of passwords at 17 entities, as well as controls around 5 key business applications. This report is important because it reveals common information system weaknesses that can seriously affect the operations of government and potentially compromise sensitive information held by entities. Ongoing common weaknesses, raised for over a decade, indicate that entities are not taking risks to information systems seriously enough. The Auditor General has urged senior government leaders to understand that information security and capability is a key business risk that has to be closely monitored and appropriately managed.

Audited entities (key business applications) - Department of Health; Department of Mines, Industry Regulation and Safety; Keystart Housing Scheme Trust; Office of State Revenue; WA Electoral Commission



Young People Leaving Care

Broad scope performance audit

KPI category - Service delivery

Tabled - 22 August 2018

This audit found the Department of Communities, leaving care service providers and other entities are not effectively communicating and working together to link young people to services, and young people leaving care do not receive priority access to services like housing or health care. While support services for young people leaving State care make a positive difference, around 65% are not getting the services early enough or at all – putting them at higher risk of being homeless, unemployed, missing out on education and training, and not getting the physical and mental health care they need.

Audited entity - Department of Communities



Implementation of the GovNext-ICT Program

Narrow scope performance audit

KPI category - Governance

Tabled - 30 August 2018

The GovNext-ICT program has been promoted to entities as a coordinated and mandated opportunity to modernise information and communication technology (ICT) functionality and delivery, at less cost. This audit found that while the GovNext-ICT program can deliver savings to Government, it will not deliver the up to \$82 million per annum savings originally anticipated. The audit found that the program had started to progress the State's ICT strategic objectives, however, take-up so far is low, because entities do not understand the benefits the program may offer and some are reluctant to buy services until security and continuity concerns have been addressed.

Audited entity - Department of the Premier and Cabinet

2018-19 reports



Opinions on Ministerial Notifications

KPI category - Governance Tabled - 30 August 2018

The Auditor General found that the decision by the Minister for Emergency Services not to provide Parliament with details of a government review of aircraft owned and leased by the State was reasonable as it formed the basis of a submission to the Expenditure Review Committee and would be used by Cabinet to make decisions. We found the information could reveal deliberations or decisions of Cabinet and was therefore subject to public interest immunity and was Cabinet-in-confidence. However, the Minister's decision not to provide Parliament with information about priority fire station locations was not reasonable, because this information was already publicly available.



Local Government Procurement

Narrow scope performance audit KPI category - Governance Tabled - 11 October 2018

This was our first report into local government procurement. The audit reviewed processes and controls for 20 transactions under \$150,000 and 5 tenders for purchases over \$150,000 to determine if local government entities have effective procurement arrangements in place. It resulted in 86 findings relating to 8 entities. All of the issues identified in the findings are relatively simple to fix and recommendations included reviewing policies, processes and controls against the focus areas of our audit.

Audited entities - Town of Bassendean; Shire of Dalwallinu; Shire of Harvey; City of Fremantle; City of Greater Geraldton; City of Kalgoorlie Boulder; City of Karratha; City of Stirling



Opinion on Ministerial Notification

KPI category - n/a* Tabled - 31 October 2018

The Auditor General found that a decision by the Attorney General not to provide Parliament with information about legal advice sought in relation to an ex gratia payment was reasonable, because the information is subject to legal professional privilege.

*Note: did not meet our definition of a report for KPI purposes.

2018-19 reports



Audit Results Report – Annual 2017-18 Financial Audits of State Government Entities

Financial audit KPI category - Governance Tabled - 8 November 2018

This report is the summary of the 2017-18 financial year audits for 146 State government entities. We found the majority of entities are performing satisfactorily in relation to their financial reporting and controls. However, 30% of the financial management control issues and 40% of the information system control weaknesses we reported to entities were unresolved issues from previous years. All State government sector audit committees and management should consider the good practice and common issues presented in this report.

Audited entities - All State government entities



Opinions on Ministerial Notifications

KPI category - Governance Tabled - 10 December 2018

The Auditor General found decisions by the Minister for Tourism and the Acting Minister for Tourism not to provide Parliament with information were reasonable and therefore appropriate. The requested information related to the cost of Tourism WA marketing campaigns and State government costs for the Qantas Broome Discounted Fares Program. In both cases the information was commercially sensitive.



Treatment Services for People with Methamphetamine Dependence

Broad scope performance audit KPI category - Service delivery Tabled - 18 December 2018

This audit found the Mental Health Commission effectively managed the expansion of services required by the Government's *WA Methamphetamine Strategy*. It ran a successful tender process that added 60 rehabilitation and withdrawal beds and 13 community alcohol and drug service staff to the existing network of services. However, the Commission needs to use its performance data better to make sure it's getting best value for money from its contracts.

Audited entity - Mental Health Commission

2018-19 reports



Opinions on Ministerial Notifications

KPI category - Governance Tabled - 18 December 2018

This report dealt with decisions by the Premier and the Minister for Regional Development; Agriculture and Food not to provide information to Parliament about government agency targets for the Voluntary Targeted Separation Scheme. The report also looked into a decision by the Minister for Police not to provide information to Parliament about the WA Police Force's full time equivalent reduction to meet forward estimate targets. The Auditor General found decisions were reasonable and appropriate.



Opinions on Ministerial Notifications

KPI category - Governance Tabled - 20 December 2018

This report dealt with the decision of 2 ministers not to provide information to Parliament. The Auditor General found decisions by the Minister for Finance not to provide information to Parliament about payers of payroll tax and the amount paid by each was reasonable and appropriate. The decision by the Minister for Water not to provide Parliament with unredacted annual reports from Livingina Station was also reasonable and appropriate.



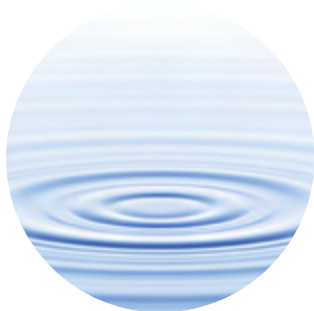
Managing Disruptive Behaviour in Public Housing

Narrow scope performance audit KPI category - Social and environment Tabled - 20 December 2018

The audit found the Department of Communities had progressed most of the initiatives in its *Disruptive Behaviour Management Strategy* and adequately manages the large number of complaints it receives each year about disruptive behaviour and illegal activity. However, if Communities is to effectively reduce incidents of disruptive behaviour from occurring, it needs to make the most of opportunities to intervene earlier.

Audited entity - Department of Communities

2018-19 reports



Opinion on Ministerial Notification

KPI category - n/a* Tabled - 23 January 2019

The Auditor General found the decision by the Minister for Regional Development not to provide Parliament with information about the Financial Assistance Agreement between the State and Carnegie Clean Energy in relation to the Albany Wave Energy Technology Development Project was not reasonable and therefore not appropriate. We found the majority of the proposal's content was publicly available and could have been provided to Parliament, with only commercially sensitive content redacted.



Opinions on Ministerial Notifications

KPI category - Governance Tabled - 13 February 2019

The Auditor General found decisions by the Minister for Transport not to provide Parliament with a copy of the Harriet Point Agreement or provide advice from the State Solicitor's Office about changes to the Harvest Mass Management Scheme were reasonable and appropriate. However, decisions not to provide Parliament with minutes from a METRONET Taskforce meeting or the Taxi User Subsidy Scheme Review report were not reasonable and therefore not appropriate.



Audit Results Report – Annual 2017-18 Financial Audits of Local Government Entities

Financial audit KPI category - Governance Tabled - 7 March 2019

The report summarises the annual financial report audits of 42 local government entities for the financial year ending 30 June 2018. We issued clear audit opinions to 40 entities as well as 36 instances of material non-compliance with the *Local Government Act 1995*, *Local Government (Financial Management) Regulations 1996* or other written law. The report includes a range of observations about what is working well in the sector, where improvements may be considered and where opportunities exist.

Audited entities - 46 local government entities ([page 133](#))

*Note: did not meet our definition of a report for KPI purposes.



Management of Supplier Master Files

Focus area audit KPI category - Governance Tabled - 7 March 2019

A supplier master file is a central, comprehensive file that holds information about suppliers; including method of payment, bank account details, ABN and contact details. The audit assessed whether 5 State and 5 local government entities had suitable policies, procedures and controls for the management of supplier master files. Most of the 10 entities did not have comprehensive policies or procedures, more than half had weaknesses in controls when creating or amending supplier records, and 3 did not manage conflicts of interest processes adequately. Effective controls can prevent things going wrong, and are particularly important in financial management processes where there is an inherent risk of financial misappropriation.

Audited entities - Shire of Augusta-Margaret River; City of Belmont; City of Busselton; Department of Finance; City of Gosnells; Insurance Commission of WA; City of Perth; Department of the Premier and Cabinet; Public Trustee; WorkCover WA



Records Management in Local Government

Narrow scope performance audit KPI category - Governance Tabled - 9 April 2019

This audit found that each of the 146 local government entities audited have recordkeeping plans approved by the State Records Commission as required by the *State Record Act 2000*. However, the 4 entities examined in more detail did not have effective policies and procedures in place to implement their recordkeeping plans.

Audited entities - City of Canning; Eastern Metropolitan Regional Council; Town of Mosman Park; Shire of Toodyay



Firearm Controls

Narrow scope performance audit KPI category - Social and environment Tabled - 15 May 2019

The audit found weaknesses in the WA Police Force's regulation and oversight of firearms. WA Police has inadequate guidance for staff assessing licences, there is limited monitoring of compliance with licence conditions and its firearm licensing system does not effectively support the regulation of firearms. We found WA Police need to address these long-standing weaknesses, so it can provide the community, including licence holders, with assurance that firearms are properly managed in WA.

Audited entity - Western Australia Police Force



Audit Results Report – Annual 2018 Financial Audits

Financial audit KPI category - Governance Tabled - 15 May 2019

The report summarises the results of the 2018 annual cycle of financial audits at WA's 4 public universities, 5 TAFEs and 2 other 31 December reporting entities. This audit revealed that financial management controls at the universities and TAFEs have generally improved across the board, but priority needs to be given to monitoring information system security, continuity and functionality. We issued clear (unqualified) opinions for all the universities and TAFEs on their financial statements, controls and key performance indicators. A clear (unqualified) audit opinion generally indicates that satisfactory controls are in place and that information is fairly presented.

Audited entities - Central Regional TAFE; Curtin University; Edith Cowan University; Legal Contribution Trust; Murdoch University; North Metropolitan TAFE; North Regional TAFE; South Metropolitan TAFE; South Regional TAFE; The Anzac Day Trust; The University of WA



Information Systems Audit Report 2019

Information systems report x 2 KPI category - Governance Tabled - 15 May 2019

We audited key business applications at 4 State government entities and found all 4 entities had control weaknesses, the most common of which related to policies and procedures, and poor information security. We reviewed 47 State government entities' general computer controls, including information security, business continuity, management of IT risks, IT operations, change control, and physical security. Despite a slight increase in the number of entities having mature business continuity controls from last year, half of the entities reviewed still do not manage this area well.

The report includes better practice principles to assist public sector entities who are deciding if they should move to the cloud.

Audited entities (key business applications) - Horizon Power; Office of State Revenue; Public Sector Commission; WA Land Information Authority



Engaging Consultants to Provide Strategic Advice

Focus area audit KPI category - Governance Tabled - 5 June 2019

This audit examined selected controls that provide oversight to Government of State government entities engaging consultants for strategic advice. Our audit found that entities were generally complying with the requirement to liaise with and seek approval from the Department of the Premier and Cabinet before engaging consultants for strategic advice. We did however identify some important areas for improvement.

Audited entities - Commissioner of Main Roads; Forest Products Commission; Housing Authority; Lotteries Commission; Public Transport Authority of WA; Department of Training and Workforce Development; Department of Transport; WA Land Information Authority

2018-19 reports



Opinions on Ministerial Notifications

KPI category - Governance Tabled - 5 June 2019

This report deals with a decision by the Minister for Regional Development not to provide Parliament with the business case for the AgLime Routes project. The Minister's decision not to provide the requested information was reasonable and therefore appropriate.

Also, a decision by the Minister for Sport and Recreation not to provide information to Parliament about the naming rights of Perth Arena and the agreement reached between the RAC of Western Australia and the State Government. This decision was reasonable and therefore appropriate, as this information is commercially sensitive. However, the decision not to provide information on whether the revenue was contained in the 2018-19 Budget Papers (Part 5) was not reasonable and therefore not appropriate.



Improving Aboriginal Children's Ear Health

Broad scope performance audit KPI category - Social and environment Tabled - 12 June 2019

This audit assessed whether State government entities are effectively reducing the burden of ear disease for Aboriginal children. The audit found that programs developed for Aboriginal children that include ear checks do not reach most Aboriginal children early enough. The release of a *WA Child Ear Health Strategy* in 2017 was a step forward in the effort to tackle otitis media (a treatable inflammation or infection in the middle ear) in Aboriginal children. However, entities are still unclear about who is ultimately responsible for implementing the strategy, and there are no specific plans or targets to measure progress and success.

Audited entities - Child Adolescent Health Service; Department of Communities; Department of Education; Department of Health; WA Country Health Service



Verifying Employee Identity and Credentials

Focus area audit KPI category - Governance Tabled - 19 June 2019

This audit assessed whether 8 local government entities had suitable policies and procedures in place for screening new employees, and for monitoring existing employees for changes in their circumstances which may impact their employment. The audit revealed significant shortcomings in policy and practices. If not addressed, these control weaknesses could impact the quality of employees in, and the integrity of, the public sector. Entities can use the better practice guidance included in the report to assess their own practices.

Audited entities - Shire of Boyup Brook; Town of Claremont; Shire of Coolgardie; Shire of Dundas; City of Melville; City of Subiaco; Town of Victoria Park; Shire of Williams

2018-19 reports



PathWest Laboratory Information System Replacement Project

Broad scope performance audit

KPI category - Governance

Tabled - 19 June 2019

This audit assessed if State government entities have effectively managed the project to replace PathWest's Laboratory Information System (LIS) and whether PathWest's operations are being appropriately supported during the transition to the new system. PathWest expects the LIS project will be 2 years late and cost \$50.5 million, \$23.7 million more than its original approved project budget. However, PathWest cannot confirm the precise cost of work carried out before 2018.

The report includes important learnings about the project, but also makes recommendations about tailoring governance to meet project risk in a distributed system. These are relevant across WA Health and for other entities embarking on major ICT projects across the public sector.

Audited entities - Department of Health; Health Support Services; North Metropolitan Health Service; PathWest



Opinions on Ministerial Notifications

KPI category - Governance

Tabled - 19 June 2019

This report deals with 2 decisions by the Minister for Health not to provide information to Parliament about the business cases for the redevelopment of the Geraldton Health Campus and Valley View Residential Aged Care Facility. The Auditor General found the decisions were reasonable and therefore appropriate.

2018-19 reports



Opinions on Ministerial Notifications

KPI category - Governance Tabled - 20 June 2019

This report deals with a decision by the Attorney General not to provide information to Parliament about an email from the Executive Director, Courts and Tribunal Services, regarding consultation on the Historical Homosexual Convictions Expungement Bill 2017. The Auditor General was unable to obtain sufficient appropriate evidence to form an opinion.



Local Government Building Approvals

Narrow scope performance audit KPI category - Economic development Tabled - 26 June 2019

This audit objective was to determine if local government entities effectively regulate residential building permits. We found all 4 audited entities were properly assessing permit applications against requirements in the *Building Act 2011* and issuing most building permits within the legislated timeframes. It was disappointing to find that entities undertake limited monitoring and inspections of building works, and that compliance issues were not always resolved quickly.

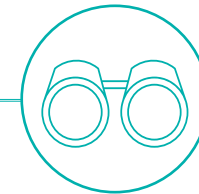
Audited entities - City of Albany; City of Gosnells; City of Joondalup; City of Mandurah; Department of Mines, Industry Regulation and Safety

Making a difference – report successes

Our outcome is work that makes a difference and helps to improve the public sector. Positive change to government activity and practice is a reflection of the impact our work is having and of our progress in meeting our outcome.

Some examples announced or implemented this year, where our work has informed, influenced, or directly resulted in change includes:

- *Management of Adults on Bail (2015)* – in October 2018 the Department of Justice announced they will now use text alerts to remind people of court dates as part of an effort to reduce the number of cases of people forgetting to show up to court.
- *Young People Leaving Care (2018)* – also in October 2018 the Minister for Child Protection announced a trial program to extend the age limit for young people living in State care and provide extra support for those leaving care.
- *Western Australian Waste Strategy: Rethinking Waste (2016)* – in November 2018 the Government announced a trial to use recycled materials for road bases to reduce landfill.
- *Assessment of Progress to Improve Payment Security for Government Construction Subcontractors (2016)* – in December 2018 the Government announced a subcontractor support unit will be established to aid subcontractor complaints.
- *Management of Salinity (2018)* – in March 2019 the Government released A New Direction in Salinity Management, a consultative review for stakeholder input that forms part of the Government's response to our report. This followed the allocation of \$400,000 to the development of new salinity maps, which had not been updated since 2000.



>> Looking forward

This year we developed 8 [better practice guides](#) to help Western Australian public sector entities perform at their most efficient and effective level. For example, in our *Management of Supplier Master Files* focus audit we included a checklist which entities can use to assess their own practices and controls against the control principles that our audit focused on. We have received excellent stakeholder feedback on the guides especially the value in comparing their processes against those in the reports.

We will continue to build understanding and capability in public sector entities to help them perform at their most efficient level, encouraging them to adopt better practices to transform and improve business processes. In 2019-20, we will continue to identify and seek opportunities for better practice guidance to be included in all performance and focus area audits, as relevant. We also aim to produce stand-alone better practice guidance about **audit committees** and preparing **financial statements**.

Auditing across Western Australia

Our State government performance audit program has often taken us to different locations across Western Australia. Whether it was to Halls Creek for our *Improving Aboriginal Children's Ear Health* audit or to Broome for our *Young People Leaving Care* audit. Now with our local government audit mandate, our employees are experiencing our great State more than ever before. This year our travels included Geraldton for the *Local Government Procurement* audit, Kalgoorlie for a Local Government Professionals branch meeting and to Denmark for the Shire's annual financial audit.



Certification of financial statements

For the reporting period ended 30 June 2019

The accompanying financial statements of the Office of the Auditor General have been prepared in compliance with the provisions of the *Financial Management Act 2006* from proper accounts and records to present fairly the financial transactions for the financial year ended 30 June 2019 and the financial position as at 30 June 2019.

At the date of signing we are not aware of any circumstances which would render the particulars included in the financial statements misleading or inaccurate.



Robert Monte
A/Chief Finance Officer
6 August 2019



Caroline Spencer
Accountable Authority
6 August 2019

Independent Auditor's opinion

Independent Auditor's Report To the Parliament of Western Australia Office of the Auditor General

Report on the Financial Statements

Opinion

We have audited the financial report of the Office of the Auditor General ("the Office"), which comprises the Statement of Financial Position as at 30 June 2019, the Statement of Comprehensive Income, Statement of Changes in Equity, Statement of Cash Flows, and the Summary of Consolidated Account Appropriations and Income Estimates for the year then ended, a summary of significant accounting policies and other explanatory notes.

In our opinion, the financial statements are based on proper accounts and present fairly, in all material respects, the operating results and cash flows of the Office of the Auditor General for the year ended 30 June 2019 and the financial position at the end of that period. They are in accordance with Australian Accounting Standards, *the Financial Management Act 2006* and relevant Treasurer's Instructions.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Office in accordance with the auditor independence requirements of the *Auditor General Act 2006* and the ethical requirements of the Accounting Professional and Ethical Standards Board's *APES 110 Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Independent Auditor's opinion

Independent Auditor's Report

To the Parliament of Western Australia

Office of the Auditor General (Continued)



Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How The Key Audit Matter Was Addressed
<p>Revenue Recognition – Accrued Revenue</p> <p>The Office recognises audit fee revenue based on the percentage of completion of audit engagements. For the year ended 30 June 2019, the Office recorded audit fee revenue of \$20.838 million, of which accrued revenue relating to engagements in progress of \$9.4 million was recorded in the Statement of Financial Position as at balance date.</p> <p>The determination of the percentage of completion for audit engagements in progress requires significant estimation and judgement from management, in particular the assessment of the recoverability of work in progress balances recorded at year end.</p> <p>Work in progress is considered to be a key audit matter due to the significance of the asset to the Office's financial position, and the estimation uncertainty inherent in the nature of the asset.</p>	<p>Our procedures amongst others included:</p> <ul style="list-style-type: none"> – Assessing the appropriateness of the Office's revenue recognition accounting policies; – Obtaining an understanding of management's processes and controls surrounding revenue recognition, billing and work in progress; – Testing the design, implementation and effectiveness of the key processes and controls relating to revenue; – Critically evaluating and analysing management's assessment and basis for determining the percentage of completion; – Identifying any engagements with unusual percentages of completion and assess for reasonableness; – Testing of the model's inputs to supporting contracts and documentation for a sample of engagements; – Checking the mathematical accuracy of the model used to calculate the accrued revenue balance; and – Assessing the appropriateness of the disclosures included in Notes 4 and 6.

Independent Auditor's opinion

Independent Auditor's Report

To the Parliament of Western Australia

Office of the Auditor General (Continued)



Key Audit Matter	How The Key Audit Matter Was Addressed
Provisions – Employee Entitlements	
<p>Included in the Statement of Financial Position are provisions of \$3.846 million, of which \$2.981 million is current and \$0.865 million is non-current. The provisions consists of employee benefits, including annual and long service leave.</p> <p>The nature of the operations of the Office require a significant amount of human resources. Therefore, these provisions were identified as a risk due to the quantitative significance of the balance, and the calculations required in estimating the balance.</p>	<p>Our procedures amongst others included:</p> <ul style="list-style-type: none"> – Obtaining the client schedules for each class of provision and agreed the amounts to the general ledger; – Testing of the design, implementation and effectiveness of the key processes and controls relating to payroll; – Checking arithmetic calculations within each of these schedules; – Testing a sample of employees' movements in entitlements to supporting documentation; – Reviewing the actuarial assessment of annual and long service leave; – Testing the provisions for completeness by comparing the listing to payroll records; and – Assessing the appropriateness of the disclosures included in Note 3.1(b).
Intangible Assets	
<p>During the year, the Office continued to develop a human resources management information system. Components of this system became operational during the year. The Office has recognised directly attributable costs to this asset, for which the assumptions utilised in making this assessment requires judgements to be made.</p>	<p>Our procedures amongst others included:</p> <ul style="list-style-type: none"> – Obtaining schedules supporting the amounts recognised as intangible assets; – Critical assessment of the judgements of what costs were considered directly attributable in accordance with AASB 138 Intangible Assets; – Consideration of the status of intangibles in development; and – Assessing the appropriateness of the disclosures included in Note 5.2.

Independent Auditor's opinion

Independent Auditor's Report

To the Parliament of Western Australia

Office of the Auditor General (Continued)



Other information

The Auditor General is responsible for the other information. The other information comprises the information included in the Office's annual report for the year ended 30 June 2019, but does not include the financial statements, the audited key performance indicators and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Auditor General for the Financial Statements

The Auditor General is responsible for keeping proper accounts, and the preparation and fair presentation of the financial statements in accordance with Australian Accounting Standards, the *Financial Management Act 2006* and the relevant Treasurer's Instructions, and for such internal control as the Auditor General determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial report, the Auditor General is responsible for assessing the Office's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting.

Auditor's Responsibilities for the Audit of the Financial Statements

As required by the *Auditor General Act 2006*, our responsibility is to express an opinion on the financial statements based on our audit. The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but it is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

Independent Auditor's opinion

Independent Auditor's Report

To the Parliament of Western Australia

Office of the Auditor General *(Continued)*



As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but unless otherwise stated not for the purpose of expressing an opinion on the effectiveness of the Office's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Auditor General.
- Conclude on the appropriateness of the Auditor General's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Office's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Office to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

From the matters communicated with the Auditor General, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Independent Auditor's opinion

Independent Auditor's Report To the Parliament of Western Australia Office of the Auditor General (Continued)



Report on Controls

Opinion

We have undertaken a reasonable assurance engagement on the design and implementation of controls exercised by the Office of the Auditor General. The Controls exercised by the Office of the Auditor General are those policies and procedures established by the Auditor General to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions (the overall control objectives).

Our opinion has been formed on the basis of the matters outlined in this report.

In our opinion, in all material respects, the controls exercised by the Office of the Auditor General are sufficiently adequate to provide reasonable assurance that the receipt, expenditure and investment of money, the acquisition and disposal of property, and the incurring of liabilities have been in accordance with legislative provisions during the year ended 30 June 2019.

Responsibilities of the Auditor General

The Auditor General is responsible for designing, implementing and maintaining controls to ensure that the receipt, expenditure and investment of money, the acquisition and disposal of public and other property, and the incurring of liabilities are in accordance with the *Financial Management Act 2006*, relevant Treasurer's Instructions and other relevant written law.

Auditor's Responsibilities

As required by the *Auditor General Act 2006*, our responsibility is to express an opinion on the suitability of the design of the controls to achieve the overall control objectives and the implementation of the controls as designed. We conducted our engagement in accordance with Standard on Assurance Engagements ASAE 3150 *Assurance Engagements on Controls* issued by the Australian Auditing and Assurance Standards Board. That Standard requires that we comply with relevant ethical requirements and plan and perform our procedures to obtain reasonable assurance about whether, in all material respects, the controls are suitably designed to achieve the overall control objectives and the controls, necessary to achieve the overall control objectives, were implemented as designed.

Independent Auditor's opinion

Independent Auditor's Report To the Parliament of Western Australia Office of the Auditor General (Continued)



An assurance engagement to report on the design and implementation of controls involves performing procedures to obtain evidence about the suitability of the design of controls to achieve the overall control objectives and the implementation of those controls. The procedures selected depend on our judgement, including the assessment of the risk that controls are not suitably designed or implemented as designed. Our procedures included testing the implementation of those controls that we consider necessary to achieve the overall control objectives.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our audit opinion.

Limitations of Controls

Because of the inherent limitations of any internal control structure it is possible that, even if the controls are suitably designed and implemented as designed, once the controls are in operation, the overall control objectives may not be achieved so that fraud, error, or noncompliance with laws and regulations may occur and not be detected. Any projection of the outcome of the evaluation of the suitability of the design of controls to future periods is subject to the risk that the controls may be unsuitable because of changes in conditions.

Report on the Key Performance Indicators

Opinion

We have undertaken a reasonable assurance engagement on the key performance indicators of the Office of the Auditor General for the year ended 30 June 2019. The key performance indicators are the key effectiveness indicators and the key efficiency indicators that provide performance information about achieving outcomes and delivering services.

In our opinion, in all material respects, the key performance indicators of the Office of the Auditor General are relevant and appropriate to assist users to access the Office's performance and fairly represent indicated performance for the year ended 30 June 2019.

Auditor General's Responsibility for the Key Performance Indicators

The Auditor General is responsible for the preparation and fair presentation of the key performance indicators in accordance with the *Financial Management Act 2006* and the Treasurer's Instructions and for such internal controls as the Auditor General determines necessary to enable the preparation of key performance indicators that are free from material misstatement, whether due to fraud or error.

Independent Auditor's opinion

Independent Auditor's Report

To the Parliament of Western Australia

Office of the Auditor General *(Continued)*



In preparing the key performance indicators, the Auditor General is responsible for identifying key performance indicators that are relevant and appropriate having regard to their purpose in accordance with Treasurer's Instruction 904 Key Performance Indicators.

Auditor's Responsibility

As required by the *Auditor General Act 2006*, our responsibility is to express an opinion on the key performance indicators. The objectives of the engagement are to obtain reasonable assurance about whether the key performance indicators are relevant and appropriate to assist users to assess the Office's performance and whether the key performance indicators are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. We conducted our engagement in accordance with the Standard on Assurance Engagements ASAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* issued by the Australian Auditing and Assurance Standards Board. That standard requires that we comply with relevant ethical requirements relating to assurance engagements.

An assurance engagement involves performing procedures to obtain evidence about the amounts and disclosures in the key performance indicators. It also involves evaluating the relevance and appropriateness of the key performance indicators against the criteria and guidance in Treasurer's Instruction 904 for measuring the extent of outcome achievement and the efficiency of service delivery. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the key performance indicators. In making these risk assessments we obtain an understanding of the internal control relevant to the engagement in order to design procedures that are appropriate in the circumstances.

We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Quality Control Relating to the Reports on Financial Statements, Controls and Key Performance Indicators

We have complied with the independence requirements of the *Auditor General Act 2006* and the relevant ethical requirements relating to assurance engagements. In accordance with ASQC 1 *Quality Control for Firms that Perform Audits and Reviews of Financial Reports and Other Financial Information, Other Assurance Engagements and Related Services Engagements*, we maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Independent Auditor's opinion

Independent Auditor's Report To the Parliament of Western Australia Office of the Auditor General *(Continued)*



Matters Relating to the Electronic Publication of the Audited Financial Statements and Key Performance Indicators

This auditor's report relates to the financial statements and key performance indicators of the Office of the Auditor General for the year ended 30 June 2019 included on the Office's website. The Auditor General is responsible for the integrity of the Office's website. This audit does not provide assurance on the integrity of the Office's website. The auditor's report refers only to the financial statements and key performance indicators described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements or key performance indicators. If users of the financial statements and key performance indicators are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial statements and key performance indicators to confirm the information contained in this website version of the financial statements and key performance indicators.

BENTLEYS
Chartered Accountants

CHRIS NICOLOFF
Partner

Dated at Perth this 6th day of August 2019

Statement of comprehensive income

For the year ended 30 June 2019

	Note	2019 \$'000	2018 \$'000
COST OF SERVICES			
Expenses			
Employee benefits expenses	3.1	17,765	16,446
Supplies and services	3.2	8,977	6,904
Depreciation and amortisation expense	5.3	425	417
Impairment expense	5.4	151	78
Accommodation expenses	3.2	2,200	2,180
Other expenses	3.2	106	67
Total cost of services		29,624	26,092
Income			
<i>Revenue</i>			
User charges and fees	4.2	20,838	18,984
Other revenue	4.3	82	113
Total revenue		20,920	19,097
<i>Gains</i>			
Gain on disposal of non-current assets	4.4	-	13
Total gains		-	13
Total income other than income from State Government		20,920	19,110
NET COST OF SERVICES		8,704	6,982
Income from State Government			
Service appropriation	4.1	7,711	7,584
Services received free of charge		440	408
Total income from State Government		8,151	7,992
SURPLUS/(DEFICIT) FOR THE PERIOD		(553)	1,010
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		(553)	1,010

The Statement of comprehensive income should be read in conjunction with the accompanying notes.

Statement of financial position

As at 30 June 2019

	Note	2019 \$'000	2018 \$'000
ASSETS			
Current Assets			
Cash and cash equivalents	7.1	3,940	5,126
Receivables	6.1	9,591	8,568
Amounts receivable for services	6.2	323	240
Other current assets	6.3	395	474
Total Current Assets		14,249	14,408
Non-Current Assets			
Restricted cash and cash equivalents	7.1	188	114
Amounts receivable for services	6.2	3,829	3,431
Property, plant and equipment	5.1	325	575
Intangible assets	5.2	72	340
Total Non-Current Assets		4,414	4,460
TOTAL ASSETS		18,663	18,868
LIABILITIES			
Current Liabilities			
Payables	6.4	1,280	1,180
Provisions	3.1	2,981	3,126
Total Current Liabilities		4,261	4,306
Non-Current Liabilities			
Provisions	3.1	865	772
Total Non-Current Liabilities		865	772
TOTAL LIABILITIES		5,126	5,078
NET ASSETS		13,537	13,790
EQUITY			
	9.4		
Contributed equity		8,931	8,631
Accumulated surplus		4,606	5,159
TOTAL EQUITY		13,537	13,790

The Statement of financial position should be read in conjunction with the accompanying notes.

Statement of changes in equity

For the year ended 30 June 2019

	Note	Contributed equity \$'000	Accumulated surplus \$'000	Total equity \$'000
Balance at 1 July 2017		8,331	4,149	12,480
Surplus/(deficit)		-	1,010	1,010
Total comprehensive income for the period		-	1,010	1,010
Transactions with owners in their capacity as owners:				
Capital appropriations	9.4	300	-	300
Total		300	-	300
Balance at 30 June 2018		8,631	5,159	13,790
Balance at 1 July 2018		8,631	5,159	13,790
Surplus/(deficit)		-	(553)	(553)
Total comprehensive income for the period		-	(553)	(553)
Transactions with owners in their capacity as owners:				
Capital appropriations	9.4	300	-	300
Total		300	-	300
Balance at 30 June 2019		8,931	4,606	13,537

The Statement of changes in equity should be read in conjunction with the accompanying notes.

Statement of cash flows

For the year ended 30 June 2019

	Note	2019 \$'000	2018 \$'000
CASH FLOWS FROM STATE GOVERNMENT			
Service appropriation		6,990	6,863
Capital appropriations		300	300
Holding Account drawdown		240	190
Net cash provided by State Government		7,530	7,353
Utilised as follows:			
CASH FLOWS FROM OPERATING ACTIVITIES			
Payments			
Employee benefits		(17,812)	(16,317)
Supplies and services		(8,760)	(6,197)
Accommodation		(1,801)	(1,772)
GST payments on purchases		(1,026)	(823)
GST payments to taxation authority		(1,280)	(1,196)
Other payments		(106)	(66)
Receipts			
User charges and fees		19,723	17,523
GST receipts on sales		2,041	1,815
GST receipts from taxation authority		355	141
Other receipts		82	38
Net cash used in operating activities		(8,584)	(6,854)
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments			
Purchase of non-current assets		(58)	(351)
Receipts			
Proceeds from sale of non-current assets		-	-
Net cash used in investing activities		(58)	(351)
Net increase/(decrease) in cash and cash equivalents		(1,112)	148
Cash and cash equivalents at the beginning of the period		5,240	5,092
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	7.1	4,128	5,240

The Statement of cash flows should be read in conjunction with the accompanying notes.

Summary of consolidated account appropriations and income estimates

For the year ended 30 June 2019

	2019 Estimate \$'000	2019 Actual \$'000	Variance \$'000	2019 Actual \$'000	2018 Actual \$'000	Variance \$'000
DELIVERY OF SERVICES						
Item 72 Net amount appropriated to deliver services	6,958	6,958	-	6,958	6,831	127
Amount Authorised by Other Statutes						
- <i>Salaries and Allowances Act 1975</i>	753	753	-	753	753	-
Total appropriations provided to deliver services	7,711	7,711	-	7,711	7,584	127
CAPITAL						
Item 122 Capital appropriations	300	300	-	300	300	-
GRAND TOTAL	8,011	8,011	-	8,011	7,884	127
DETAILS OF EXPENSES BY SERVICE						
Public Sector Auditing	29,561	29,624	63	29,624	26,092	3,532
Total Cost of Services	29,561	29,624	63	29,624	26,092	3,532
Less Total Income	(21,413)	(20,920)	493	(20,920)	(19,110)	(1,810)
Net Cost of Services	8,148	8,704	556	8,704	6,982	1,722
Adjustments	(437)	(993)	(556)	(993)	602	(1,595)
Total appropriations provided to deliver services	7,711	7,711	-	7,711	7,584	127
CAPITAL EXPENDITURE						
Purchase of non-current physical assets	540	58	(482)	58	351	(293)
Adjustments for other funding sources	(240)	242	482	242	(51)	293
Capital appropriations	300	300	-	300	300	-

Adjustments comprise movements in cash balances and other accrual items such as receivables, payables and superannuation.

Note 9.9 'Explanatory statement' provides details of any significant variations between estimates and actual results for 2019 and between the actual results for 2019 and 2018.

Notes to the financial statements

1: Basis of preparation

The Office of the Auditor General (OAG) is a WA Government entity and is controlled by the State of Western Australia, which is the ultimate parent. The OAG is a not-for-profit reporting entity.

A description of the nature of our operations and principal activities has been included in the 'Overview' which does not form part of these financial statements.

These annual financial statements were authorised for issue by the Accountable Authority on 6 August 2019.

Statement of compliance

These general purpose financial statements have been prepared in accordance with:

- *Financial Management Act 2006*
- the Treasurer's Instructions (the Instructions or TI)
- Australian Accounting Standards (AAS) - Reduced Disclosure Requirements
- where appropriate, those AAS paragraphs applicable to not-for-profit entities have been applied.

The *Financial Management Act 2006* and Treasurer's Instructions take precedence over AAS. Several AAS are modified by the Instructions to vary application, disclosure format and wording. Where modification is required and has had a material or significant financial effect upon the reported results, details of that modification and the resulting financial effect are disclosed in the notes to the financial statements.

Basis of preparation

These financial statements are presented in Australian dollars applying the accrual basis of accounting and using the historical cost convention. All values are rounded to the nearest thousand dollars (\$'000).

Judgements and estimates

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements and estimates made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements and/or estimates are disclosed. Estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances.

2: OAG outputs

How the OAG operates

This section includes information regarding the nature of funding the OAG receives and how this funding is utilised to achieve the OAG's objectives.

2.1 OAG objectives

Mission

Our mission is to help improve public sector performance and accountability by reporting independently to Parliament.

The OAG is partly funded by Parliamentary appropriation. It also charges for certain audit services to entities and fees are based on full cost recovery. The financial statements encompass all funds through which the OAG controls resources to carry out its functions.

Services

The OAG is responsible for the delivery of 1 service: Public Sector Auditing. This comprises the external audit of WA State and local government sectors through audits of financial statements, controls and key performance indicators and audits of efficiency, effectiveness and compliance of public sector operations. All income, expenditure, assets and liabilities are in relation to the delivery of this service.

2019
\$'000

2018
\$'000

3: Use of our funding

Expenses incurred in the delivery of services

This section provides additional information about how the OAG's funding is applied and the accounting policies that are relevant for an understanding of the items recognised in the financial statements. The primary expenses incurred by the OAG in achieving its objectives and relevant notes are:

	Notes	2019 \$'000	2018 \$'000
Employee benefits expenses	3.1(a)	17,765	16,446
Employee related provisions	3.1(b)	3,846	3,898
Other expenditure	3.2	11,283	9,151

3.1(a) Employee benefits expenses

Financial disclosure

Wages and salaries	16,215	15,024
Superannuation – defined contribution plans ^(a)	1,550	1,422
	17,765	16,446

(a) Defined contribution plans include West State Superannuation Scheme (WSS), Gold State Superannuation Scheme (GSS), Government Employees Superannuation Board Schemes (GESBs) and other eligible funds.

Accounting policy

Wages and salaries: Employee expenses include all costs related to employment including wages and salaries, fringe benefits tax, and leave entitlements.

Superannuation: The amount recognised in profit or loss in the Statement of Comprehensive Income comprises employer contributions paid to the GSS (concurrent contributions), the WSS, the GESB schemes, or other superannuation funds. The employer contribution paid to the GESB in respect of the GSS is paid back into the Consolidated Account by the GESB.

GSS (concurrent contributions) is a defined benefit scheme for the purposes of employees and whole-of-government reporting. It is however a defined contribution plan for OAG purposes because the concurrent contributions (defined contributions) made by the OAG to GESB extinguishes the OAG's obligations to the related superannuation liability.

The OAG has no liabilities under the Pension Scheme (a defined benefit pension scheme closed to new members since 1987) or the GSS. The liabilities for the unfunded Pension Scheme and the unfunded GSS transfer benefits attributable to members who transferred from the Pension Scheme, are assumed by the Treasurer. All other GSS obligations are funded by concurrent contributions made by the OAG to the GESB.

The GESB and other fund providers administer public sector superannuation arrangements in Western Australia in accordance with legislative requirements. The OAG makes contributions to GESB or other fund providers on behalf of employees in compliance with the *Commonwealth Government's Superannuation Guarantee (Administration) Act 1992*. All the superannuation schemes are defined contribution plans. Eligibility criteria for membership in particular schemes for public sector employees vary according to commencement and implementation dates.

	2019 \$'000	2018 \$'000
3.1(b) Employee related provisions		
<i>Financial disclosure</i>		
Current		
<i>Employee benefits provision</i>		
Annual leave	1,315	1,324
Long service leave	1,624	1,785
Purchased leave	28	3
	2,967	3,112
<i>Other provisions</i>		
Employment on-costs	14	14
	14	14
Total	2,981	3,126
Non-current		
<i>Employee benefits provision</i>		
Long service leave	861	769
	861	769
<i>Other provisions</i>		
Employment on-costs	4	3
	4	3
Total	865	772
Total employee related provisions	3,846	3,898

Accounting policy

Provisions are made for benefits accruing to employees in respect of wages and salaries, annual leave and long service leave for services rendered up to the reporting date and recorded as an expense during the period the services are delivered. Provisions are liabilities of uncertain timing or amount and are recognised where there is a present legal or constructive obligation as a result of a past event and when the outflow of resources embodying economic benefits is probable and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at the end of each reporting period.

Annual leave

Annual leave is not expected to be settled wholly within 12-months after the end of the reporting period and is therefore considered to be 'other long-term employee benefits'. The annual leave liability is based on remuneration rates current as at the end of the reporting period. An actuarial assessment of annual leave undertaken by PricewaterhouseCoopers Actuaries at 30 June 2019 determined that the liability using the short-hand measurement technique above was not materially different from the liability using the present value of expected future payments. The provision for annual leave is classified as a current liability as the OAG does not have an unconditional right to defer settlement of the liability for at least 12-months after the end of the reporting period.

Long service leave

A liability for long service leave is recognised after an employee has completed 3 years (2018: 4-years) of service based on remuneration rates current as at the end of the reporting period. An actuarial assessment of long service leave undertaken by PricewaterhouseCoopers Actuaries at 30 June 2019 determined that the liability measured using the short-hand measurement technique above was not materially different from the liability determined using the present value of expected future payments.

3.1(b) Employee related provisions (continued)

Long service leave (continued)

This calculation is consistent with the OAG's experience of employee retention and leave taken. Unconditional long service leave provisions are classified as current liabilities as the OAG does not have an unconditional right to defer settlement of the liability for at least 12-months after the end of the reporting period. Pre-conditional and conditional long service leave provisions are classified as non-current liabilities because the OAG has an unconditional right to defer settlement of the liability until the employee has completed the requisite years of service.

Several estimations and assumptions used in calculating the OAG's annual leave and long service leave provisions include expected future salary rates, discount rates, employee retention rates and timing of expected future payments. Changes in these estimations and assumptions may impact on the suitability of the short-hand measurement techniques and the carrying amounts of the annual leave and long service leave provisions.

Purchased leave

The provision for purchased leave relates to public service employees who have entered into an agreement to self-fund up to an additional 10 weeks leave per calendar year. The provision recognises the value of salary set aside for employees and is measured at the undiscounted amounts expected to be paid when the liabilities are settled.

Employment on-costs

Employment on-costs, including workers' compensation insurance, are not employee benefits and are recognised separately as liabilities and expenses when employment to which they relate has occurred. Employment on-costs are included as part of 'Note 3.2 Other expenditure'. The related liability is included in 'Employment on-costs provision'.

2019
\$'000

2018
\$'000

3.2 Other expenditure

Financial disclosure

Supplies and services

Contracted audit work	5,944	4,528
Other services and contracts	1,141	621
Other staffing costs	364	193
Repairs and maintenance	592	637
Travel and accommodation	312	234
Administration	402	272
Consumables	91	66
Motor vehicle lease expenses	92	89
Artwork leases	1	2
Communications	23	159
Advertising	9	1
Other	6	102
Total supplies and services expenses	8,977	6,904

Accommodation expenses

Office lease rentals	1,611	1,610
Office parking	109	97
Monthly outgoings	480	473
Total accommodation expenses	2,200	2,180

Other expenses

Employment on-costs	26	42
Other expenses	80	25
Total other expenses	106	67
Total other expenditure	11,283	9,151

2019
\$'000

2018
\$'000

4: Our funding sources

How we obtain our funding

This section provides additional information about how the OAG obtains its funding and the relevant accounting policy notes that govern the recognition and measurement of this funding. The primary income received by the OAG and relevant notes are:

	Notes	2019 \$'000	2018 \$'000
Income from State Government	4.1	8,151	7,992
User charges and fees	4.2	20,838	18,984
Other revenue	4.3	82	113
Gains	4.4	-	13

4.1 Income from State Government

Financial disclosure

Appropriation received during the period:

Service appropriation ^(a)	7,711	7,584
	7,711	7,584

Services received free of charge from other State government agencies during the period:

State Solicitor's Office	33	1
Department of Finance	407	407
	440	408
Total income from State Government	8,151	7,992

(a) Service appropriations fund the net cost of services delivered. Appropriation revenue comprises a cash component and a receivable (asset). The receivable (Holding Account) comprises the budgeted depreciation expense for the year and any agreed increase in leave liabilities during the year.

2019
\$'000

2018
\$'000

Accounting policy

Service appropriations are recognised as revenues in the period in which the OAG gains control of the appropriated funds. The OAG gains control of appropriated funds at the time those funds are deposited into the bank account or credited to the 'Amounts receivable for services (Holding Account)' held at Treasury.

Assets or services received free of charge or for nominal cost that the OAG would otherwise purchase if not donated, are recognised as income at the fair value of the assets or services where they can be reliably measured. A corresponding expense is recognised for services received. Receipts of assets are recognised in the Statement of Financial Position.

4.2 User charges and fees

Financial disclosure

Audit Fees – General Government	11,946	12,346
Audit Fees – Public Non-Financial Corporations	3,501	3,150
Audit Fees – Public Financial Corporations	618	802
Audit Fees – Local Government	2,769	704
Audit Fees – External	2,004	1,982
Total audit fees	20,838	18,984

4.2 User charges and fees (continued)

Accounting policy

Revenue is recognised and measured at the fair value of consideration received or receivable as follows:

- Sale of goods - Revenue is recognised when the significant risks and rewards of ownership transfer to the purchaser and can be measured reliably.
- Provision of services - Revenue is recognised by reference to the stage of completion of the transaction. For audits conducted in-house, the percentage completed is estimated from the percentage of budget hours completed.
- For contract audits, the percentage completed is estimated on the basis of actual invoices received from contract audit firms, supplemented by their estimate of subsequent work completed but not yet billed.
- Net appropriation determination - The Treasurer may make a determination providing for prescribed receipts to be retained for services under the control of the OAG. The OAG retained \$20.8 million in 2019 (\$19.0m in 2018) from the following:
 - assurance and audit fees
 - government vehicle scheme
 - other OAG revenue.

2019
\$'000

2018
\$'000

4.3 Other revenue

Financial disclosure

Contributions for the use of motor vehicle	32	35
Miscellaneous	50	78
	82	113

4.4 Gains

Proceeds from disposal of non-current assets		
- Office and computer equipment	-	13
Carrying amount of non-current assets disposed of		
- Office and computer equipment	-	-
Net gain	-	13

2019
\$'000

2018
\$'000

5: Key assets

Assets the OAG utilises for economic benefit or service potential

This section includes information regarding the key assets the OAG utilises to gain economic benefits or provide service potential. The section sets out both the key accounting policies and financial information about the performance of these assets.

	Notes	2019 \$'000	2018 \$'000
Property, plant and equipment	5.1	325	575
Intangible assets	5.2	72	340
Depreciation and amortisation expense	5.3	425	417
Impairment of assets	5.4	151	78

5.1 Property, plant and equipment

Financial disclosure

Office and computer equipment

At cost	2,239	2,217
Accumulated depreciation	(1,914)	(1,642)
	325	575

2019
\$'000

2018
\$'000

Reconciliations of the carrying amounts of property, plant, and equipment at the beginning and end of the reporting period are set out in the table below:

2019

Carrying amount at start of period	575
Additions	53
Depreciation	(303)
Carrying amount at end of period	325

Accounting policy

Items of property, plant and equipment costing \$5,000 or more are recognised as assets and the cost is depreciated over their useful lives. Items of property, plant and equipment costing less than \$5,000 are immediately expensed direct to the Statement of Comprehensive Income other than where they form part of a group of similar items which are significant in total.

Property, plant and equipment are initially recognised at cost. For items of property, plant and equipment acquired at no cost or for nominal cost, the cost is the fair value at the date of acquisition.

All items of property, plant and equipment are stated at historical cost less accumulated depreciation and accumulated impairment losses.

	2019 \$'000	2018 \$'000
5.2 Intangible assets		
<i>Financial disclosure</i>		
Computer software		
At cost	1,594	1,589
Accumulated amortisation	(1,522)	(1,400)
Carrying amount at the end of the period	72	189
Computer software in development – at cost	-	151
Total	72	340

Reconciliations of the carrying amounts of intangible assets at the beginning and end of the reporting period are set out in the table below.

	Computer Software \$'000	Computer Software in Development \$'000	Total \$'000
2019			
Carrying amount at start of period	189	151	340
Additions	5	-	5
Transfers	-	-	-
Impairment loss (Note 5.4)	-	(151)	(151)
Amortisation expense	(122)	-	(122)
Carrying amount at end of period	72	-	72

Accounting policy

Acquisitions of intangible assets costing \$5,000 or more and internally generated intangible assets costing \$50,000 or more are capitalised. The cost is amortised over their useful lives. Costs incurred below these thresholds are immediately expensed to the Statement of Comprehensive Income. Intangible assets are initially recognised at cost. For assets acquired at no cost or for nominal cost, the cost is their fair value at the date of acquisition.

Expenditure relating to the development of computer software is capitalised when it meets the criteria outlined in the relevant Australian Accounting Standards. Management has exercised judgement in determining the costs that are directly attributable to the development of computer software and require capitalisation. Key estimates and assumptions concerning the future are based on historical experience and various other factors that have a significant risk of causing a material adjustment to the carrying amount of the assets within the next financial year.

5.3 Depreciation and amortisation expense

Accounting policy

Depreciation for property, plant and equipment is calculated using the straight line method, using rates which are reviewed annually. Estimated useful lives for each class of depreciable asset are: Office and computer equipment – 2 to 10-years.

Amortisation for intangible assets with finite useful lives is calculated for the period of the expected benefit (estimated useful life which is reviewed annually) on the straight line basis. All intangible assets have a finite useful life and zero residual value. The expected useful lives for intangible assets are: Software – 3-years.

2019
\$'000

2018
\$'000

5.3 Depreciation and amortisation expense (continued)

Financial disclosure

Depreciation - office and computer equipment	303	262
Amortisation - intangible assets	122	155
	425	417

5.4 Impairment of assets

Accounting policy

Property, plant and equipment and intangible assets are tested for any indication of impairment at the end of each reporting period.

Financial disclosure

During the financial year, the decision was made to discontinue work on the remaining timekeeper element of the People Practice and Management Project. As the economic benefits of this project will not be realised, an impairment loss has been recognised in the current year in addition to the amount recognised in the previous year.

An amount of \$151,451 (2018: \$77,855) in computer software in development has been written down.

There were no other indications of impairment to property, plant and equipment or intangible assets at 30 June 2019 and 30 June 2018.

2019
\$'000

2018
\$'000

6: Other assets and liabilities

This section sets out those assets and liabilities that arose from the operations of the OAG and includes other assets utilised for economic benefits and liabilities incurred during normal operations:

	Notes	2019 \$'000	2018 \$'000
Receivables	6.1	9,591	8,568
Amounts receivable for services (Holding Account)	6.2	4,152	3,671
Other assets	6.3	395	474
Payables	6.4	(1,280)	(1,180)

6.1 Receivables

Financial disclosure

Current

Accrued revenue	9,441	8,310
GST receivables	116	204
Amounts receivable for employees seconded	34	54
Total	9,591	8,568

2019
\$'000

2018
\$'000

6.1 Receivables (continued)

Accounting policy

Receivables are recognised at original invoice amount less an allowance for any uncollectable amounts (i.e. impairment).

Accrued revenue includes amounts receivable for work-in-progress. For audits conducted in-house, the percentage completed is estimated from the percentage of budget hours completed. For contract audits, the percentage completed is estimated on the basis of actual invoices received from contract audit firms, supplemented by their estimate of subsequent work completed but not yet billed.

The collectability of receivables and accrued income is reviewed on an ongoing basis and any receivables and accrued income identified as uncollectable are written-off against the allowance account. The allowance for uncollectable amounts (doubtful debts) is determined as the lifetime expected credit losses. The impairment allowance is nil (2018: nil). The carrying amount is equivalent to fair value as it is due for settlement within 30-days.

6.2 Amounts receivable for services (Holding Account)

Financial disclosure

Current	323	240
Non-current	3,829	3,431
Total	4,152	3,671

Accounting policy

The OAG receives funding on an accrual basis. The appropriations are paid partly in cash and partly as an asset (Holding Account receivable) held by Treasury. The accrued amount receivable is restricted as it is only accessible on the emergence of the cash funding requirement to cover leave entitlements and asset replacement.

2019
\$'000

2018
\$'000

Amounts receivable for services are considered not impaired (i.e. there is no expected credit loss of the Holding Account).

6.3 Other assets

Current

Prepayments	395	474
Total	395	474

6.4 Payables

Financial disclosure

Current

Trade payables	40	-
Accrued expenses	743	607
Accrued salaries	66	64
Paid parental leave	2	-
Work in progress contractor audit work	429	509
Total	1,280	1,180

Accounting policy

Accrued salaries represent the amount due to staff but unpaid at the end of the financial year. Accrued salaries are settled within a fortnight of the financial year end. The OAG considers the carrying amount of accrued salaries to be equivalent to its fair value.

2019
\$'000

2018
\$'000

6.4 Payables (continued)

Accounting policy (continued)

Payables are recognised at the amounts payable when the OAG becomes obliged to make future payments as a result of a purchase of assets or services. The carrying amount is equivalent to fair value, as settlement is generally within 30-days.

The work in progress contractor audit work represents the contract audit firms' estimate of work completed but not yet billed. See also Note 6.1 Receivables.

7: Financing

This section sets out the material balances and disclosures associated with the financing and cash flows of the OAG.

	Notes
Cash and cash equivalents	7.1
Commitments	7.2

7.1 Cash and cash equivalents

For the purpose of the Statement of cash flows, cash and cash equivalent (and restricted cash and cash equivalent) assets comprise cash on hand and short-term deposits with original maturities of 3-months or less that are readily convertible to a known amount of cash and which are subject to insignificant risk of changes in value.

Cash and cash equivalents at the end of the financial year as shown in the Statement of cash flows is reconciled to the related items in the Statement of financial position as follows:

Cash and cash equivalents	3,940	5,126
Restricted cash and cash equivalents	188	114
	4,128	5,240

2019
\$'000

2018
\$'000

Restricted cash and cash equivalents

Financial disclosure

Non-current	188	114
	188	114

Accounting policy

The accrued salaries suspense account consists of amounts paid annually into a suspense account over a period of 10 financial years to largely meet the additional cash outflow in each eleventh year when 27 pay days occur instead of the normal 26. No interest is received on this account.

7.2 Commitments

Accounting policy

The OAG holds operating leases for office accommodation, certain equipment and motor vehicles. Lease payments are expensed on a straight line basis over the lease term as this represents the pattern of benefits derived from the leased items.

Financial disclosure

Non-cancellable operating lease commitments

Commitments for minimum lease payments are payable as follows:

Within 1-year	2,130	2,111
Later than 1-year and not later than 5-years	6,457	8,680
Later than 5-years	-	11
	8,587	10,802

2019
\$'000

2018
\$'000

7.2 Commitments (continued)

Financial disclosure (continued)

The OAG has entered into a Memorandum of Understanding (MOU) with the Department of Finance's Building Management and Works division for leasing floor space at Albert Facey House. The MOU is not a legally binding agreement, however, it has been agreed that all parties will comply with the terms and conditions as if they were legally enforceable obligations. It covers a 5-year occupancy period from 1 July 2018. Rent is payable monthly in arrears. Contingent rent provisions within the MOU require that the minimum lease payments shall be increased by any increase in market indices from 1 July 2019 and bi-annually thereafter.

The commitments below are inclusive of GST where relevant.

Capital expenditure commitments

Capital expenditure commitments for development of a new human resources management information system additional to the amounts reported in the financial statements, are payable as follows:

Within 1-year	-	34
Later than 1-year and not later than 5-years	-	-
Later than 5-years	-	-
	-	34

2019
\$'000

2018
\$'000

Other expenditure commitments

Audit services contracted through private sector audit firms at the end of the reporting period but not recognised as liabilities, are payable as follows:

Within 1-year	5,769	4,230
Later than 1-year and not later than 5-years	3,558	2,445
Later than 5-years	-	-
	9,327	6,675

The increase in other expenditure commitments is primarily due to increased audit contracts awarded as the OAG progresses financial statement auditing of local government entities.

Recurrent expenditure commitments for contracted fortnightly payroll processing at the end of the reporting period but not recognised as liabilities, are payable as follows:

Within 1-year	-	44
Later than 1-year and not later than 5-years	-	-
Later than 5-years	-	-
	-	44

2019
\$'000

2018
\$'000

8: Financial instruments and contingencies

	Notes
Financial instruments	8.1
Contingent assets and liabilities	8.2

8.1 Financial instruments

The carrying amounts of each of the following categories of financial assets and financial liabilities at the end of the reporting period are:

Financial assets

Cash and cash equivalents	3,940	5,126
Restricted cash and cash equivalents	188	114
Loans and receivables ^(a)	-	12,035
Financial assets at amortised cost ^(a)	13,627	-
Total financial assets	17,755	17,275

Financial liabilities

Financial liabilities at amortised cost	1,280	1,180
Total financial liability	1,280	1,180

(a) The amount excludes GST recoverable from the ATO (statutory receivable).

8.2 Contingent assets and liabilities

Contingent assets and contingent liabilities are not recognised in the statement of financial position but are disclosed and, if quantifiable, are measured at the best estimate.

The OAG has no contingent assets or liabilities.

9: Other disclosures

This section includes additional material disclosures required by accounting standards or other pronouncements, for the understanding of this financial report.

	Notes
Initial application of Accounting Standards	9.1
Key management personnel	9.2
Related party transactions	9.3
Equity	9.4
Services provided free of charge	9.5
Remuneration of auditor	9.6
Events occurring after the end of the reporting period	9.7
Supplementary financial information	9.8
Explanatory statement	9.9

9.1 Initial application of Accounting Standards

AASB 9 Financial instruments

AASB 9 Financial instruments replaces *AASB 139 Financial instruments: Recognition and Measurements* for annual reporting periods beginning on or after 1 January 2018, bringing together all three aspects of the accounting for financial instruments: classification and measurement, impairment and hedge accounting.

The OAG applied AASB 9 prospectively, with an initial application date of 1 July 2018. The adoption of AASB 9 has resulted in changes in accounting policies but no adjustments to the amounts recognised in the financial statements.

In accordance with AASB 9.7.2.15, the OAG has not restated the comparative information which continues to be reported under AASB 139.

9.1 Initial application of Accounting Standards (continued)

The effect of adopting AASB 9 as at 1 July 2018 was assessed as not material, and therefore no adjustment was required to be recognised directly in Accumulated Surplus.

The nature of the changes is described below:

(a) Classification and measurement

Under AASB 9, financial assets are subsequently measured at amortised cost, fair value through other comprehensive income (fair value through OCI) or fair value through profit or loss (fair value through P/L). The classification is based on two criteria: the OAG's business model for managing the assets; and whether the assets' contractual cash flows represent 'solely payments of principal and interest' on the principal amount outstanding.

The assessment of the OAG's business model was made as of the date of initial application, 1 July 2018. The assessment of whether contractual cash flows on financial assets are solely comprised of principal and interest was made based on the facts and circumstances as at the initial recognition of the assets.

The classification and measurement requirements of AASB 9 did not have a significant impact to the OAG. The following are the changes in the classification of the OAG's financial assets:

- Receivables and Amounts receivable for services classified as Loans and receivables as at 30 June 2018 are held to collect contractual cash flows and give rise to cash flows representing solely payments of principal and interest. These are classified and measured as Financial assets at amortised cost beginning 1 July 2018.
- The OAG did not designate any financial assets as at fair value through P/L.

In summary, upon the adoption of AASB 9, the OAG had the following reclassifications as at 1 July 2018:

	AASB 9 category		
	Amortised cost \$'000	Fair value through OCI \$'000	Fair value through P/L \$'000
AASB 139 category			
Loans and receivables			
• Receivables	8,364	-	-
• Amounts receivable for services	3,671	-	-
Carrying amount at end of period	12,035	-	-

(b) Impairment

The adoption of AASB 9 has fundamentally changed the accounting for impairment losses for financial assets by replacing AASB 139's incurred loss approach with a forward-looking expected credit loss (ECL) approach.

Upon adoption of AASB 9, the effect was not considered to be material, therefore no adjustment was made.

9.2 Key management personnel

The OAG has determined that key management personnel include the senior officers of the OAG. Total compensation for senior officers for the reporting period are presented within the following bands:

Compensation band (\$)	2019	2018
20,001 – 30,000	-	1
40,001 – 50,000	-	1
170,001 – 180,000	-	1
180,001 – 190,000	1	-
210,001 – 220,000	2	1
220,001 – 230,000	1	1
250,001 – 260,000	1	2
270,001 – 280,000	1	1
440,001 – 450,000	-	1
450,001 – 460,000	1	-
	\$'000	\$'000
Total compensation of senior officers	1,845	1,913

9.3 Related party transactions

The OAG is a wholly-owned public sector entity that is controlled by the State of Western Australia.

Related parties of the OAG include:

- all Ministers and their close family members, and their controlled or jointly controlled entities
- all senior officers and their close family members, and their controlled or jointly controlled entities
- other departments and statutory authorities, including their related bodies, that are included in the whole of government consolidated financial statements
- associates and joint ventures that are included in the whole of Government consolidated financial statements
- the Government Employees Superannuation Board (GESB).

Material transactions with other related parties

The OAG had no material related party transactions with Ministers, senior officers or their close family members or their controlled or jointly controlled entities. Refer to Note 9.2 for disclosure of compensation of key management personnel.

	2019 \$'000	2018 \$'000
9.4 Equity		
<i>Financial disclosure</i>		
Contributed equity		
Balance at start of period	8,631	8,331
Contributions by owners		
Capital appropriation	300	300
Total contributions by owners	300	300
Balance at end of period	8,931	8,631
Accumulated surplus		
Balance at start of period	5,159	4,149
Result for the period	(553)	1,010
Balance at end of period	4,606	5,159
Total Equity at end of period	13,537	13,790

Accounting policy

The Western Australian Government holds the equity interest in the OAG on behalf of the community. Equity represents the residual interest in the net assets of the OAG.

AASB Interpretation 1038 *Contributions by Owners Made to Wholly-Owned Public Sector Entities* requires transfers in the nature of equity contributions, other than as a result of a restructure of administrative arrangements, to be designated by the Government (the owner) as contributions by owners (at the time of, or prior to transfer) before such transfers can be recognised as equity contributions.

	2019 \$'000	2018 \$'000
Capital appropriations have been designated as contributions by owners by TI 955 <i>Contributions by Owners made to Wholly Owned Public Sector Entities</i> and have been credited directly to Contributed Equity.		
9.5 Services provided free of charge		
During the year, the following audit services were provided by the OAG free of charge.		
Chowerup Cemetery Board	3	-
Dwellingup Cemetery Board	3	-
	6	-

9.6 Remuneration of auditor

An independent auditor is appointed by the Governor under section 38(2) of the *Auditor General Act 2006* to audit the accounts, financial statements, controls and performance indicators of the OAG with the fee being paid by this office. Remuneration in respect of the audit for the current financial year is as follows:

Auditing the accounts, financial statements, controls and key performance indicators	36	39
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9.7 Events occurring after the end of the reporting period

There were no events occurring after the end of the reporting period that warrant disclosure.

9.8 Supplementary financial information

During the current and previous financial years, there were no:

- write-offs by the OAG
- losses through theft, defaults and other causes
- gifts of public property provided by the OAG.

9.9 Explanatory statement

All variances between estimates (original budget) and actual results for 2019, and between the actual results for 2019 and 2018 are shown below. Narratives are provided for major variances, which are greater than:

- 5% and \$521,000 for the Statements of Comprehensive Income and Cash Flows
- 5% and \$377,000 for the Statement of Financial Position.

	Variance Note	Estimate 2019 \$'000	Actual 2019 \$'000	Actual 2018 \$'000	Variance between estimate and actual \$'000	Variance between actual results for 2019 and 2018 \$'000
Statement of Comprehensive Income						
Expenses						
Employee benefits expense	1,a	16,870	17,765	16,446	895	1,319
Supplies and services	2,b	9,517	8,977	6,904	(540)	2,073
Depreciation and amortisation expense		721	425	417	(296)	8
Impairment expense		-	151	78	151	73
Accommodation expenses		2,378	2,200	2,180	(178)	20
Other expenses		75	106	67	31	39
Total cost of services		29,561	29,624	26,092	63	3,532
Income						
<i>Revenue</i>						
User charges and fees	c	21,413	20,838	18,984	(575)	1,854
Other revenue		-	82	113	82	(31)
Total Revenue		21,413	20,920	19,097	(493)	1,823
<i>Gains</i>						
Gains on disposal of non-current assets		-	-	13	-	(13)
Total Gains		-	-	13	-	(13)
Total income other than income from State Government		21,413	20,920	19,110	(493)	1,810
NET COST OF SERVICES		8,148	8,704	6,982	556	1,722
Income from State Government						
Service appropriation		7,711	7,711	7,584	-	127
Services received free of charge		467	440	408	(27)	32
Total income from State Government		8,178	8,151	7,992	(27)	159
SURPLUS/(DEFICIT) FOR THE PERIOD		30	(553)	1,010	(583)	(1,563)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		30	(553)	1,010	(583)	(1,563)

9.9 Explanatory statement (continued)

	Variance Note	Estimate 2019 \$'000	Actual 2019 \$'000	Actual 2018 \$'000	Variance between estimate and actual \$'000	Variance between actual results for 2019 and 2018 \$'000
Statement of Financial Position						
ASSETS						
Current Assets						
Cash and cash equivalents		3,376	3,940	5,126	564	(1,186)
Receivables		11,593	9,591	8,568	(2,002)	1,023
Amounts receivable for services		323	323	240	-	83
Other current assets		477	395	474	(82)	(79)
Total Current Assets		15,769	14,249	14,408	(1,520)	(159)
Non-Current Assets						
Restricted cash and cash equivalents		173	188	114	15	74
Amounts receivable for services		3,829	3,829	3,431	-	398
Property, plant and equipment		279	325	575	46	(250)
Intangible assets		336	72	340	(264)	(268)
Total Non-Current Assets		4,617	4,414	4,460	(203)	(46)
TOTAL ASSETS		20,386	18,663	18,868	(1,723)	(205)
LIABILITIES						
Current Liabilities						
Payables		3,422	1,280	1,180	(2,142)	100
Provisions		2,784	2,981	3,126	197	(145)
Total Current Liabilities		6,206	4,261	4,306	(1,945)	(45)
Non-Current Liabilities						
Provisions		941	865	772	(76)	93
Total Non-Current Liabilities		941	865	772	(76)	93
TOTAL LIABILITIES		7,147	5,126	5,078	(2,021)	48
NET ASSETS		13,239	13,537	13,790	298	(253)
EQUITY						
Contributed equity		8,931	8,931	8,631	-	300
Accumulated surplus		4,308	4,606	5,159	298	(553)
TOTAL EQUITY		13,239	13,537	13,790	298	(253)

9.9 Explanatory statement (continued)

	Variance Note	Estimate 2019 \$'000	Actual 2019 \$'000	Actual 2018 \$'000	Variance between estimate and actual \$'000	Variance between actual results for 2019 and 2018 \$'000
Statement of Cash Flows						
CASH FLOWS FROM STATE GOVERNMENT						
Service appropriation		6,990	6,990	6,863	-	127
Capital appropriations		300	300	300	-	-
Holding Account drawdown		240	240	190	-	50
Net cash provided by State Government		7,530	7,530	7,353	-	177
Utilised as follows:						
CASH FLOWS FROM OPERATING ACTIVITIES						
Payments						
Employee benefits	3,d	(16,809)	(17,812)	(16,317)	(1,003)	(1,495)
Supplies and services	4,e	(7,926)	(8,760)	(6,197)	(834)	(2,563)
Accommodation		(1,927)	(1,801)	(1,772)	126	(29)
GST payments on purchases		(810)	(1,026)	(823)	(216)	(203)
GST payments to taxation authority		(990)	(1,280)	(1,196)	(290)	(84)
Other payments		(75)	(106)	(66)	(31)	(40)
Receipts						
User charges and fees	f	18,851	19,723	17,523	872	2,200
GST receipts on sales		1,630	2,041	1,815	411	226
GST receipts from taxation authority		170	355	141	185	214
Other receipts		-	82	38	82	44
Net cash used in operating activities		(7,886)	(8,584)	(6,854)	(698)	(1,730)
CASH FLOWS FROM INVESTING ACTIVITIES						
Payments						
Purchase of non-current assets		(540)	(58)	(351)	482	293
Net cash used in investing activities		(540)	(58)	(351)	482	293
Net increase/(decrease) in cash and cash equivalents		(896)	(1,112)	148	(216)	(1,260)
Cash and cash equivalents at the beginning of the period		4,445	5,240	5,092	795	148
CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD		3,549	4,128	5,240	579	(1,112)

9.9 Explanatory statement (continued)

Major estimate and actual variance narratives

Statement of comprehensive income

1. Employee benefits expense is greater than the estimate by \$895,000 (5.3%). During the year, the OAG progressed financial auditing of another 66 local government entities, taking the total to 112 entities. Additional staff resources were required to conduct 13 in-house audits and undertake contract management activities of 99 contracted out audits. To efficiently and effectively manage financial auditing deliverables, the OAG may change audit resources between those conducted internally and contracting to accredited auditing firms. Adjustments between employee benefits and supplies and services expense categories are periodically amended during the annual mid-year review budget process. Post budget adjustments were made to resource 8 audits internally rather than contracting them to accredited audit firms. This increased employee benefits expense by \$258,000, with a corresponding underspend in supplies and services expense.
2. Supplies and services expense is lower than estimate by \$540,000 (6.0%) mainly due to the post budget adjustment decision to conduct 8 audits using internal resources rather than contracting to professional services audit firms. Further, a lower than estimated stage of completion and contractor payments mainly for the financial audits of local government entities contributed to the variance.

Statement of financial position

There were no variances that met the definition of a 'major variance'.

Statement of cash flows

3. Payment of employee benefits is greater than the estimate by \$1,003,000 (6.0%). The OAG progressed the financial auditing of local government entities, taking on an additional 66 this year, to now total 112 entities. Additional staff resources were required to conduct 13 in-house audits and undertake contract management activities of 99 contracted out audits. Further, changes to the resourcing mix of audits

conducted internally compared to contracting to accredited auditing firms led to variances between the estimate and actual. Adjustments between payments for employee benefits and supplies and services categories are periodically amended during the annual mid-year review budget process.

4. Payments for supplies and services is higher than the estimate by \$834,000 (10.5%). Driven by the significant increase in the local government client base, other staffing costs, travel and accommodation and administration payments increased more than expected to effectively engage with the sector.

Major actual (2019) and comparative (2018) variance narratives

Statement of comprehensive income

- a. Employee benefits expense is greater than the prior year by \$1,319,000 (8.0%) as a result of additional resources required to undertake local government financial and performance auditing.
- b. Supplies and services expense is greater than the prior year by \$2,073,000 (30.0%) primarily from additional private sector audit contracts required to undertake the financial audits of local government entities (\$1,416,000). The increase in the local government client base caused increases in other staffing costs, travel and accommodation and administration costs (\$379,000). Further, contractors and consultants increased due to progressing new information technology strategic projects and specialist consultants required to deliver performance audit products.
- c. User charges and fees is greater than the prior year by \$1,854,000 (9.8%). This resulted from the recognition of revenue of \$2,065,000 relating to financial auditing of an additional 66 local government entities, partially offset by lower stage of completion, and corresponding revenue recognised for state government audits totaling \$211,000.

Statement of financial position

There were no variances that met the definition of a 'major variance'.

Statement of cash flows

- d. Payments of employee benefits is greater than the prior year by \$1,495,000 (9.2%) reflecting an increase in resources required to undertake local government financial and performance auditing.
- e. Payments for supplies and services increased by \$2,563,000 (41.3%) due to progress payments made to private sector audit firms in undertaking financial audits of local government entities.
- f. Receipts from user charges and fees increased by \$2,200,000 (12.6%) as the office recovered the audit fees from the initial transition of 46 local government entities.

Certification of key performance indicators

For the year ended 30 June 2019

I hereby certify that the key performance indicators are based on proper records, are relevant and appropriate for assisting users to assess the Office of the Auditor General's performance, and fairly represent the performance of the OAG for the financial year ended 30 June 2019.



Caroline Spencer
Accountable Authority
6 August 2019

Performance indicators

The Office of the Auditor General (OAG) exists to serve the public interest by providing Parliament with independent and impartial information regarding public sector accountability and performance. The OAG reports directly to Parliament and ultimately the people of Western Australia.

Through our desired outcome, ‘an informed Parliament on public sector accountability and performance’ we provide oversight of government achievement of its 4 goals, including responsible financial management and better service delivery.

Key effectiveness performance indicators

Our key effectiveness performance indicator is:

The extent that the OAG is effective in informing Parliament about public sector accountability and performance is measured by the number of tabled reports compared to targets for each of the following categories of audit matter:

- Service delivery
- Economic development
- Social and environment
- Governance.

Category	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Actual	2018-19 Target	Target over 3-years
Service delivery	4	7	4	4	2	7	21
Economic development	2	3	1	3	1	2	12
Social and environment	2	2	1	6	3	5	12
Governance	12	17	20	14	23	15	45
- Section 82 Opinions	3	4	7	4	8	-	-
- Other	9	13	13	10	15	15	45
Total	20	29	26	27	29	29	90

Table 27: Key effectiveness performance indicator 2014-15 to 2018-19

A crucial element of this indicator is the establishment of a 3-year target for each category of report. The current target over 3-years encompasses the financial years 2018-19 to 2020-21. While we aim to meet these report targets, we are also concerned with the quality of our reports and will not sacrifice this requirement in order to achieve a quantitative measure.

Table 27 shows the number of reports tabled in the preceding 4-years, and our performance in 2018-19.

While we did not achieve our target per category in 2018-19, only meeting the governance category target, we expect to direct additional audit effort towards the target by adapting the current forward audit plan.

We are also on track to meet our full 3-year target for 2018-19 to 2020-21. This has been demonstrated through meeting the annual target overall for 2018-19. Governance reports include opinions on ministerial notifications under section 82 of the *Financial Management Act 2006*.

The often complex, lengthy and unplanned nature of reviews required for these notifications are a legislative obligation and use the same resources as planned performance audit reports, causing the unfavourable results compared to targets in other report categories. Further, a variance between actual and target can arise given the Auditor General's decision to choose audit topics that in our view at the time would better inform Parliament and the community.

Our topic selection process aims to provide Parliament with advice and assurance across all 4 categories of public sector activity. Our targets are a factor in our selection of topics. Other factors include the significance of identified issues and matters referred to us by Parliament. For this reason, our category targets may not always be met in any 1-year.

Key efficiency performance indicators

The key efficiency performance indicators measure the overall efficiency in delivering the OAG's service 'Public Sector Auditing'. The OAG is responsible for undertaking external audit of the Western Australian public sector. This is done through audits of controls, financial statements, key performance indicators, efficiency and effectiveness, and reporting the results to Parliament.

Our key efficiency performance indicators are:

- total audit cost per million dollars of gross government expenditure
- attest (financial) audit cost per million dollars of gross government expenditure
- performance audit cost per million dollars of gross government expenditure
- average number of days taken after balance date to issue financial audit opinions.

Efficiency indicator	2014-15 Actual	2015-16 Actual	2016-17 Actual	2017-18 Actual	2018-19 Actual	2018-19 Target
Total audit cost per million dollars of gross government expenditure	\$509	\$479	\$449	\$504	\$575	\$546
Attest (financial) audit cost per million dollars of gross government expenditure	\$370	\$354	\$328	\$372	\$431	\$401
Performance audit cost per million dollars of gross government expenditure	\$139	\$125	\$121	\$132	\$144	\$145
Average number of days taken after balance date to issue financial audit opinions	67.0 days	66.2 days	65.5 days	64.6 days	65.6 days	68.0 days

Table 28: Key efficiency performance indicator 2014-15 to 2018-19

The gross government expenditure value incorporates total public sector expenditure together with expenditure by universities, superannuation boards and other entities we audit, but whose expenditure is not reported within total public sector expenditure. The estimated actual total public sector expenditure from the Government Mid-Year Financial Projections Statement is used rather than actual total public sector expenditure as the actual results are not available at the time these key performance indicators are produced. The estimated total public sector expenditure is considered a reasonable estimate of actual total public sector expenditure.

Although the audit costs in these efficiency indicators include the costs of local government audits, gross government expenditure from 2017-18 onwards does not include expenditure by local government entities. This approach has been adopted because the OAG became responsible for local government audits in late 2017 and it is still amid a significant phase of transition. Revisions to these indicators will be considered for future reporting.

The audit costs used to calculate the key efficiency indicators are extracted from the OAG's Financial Management Information System. The proportion of total cost assigned to financial and performance audits is based on recorded direct hours charged to audits and an activity based allocation of OAG overhead.

The increases in total audit cost, attest (financial) audit cost and performance audit cost per million dollars of gross government expenditure compared to the prior year of 14.1%, 15.9% and 9.1% respectively were due mainly to:

1. audit costs increased as the OAG progressed the mandate of local government auditing but the total government expenditure does not include local government expenditure. In 2018-19 we saw the OAG assume responsibility for the financial audits of another 66 local government entities, increasing the local government client base to 112 entities
2. there was a 4.8% decrease in gross government expenditure.

The increase in attest (financial) audit cost per million dollars of gross government expenditure compared to the target of 7.5% was due to expenditure associated with local government financial auditing that were not included in the original target.

The performance audit cost per million dollars of gross government expenditure was 1.0% below the target and occurred due to vacancies in performance audit positions throughout the year, resulting in lower total costs.

Section 64 of the *Financial Management Act 2006* requires Ministers to table State government entity annual reports, including the audit opinion on the financial statements, controls and key performance indicators in Parliament within 90-days of the end of a financial year. Accordingly, we have adopted an efficiency indicator which measures the average number of days taken after balance date to issue State entity financial audit opinions. Our target has been set with regard to this statutory requirement for all State entity financial audits. The actual and corresponding target of this indicator does not include local government financial auditing given there is no legislative requirement surrounding the timeliness of tabling the financial statements.

The favourable variance between the 2018-19 actual and target was due to entities preparing financial statements and key performance indicators in a more timely manner and efficiency improvements achieved in the audit process.

Other financial disclosures

Pricing policies

Our fee model is based on our legislation and Department of Treasury guidelines. Using this model, we invoice State and local government entities for financial audits. However, our fees also incorporate a loading to recover one-third of our narrow scope performance audits, the focus of which is on governance and financial accountability.

The model also assumes:

- full recovery of direct costs including salary, superannuation and training
- full recovery of identified overheads, including reporting results to Parliament and key stakeholder engagement such as parliamentary briefings, with costs being spread over all financial audit engagements.

Fees are based on the hours required to undertake each financial audit. Where a contractor conducts the audit on our behalf, we base the fees on the contractor's fees.

Capital works

During 2018-19 we continued our ongoing asset replacement program. Capital projects this year included:

- providing staff with new laptop computers (\$57,000)
- initial stages of the Technology Transformation Project (\$224,000) ([page 40](#))
- cost allocation review for the effective planning and accurate costing of audits (\$80,000).

Unauthorised use of credit cards

Our officers hold corporate credit cards where their functions warrant use of this facility. During the financial year there was no unauthorised use of credit cards.

Staff profile

Category	At June 2019	At June 2018
Full time permanent	128	114
Full time contract	18	14
Part time permanent	18	17
Part time contract	2	1
On secondment into the OAG	4	4
Total	170	150

Table 29: Our staff profile

Staff development

We are committed to the development of our people and have an extensive program that delivered in excess of 12,000 hours of in-house and external training. As the result of our commitment to professional development and staff training we are recognised as an employer partner by CPA Australia and Chartered Accountants Australia and New Zealand. More information on our program is outlined in the Learning and Professional Development section ([page 25](#)).

Workers compensation

One compensation claim of a minor nature was recorded during the financial year. One compensation claim of a minor nature was also recorded in 2017-18.

Governance disclosures

Contracts with senior officers

At the date of reporting no senior officers, or entities of which they are members or have a substantial interest, had any existing or proposed contracts with the OAG other than their contract of employment.

Other employment

Under schedule 1, clause 3 of the *Auditor General Act 2006*, the Auditor General must not, except so far as authorised by law or by resolutions of both Houses of Parliament, hold certain offices, places or positions referred to in the *Constitution Acts Amendment Act 1899*. The schedule also prohibits the Auditor General from engaging in any paid employment outside the duties of the OAG.

*At no time since my appointment to that office have I engaged in any paid employment outside the duties of my office.
I am also a member of the State Records Commission, as authorised by the State Records Act 2000, section 58n(a).*

- Caroline Spencer

Board and committee remuneration

The independent chair of our Audit and Risk Management Committee is the only position that receives remuneration as a consequence of committee membership.

Position	Name	Type of remuneration	Period of membership 2018-19	Gross/actual remuneration 2018-19 financial year*
Independent chair of the Audit and Risk Management Committee	Des Pearson	Hourly rate	12-months	\$16,900

* Remuneration reported excludes GST and travel expenses incurred as per Public Sector Commissioner's Circular 2009-20 – [Reimbursement of Travel Expenses for Members of Government Boards and Committees](#)

Table 30: Remuneration of the Audit and Risk Management Committee independent chair

Other legal requirements

Expenditure on advertising and surveys

In accordance with section 175ZE of the *Electoral Act 1907*, the OAG incurred the following expenditure in recruitment advertising, conducting surveys and our contribution to the Australasian Council of Auditors General (ACAG) benchmarking survey.

The total expenditure for 2018-19 was \$111,639.

Expenditure was incurred in the following areas (ex-GST):

Expenditure	Provider	2018-19 Amount
Recruitment advertising	Careerhub	\$164
	Initiative Media Australia	\$8,412
	Indeed	\$203
	Seek	\$280
		<hr/>
		\$9,059
Surveys	Orima	\$102,580
Total		<hr/> \$111,639 <hr/>

Table 31: Expenditure on advertising and surveys

Disability Access and Inclusion Plan

This is the third year of our *Disability Access and Inclusion Plan (DAIP) 2017-2021*. The DAIP outlines our commitment to ensuring that people with disability, their families and carers have:

- ready access to our services, information and facilities
- the same opportunities to obtain and maintain employment with us.

We regularly review our recruitment processes to address any barriers to access and inclusion in employment. For employees with existing or emerging disabilities, we work with them and their health professionals to support their work and contribution to the OAG.

In our annual DAIP progress report to the Disability Services Commission, we reported on our strategies across the 7 outcomes, demonstrating our ongoing compliance with, and commitment to disability access and inclusion. We also present this information to employees and Executive regularly.

Strategies

Outcome 1

People with disability have the same opportunities as other people to access the services of, and any events organised by the OAG.

Ensure people with disability have an opportunity to comment on access to services.

Monitor and redevelop an Access and Inclusion Policy to support equitable access to services.

Incorporate DAIP objectives in strategic business planning, budgeting processes, procedures and policies.

Ensure employees awareness of our DAIP, relevant policies and strategies.

Ensure accessibility to events conducted by, or on behalf of the OAG.

Outcome 2

People with disability have the same opportunities as other people to access the buildings and other facilities of the OAG.

Ensure office accessibility is maintained to meet legislative and access standards.

Ensure signage is clear and easy to read.

Information access options are available.

Parking – close to public transport, parking and taxi stands.

Outcome 3

People with disability receive information from the OAG in a format that will enable them to access the information as readily as other people are able to access it.

Community awareness of information availability in alternative formats upon request.

Improve employee awareness of:

- accessible information needs
- obtaining information in other formats.

Ensure specialist support is available at meetings when requested.

Ensure web page design incorporates W3C Web Content Accessibility guidelines.

Public facing staff are adequately trained in client service for people with disability.

Ensure printed information accessibility for people with disability.

Outcome 4

People with disability receive the same level and quality of service from our employees as other people.

Employee awareness raising of disability, access issues and relevant legislation through regular professional development.

Ensure client service skills for people with disability.

Raise new employees' awareness of disability, access issues and relevant legislation.

Outcome 5

People with disability have the same opportunities as other people to make complaints to the OAG.

Ensure accessibility of the OAG's referral system and policy.

Ensure employee capability to support complaints from people with disability.

Outcome 6

People with disability have the same opportunities as other people to participate in any public consultation we may carry out.

Ensure public consultation processes are available to people with disability, their families and carers.

Outcome 7

People with disability have the same opportunities as other people to obtain and maintain employment with a public authority.

Employment processes are open, transparent and free from bias.

Employee needs are assessed and met for episodic and long-term disability.

Table 32: Disability Access and Inclusion Plan 2017-2021

Compliance with public sector standards and ethical codes

Our policies and procedures are designed to meet compliance requirements of public sector standards and public sector code of ethics. Our Code of Conduct specifies the standards of employee behaviour considered directly relevant to our unique role and responsibilities. Additionally, our audit employees must adhere to the professional standards required of auditors.

We inform our employees of these standards and requirements at their OAG induction and publish all documents and updates on our intranet.

Our Human Resources team provides consultancy and support services in relation to the public sector human resource standards, particularly in recruitment and selection processes, through panel membership, specialist advice and guidance. All applicant correspondence includes details on accessing public sector standards, and all recruitment and appointment processes are independently reviewed to ensure compliance.

There were no breaches of standards lodged in the past year.

Records management

In compliance with the *State Records Act 2000* our Recordkeeping Plan provides an accurate reflection of our recordkeeping systems, disposal programs, policies and procedures. It has recently been revised to reflect the OAG's strong commitment to improving records management. The plan focuses on ensuring all employees are aware of their compliance responsibilities and provided with training in these areas.

Over the year, our Information Management team received 1,623 internal Help Desk requests. To complement our formal instructor-led training, employees have access to interactive online multimedia training presentations, video demonstrations and quick reference guidebooks. In addition, this year we have rationalised and updated our corporate library.

Our information management tools include an external portal for our clients. The portal facilitates the effective and efficient transfer of information between audit entities and our auditors. This year we received and processed 180 new requests for access to our portal and 580 requests for downloading or uploading information from external stakeholders.

Government policy requirements

Occupational safety and health and injury management

Measure	Results			Targets	Comments towards targets
	2016-17 base year	2017-18 prior year	2018-19 current reporting year		
Number of fatalities	0	0	0	0	✓
Lost time injury and disease incidence rate	0	1	1	0 or 10% reduction in incidence rate	✗ Maintained no increase through preventative action
Lost time injury and severity rate	0	1	1	0 or 10% reduction in severity rate	✗ Maintained no increase through preventative action
Percentage of injured workers returned to work (i) within 13-weeks	na	100%	100%	Greater than or equal to 80%	✓
Percentage of injured workers returned to work (ii) within 26-weeks	na	na	na	Greater than or equal to 80%	-
Percentage of managers trained in occupational safety, health and injury management responsibilities including refresher training within 3-years	90%	85%	85%	Greater than or equal to 80%	✓

Table 33: Our OSH performance

1. This indicator examines a 3-year trend and as such the comparison base is to be 2-years prior to the current reporting period (2016-17).

Executive approved our OSH and injury management statement of commitment and annual strategic goals in July 2018. We report on these goals annually.

Statement of commitment

The OAG is committed to ensuring the health and well-being of employees, visitors and contractors by providing a safe workplace, eliminating hazards that could result in injury or disease and implementing initiatives to improve employee welfare.

We will do this by:

- implementing and maintaining safe systems of work
- undertaking risk management activities to identify, eliminate and/or manage risks in the workplace
- providing and maintaining safe systems for the use, handling, storage and transportation of plant, equipment and hazardous substances
- consulting with employees to enhance the effectiveness of the OSH Management System
- providing all employees with appropriate OSH training, information, instruction and supervision
- providing adequate resources including finances to facilitate our OSH responsibilities
- complying with OSH legislation, regulations and relevant Australian standards.

Accountability

Auditor General

The Auditor General has responsibility for the implementation and review of our OSH policy, delegation of OSH management responsibilities and the provision and allocation of appropriate resources.

Executive Management

Executive has ultimate responsibility for our OSH performance by providing leadership, support, direction and resources to ensure we meet our OSH commitments.

Assistant Auditor General Business Services will ensure:

- sufficient resources are available to meet our OSH commitment and responsibilities
- safe systems of work are implemented and used
- OSH issues are addressed as they arise
- OSH consultative and communication mechanisms are established
- compliance with relevant OSH legislation regulations and standards
- all employees undertake the required OSH induction training.

Supervisors and managers will ensure:

- work areas are without risk to employees' health and safety
- all employees adhere to OSH policies and safe work procedures
- all hazards and incidents are reported in accordance with legislative requirements; and timely corrective actions are implemented
- resources are available to meet the our OSH responsibilities
- their areas of responsibility comply with relevant OSH legislation, regulations and standards.

Employees are responsible for:

- ensuring their work area is without risk to the health and safety of themselves and others
- they complete their work in the safest manner possible
- they adhere to OSH policies and procedures
- reporting hazards and incidents as they are identified
- completing all OSH training as required.

Visitors and contractors

Visitors and contractors to the OAG should take reasonable care to protect the safety and health of themselves and others. They should report all accidents and incidents to security or supervisors as soon as possible and in the event of an emergency, follow the emergency evacuation procedures.

Contractors are:

- required to comply with all applicable legislation and the our OSH policies and procedures
- responsible for taking reasonable care while on our premises
- responsible for cooperating with actions taken to protect the health and safety of themselves and others.

Strategic goals

Outcome	Deliverable	Target	2018-19 Results
Systems of work: The Office of the Auditor General will have systems, policies, procedures and practices that ensure the health and well-being of employees, visitors and contractors.			
1. Effective OSH system	<ul style="list-style-type: none"> system records incidents and accidents and is fit for purpose 	<ul style="list-style-type: none"> 100% incidents and accidents recorded for analysis 100% incidents and accidents addressed 	<ul style="list-style-type: none"> 100% were recorded for analysis 100% were addressed
2. Appropriate policies, procedures and plans	<ul style="list-style-type: none"> review policies, procedures and plans 	<ul style="list-style-type: none"> all reviewed biennially + at need 	<ul style="list-style-type: none"> 100% policies, procedures and plans were reviewed
Consultation, communication and training: The Office of the Auditor General will involve employees in OSH to ensure mutual commitment and understanding of workplace health and well-being.			
3. Engaged OCC	<ul style="list-style-type: none"> regular meetings of representative members 	<ul style="list-style-type: none"> quarterly scheduled + at need 	<ul style="list-style-type: none"> quarterly meetings held
4. Notifications through regular communication channels	<ul style="list-style-type: none"> PD Day sessions, intranet announcements 	<ul style="list-style-type: none"> at least quarterly notices 	<ul style="list-style-type: none"> notices published regularly – at least quarterly
5. Employee awareness and training	<ul style="list-style-type: none"> OSH awareness training for employees OSH for supervisors and managers 	<ul style="list-style-type: none"> 100% of employees trained appropriately for role(s) 	<ul style="list-style-type: none"> 80% of employees trained
6. Ergonomic employee set-ups	<ul style="list-style-type: none"> better practice ergonomic practices 	<ul style="list-style-type: none"> 100% new employee preventative assessments specialist assessments as required 	<ul style="list-style-type: none"> 100% 46 assessments conducted as intensive one-off
7. Visitor and contractor safety	<ul style="list-style-type: none"> visitors and contractors supervised for OSH and managed for evacuations 	<ul style="list-style-type: none"> 100% visitors and contractors supervised for OSH and managed for evacuations 	<ul style="list-style-type: none"> 100%
Compliance: The Office of the Auditor General will ensure compliance with relevant legislation, regulations and standards.			
8. Reporting compliance	<ul style="list-style-type: none"> reporting to ARMC reporting to PSC and PSLR 	<ul style="list-style-type: none"> quarterly ARMC reports bi-annual and annual mandatory reporting 	<ul style="list-style-type: none"> quarterly ARMC reports delivered mandatory reporting delivered
9. Safe and hazard free workplace	<ul style="list-style-type: none"> workplace hazard inspections 	<ul style="list-style-type: none"> annual inspections 	<ul style="list-style-type: none"> annual inspection conducted
10. Appropriate resourcing	<ul style="list-style-type: none"> assessment and provision of resources 	<ul style="list-style-type: none"> quarterly assessment of, and for, resourcing 	<ul style="list-style-type: none"> assessment conducted

Table 34: Our annual strategic goals, targets and results for OSH and injury management performance

Appendix 1: Our strategic plan

Our Executive team has reviewed our existing strategic plan ([page 19](#)) and confirmed the actions, measures and targets remain relevant and current. This includes the 2018-2019 activities highlighted throughout this report.

As we are entering the fourth year of our 5-year strategic plan we will start focusing on a new strategic plan in the next 12-months. We will review our desired outcomes and strategic direction, ensuring our strategies and actions are relevant and contemporary.

Our people – motivated, innovative, collaborative, accountable, valued, skilled, knowledgeable

Outcomes	Strategies
An appropriately skilled workforce capable of meeting current and future business needs	<ul style="list-style-type: none"> • Maintain an environment where learning opportunities are readily available; employees actively pursue learning; and acquired learning can be applied • Maintain a meaningful employee performance review process • Ensure flexible and adaptive recruitment, contracting and employment arrangements to match work skills with demand
High performing people who contribute to strategic objectives	<ul style="list-style-type: none"> • Invest in organisational capability that will give the OAG a long-term benefit • Empower staff to complete all of their responsibilities on an audit or business project • Encourage innovation and acknowledge staff for being innovative in their approach
A work environment that is recognised as a workplace of choice	<ul style="list-style-type: none"> • Assist staff wishing to undertake relevant further studies • Provide opportunities for professional growth within the OAG • Provide national and international secondment opportunities • Ensure a safe and healthy working environment

Our tools – robust, efficient, user-friendly, flexible, agile, reliant, compliant

Outcomes	Strategies
Efficient, effective and responsive business operations that meet current and emerging needs	<ul style="list-style-type: none"> • Work within a framework and governance structure which is current and effective • Respond effectively to changes in our environment by maintaining a strategic focus • Maintain an appropriate and effective approach to risk management • Ensure accurate and reliable technical advice is available
Sound information systems that support operational needs	<ul style="list-style-type: none"> • Ensure IT systems are efficient, effective and supported • Capitalise where possible on our existing systems to improve our business operations • Have an approach to IT that recognises and addresses operational and strategic business requirements • Continuously improve internal and external accessibility and useability of our tools
Sound financial management of our business	<ul style="list-style-type: none"> • Maintain a strong, sound and transparent financial management approach • Use accurate business data that informs management decision-making • Continuously improve our processes to ensure quality and compliance of internal financial management practices
Audit methodology tools are current, reliable and compliant	<ul style="list-style-type: none"> • Ensure our methodology remains current and compliant

Our approach – consistent, fair and balanced, independent, transparent, pragmatic, professional, contemporary

Outcomes	Strategies
Audits completed in accordance with auditing and professional standards	<ul style="list-style-type: none"> • Maintain a contemporary and quality audit approach • All reports to go through the OAG quality framework
Relationships with audit clients professionally managed	<ul style="list-style-type: none"> • Communicate, consult and develop quality relationships with clients
Our reputation for independence, integrity and impartiality is maintained	<ul style="list-style-type: none"> • Further enhance transparency and accountability of our topic selection process and outcomes • Continuously reinforce to staff the OAG principles of independence, integrity and impartiality • Maintain an awareness of the external perception of the OAG
A well informed Parliament and public	<ul style="list-style-type: none"> • Set clear expectations and communicate our role and purpose to Parliament, agencies and the community • Identify and implement strategies to address Parliament’s needs and expectations • Prepare for performance and legislative reviews

Our products – value for money, timely, relevant, accurate, quality, innovative

Outcomes	Strategies
Timely, relevant and quality reports on public sector performance and accountability	<ul style="list-style-type: none"> • Table reports on time and on budget
Value for money reporting that addresses issues of public interest	<ul style="list-style-type: none"> • Use benchmarking to ensure audit costs reflect value for money • Produce reports that are considered valuable and relevant to Parliament • Ensure that the right audit product (broad scope/narrow scope/focus) is selected to achieve value for money
Reports and opinions that lead to improved public sector performance and accountability	<ul style="list-style-type: none"> • Include consideration of topics important to Parliament and agencies when developing forward audit program • Ensure clearly articulated and accessible report findings and recommendations

Appendix 2: Financial audit clients 2018-19

Audits under Financial Management Act 2006

Departments

Commissioner for Equal Opportunity

Department of Biodiversity, Conservation and Attractions

Department of Communities

Department of Education

Department of Finance

Department of Fire and Emergency Services

Department of Health

Department of Jobs, Tourism, Science and Innovation

Department of Justice

Department of Local Government, Sport and Cultural Activities

Department of Mines, Industry Regulation and Safety

Department of Planning, Lands and Heritage

Department of Primary Industries and Regional Development

Department of the Legislative Assembly

Department of the Legislative Council

Department of the Premier and Cabinet

Department of the Registrar, Western Australian Industrial Relations Commission

Department of Training and Workforce Development

Department of Transport

Department of Treasury

Department of Water and Environment Regulation

Governor's Establishment

Mental Health Commission

Office of the Commissioner for Children and Young People

Office of the Director of Public Prosecutions

Office of the Government Chief Information Officer

Office of the Information Commissioner

Office of the Inspector of Custodial Services

Parliamentary Commissioner for Administrative Investigations

Parliamentary Services Department

Police Service

Public Sector Commission

Western Australian Electoral Commission

Statutory authorities

Agricultural Produce Commission

Animal Resources Authority

Botanic Gardens and Parks Authority

Building and Construction Industry Training Board

Central Regional TAFE

Chemistry Centre (WA)

Child and Adolescent Health Service

Combat Sports Commission

Commissioner of Main Roads

Construction Industry Long Service Leave Payments Board

Corruption and Crime Commission

Country Housing Authority

Curtin University of Technology

Disability Services Commission

East Metropolitan Health Service

Economic Regulation Authority

Edith Cowan University

Fire and Emergency Services Superannuation Board

Forest Products Commission

Gaming and Wagering Commission of Western Australia

Gascoyne Development Commission

Gold Corporation

Goldfields-Esperance Development Commission

Government Employees Superannuation Board	Parliamentary Inspector of the Corruption and Crime Commission	The Coal Miners' Welfare Board of Western Australia
Great Southern Development Commission	Peel Development Commission	The Library Board of Western Australia
Health and Disability Services Complaints Office	Perth Theatre Trust	The National Trust of Australia (W.A.)
Health Support Services	Pilbara Development Commission	The Queen Elizabeth II Medical Centre Trust
Heritage Council of Western Australia	Professional Standards Council	The University of Western Australia
Housing Authority	Public Transport Authority of Western Australia	The Western Australian Museum
Insurance Commission of Western Australia	Public Trustee	Trustees of the Public Education Endowment
Keep Australia Beautiful Council (W.A.)	Quadriplegic Centre	WA Country Health Service
Kimberley Development Commission	Racing and Wagering Western Australia	Western Australian Building Management Authority
Landcare Trust	Racing Penalties Appeal Tribunal of Western Australia	Western Australian Coastal Shipping Commission
Law Reform Commission of Western Australia	Rottneet Island Authority	Western Australian Energy Disputes Arbitrator
Legal Aid Commission of Western Australia	Rural Business Development Corporation	Western Australian Greyhound Racing Association
Legal Contribution Trust	School Curriculum and Standards Authority	Western Australian Health Promotion Foundation
Legal Costs Committee	Small Business Development Corporation	Western Australian Institute of Sport
Local Health Authorities Analytical Committee	South Metropolitan Health Service	Western Australian Land Information Authority
Lotteries Commission	South Metropolitan TAFE	Western Australian Meat Industry Authority
Metropolitan Cemeteries Board	South Regional TAFE	Western Australian Planning Commission
Metropolitan Redevelopment Authority	South West Development Commission	Western Australian Sports Centre Trust
Mid West Development Commission	State Supply Commission	Western Australian Tourism Commission
Minerals Research Institute of Western Australia	Swan Bells Foundation Inc	Western Australian Treasury Corporation
Murdoch University	The Aboriginal Affairs Planning Authority	Wheatbelt Development Commission
North Metropolitan Health Service	The Anzac Day Trust	
North Metropolitan TAFE	The Board of the Art Gallery of Western Australia	
North Regional TAFE	The Burswood Park Board	

WorkCover Western Australia Authority
Zoological Gardens Authority

Subsidiaries

Advara Ltd
Goldmaster Enterprises Pty Ltd
Homeswest Loan Scheme Trust
Innovative Chiropractic Learning Pty Ltd
Keystart Bonds Limited
Keystart Housing Scheme Trust
Keystart Loans Limited
Keystart Support Trust
Murdoch College Properties Pty Ltd
Murdoch Retirement Services Ltd
Murdoch University Foundation
Murdoch University Veterinary Centre Trust
St Stephen's College Pty Ltd
The University Club of Western Australia Pty Ltd
UWA Accommodation Services Pty Ltd
UWA Sport Pty Ltd
Young Lives Matter Foundation UWA Ltd

Request audits

Alan and Iris Peacocke Research Foundation
Perth USAsia Centre Pty Ltd
Tertiary Institutions Service Centre (Inc)
Tertiary Institutions Service Centre Ltd

The Delegate to the Queen Elizabeth II
Medical Centre Trust

Audits under other legislation

Cemeteries Act 1986

Albany Cemetery Board
Bunbury Cemetery Board
Chowerup Cemetery Board
Dwellingup Cemetery Board
Geraldton Cemetery Board
Kalgoorlie-Boulder Cemetery Board

Port Authorities Act 1999

Fremantle Port Authority
Kimberley Ports Authority
Mid West Ports Authority
Pilbara Ports Authority
Southern Ports Authority

Other legislation

Annual Report on State Finances
Bunbury Water Corporation
Busselton Water Corporation
Horizon Power – Regional Power Corporation
Independent Market Operator
Synergy – Electricity Generation and Retail Corporation

Water Corporation
Western Australian Land Authority
Western Power – Electricity Networks Corporation

Subsidiaries

South West Solar Development Holdings Pty Ltd
Vinalco Energy Pty Ltd
Vinalco Energy Trust

Local government audits

2017-18

City of Belmont
Shire of Brookton
Shire of Bruce Rock
City of Bunbury
Bunbury-Harvey Regional Council
Town of Cambridge
Shire of Capel
City of Cockburn
Town of Cottesloe
Shire of Cranbrook
Shire of Cue
Shire of Cunderdin
Shire of Dandaragan
Shire of Denmark
Eastern Metropolitan Regional Council

Shire of Exmouth
Shire of Jerramungup
City of Joondalup
City of Kalgoorlie-Boulder
Shire of Kellerberrin
Shire of Kondinin
Shire of Koorda
Shire of Laverton
Shire of Menzies
Shire of Moora
Shire of Morawa
Shire of Narrogin
Shire of Northampton
Shire of Nungarin
Shire of Perenjori
City of Perth
Pilbara Regional Council
Shire of Ravensthorpe
Rivers Regional Council
City of Rockingham
Shire of Sandstone
City of South Perth
City of Stirling
Shire of Tammin
Shire of Three Springs
City of Wanneroo
Shire of West Arthur

Shire of Woodanilling
Shire of Wyalkatchem
Shire of Yalgoo
Shire of York
2018-19
City of Albany
Shire of Ashburton
Town of Bassendean
City of Bayswater
Shire of Boddington
Shire of Boyup Brook
Shire of Bridgetown-Greenbushes
Shire of Broome
City of Busselton
City of Canning
Shire of Carnamah
Shire of Christmas Island
Town of Claremont
Shire of Cocos (Keeling) Islands
Shire of Coorow
Shire of Corrigin
Shire of Cuballing
Shire of Dalwallinu
Shire of Derby-West Kimberley
Shire of Donnybrook-Balingup
Shire of Dowerin
Shire of Dundas

Town of East Fremantle
City of Fremantle
Shire of Gnowangerup
Shire of Goomalling
City of Gosnells
City of Greater Geraldton
Shire of Halls Creek
Shire of Irwin
City of Kalamunda
City of Karratha
Shire of Katanning
Shire of Kojonup
Shire of Kulin
City of Kwinana
Shire of Lake Grace
Shire of Meekatharra
City of Melville
Shire of Merredin
Shire of Mingenew
Town of Mosman Park
Shire of Mount Magnet
Shire of Mukinbudin
Shire of Mundaring
Shire of Murchison
Murchison Regional Vermin Council
Shire of Nannup
City of Nedlands

Shire of Northam
Shire of Peppermint Grove
Shire of Pingelly
Shire of Serpentine-Jarrahdale
Southern Metropolitan Regional Council
City of Subiaco
City of Swan
Shire of Upper Gascoyne
Town of Victoria Park
Shire of Victoria Plains
City of Vincent
Shire of Wagin
Western Metropolitan Regional Council
Shire of Westonia
Shire of Wickiepin
Shire of Williams
Shire of Wiluna

2019-20

City of Armadale
Shire of Augusta-Margaret River
Shire of Beverley
Shire of Broomehill-Tambellup
Shire of Carnarvon
Shire of Chapman Valley
Shire of Chittering
Shire of Coolgardie
Shire of Dardanup
Shire of Dumbleyung

Shire of Harvey
Shire of Leonora
Shire of Manjimup
Mindarie Regional Council
Shire of Mount Marshall
Shire of Murray
Shire of Narembeen
Town of Port Hedland
Shire of Shark Bay
Shire of Trayning

2020-21

Shire of Collie
Shire of East Pilbara
Shire of Esperance
Shire of Gingin
Shire of Kent
City of Mandurah
Shire of Ngaanyatjarraku
Shire of Plantagenet
Shire of Quairading
Tamala Park Regional Council
Shire of Toodyay
Shire of Wandering
Shire of Waroona
Shire of Wongan-Ballidu
Shire of Wyndham-East Kimberley
Shire of Yilgarn

Appendix 3: Acronyms

ABN	Australian Business Number	JAC	Joint Audit Committee
AAS	Australian Accounting Standards	KPI	key performance indicator
ACAG	Australasian Council of Auditors General	LG	local government
AFH	Albert Facey House	LG Professionals	Local Government Professionals Australia WA
ARMC	Audit and Risk Management Committee	LIS	laboratory information system
CA ANZ	Chartered Accountants Australia and New Zealand	MOU	memorandum of understanding
DAIP	disability access and inclusion plan	NAIDOC	National Aborigines and Islanders Day Observance Committee
DLGSC	Department of Local Government, Sports and Cultural Industries	OAG	Office of the Auditor General
ECL	expected credit loss	OSH	occupational safety and health
EFOC	Estimates and Financial Operations Committee	PAC	Public Accounts Committee
FTE	full time equivalent employee	PID	public interest disclosure
GCC	general computer control	PSLR	Public Sector Labour Relations
GESB	Government Employees Superannuation Board	RAP	reconciliation action plan
GSS	Gold State Superannuation Scheme	TAFE	technical and further education
GST	Goods and Services Tax	TI	Treasurer's Instructions
ICT	information and communications technology	W3C	World Wide Web Consortium
INTOSAI	International Organisation of Supreme Audit Institutions	WALGA	WA Local Government Association
IS	information systems	WSS	West State Superannuation Scheme
IT	information technology		

Appendix 4: Glossary

Accountability is traditionally established when Parliament confers responsibility on public sector entities to account through a Minister of the Crown for all that is done in the exercise of their authority, the manner in which it is done and the ends sought to be achieved.

Across government benchmarking audits

(AGBA) build on the annual assurance audits and are aimed at providing an indication to Parliament and entity management of how entities are performing relative to each other on selected key control activities.

Annual Report on State Finances

is a report prepared in accordance with the *Government Financial Responsibility Act 2000* that provides the State's whole-of-government financial results for the financial year and outlines material differences between these results and the financial forecasts contained in the State Budget for that financial year.

Assurance audit or financial audit is audit work performed to enable an opinion to be expressed on the financial statements of a State or local government entity. For State government entities, it also includes audit work to enable an opinion to be expressed on their controls and key performance indicators.

Audit includes to examine, investigate, inspect and review.

Auditor General's report is the vehicle used to report to Parliament the results of audits and examinations conducted under sections 12 to 20 of the *Auditor General Act 2006*.

Broad scope performance audits focus primarily on the effective management and operations of State and local government programs and activities.

Clear audit opinion is expressed when the audit concludes, based on the audit evidence obtained, that, in all material respects, the financial statements are free

from material misstatement and, if necessary, the key performance indicators are relevant and appropriate and fairly represent indicated performance, or controls are adequate.

Compliance audits are audits that provide information about entity compliance with legislation, public sector policies and good practice.

Corporatised entities operate under enabling legislation in a similar manner to companies under the *Corporations Act 2001*.

Department means a department of the public sector established under the *Public Sector Management Act 1994*.

Effectiveness indicators are key performance indicators that provide information on the extent to which entity level government desired outcomes have been achieved, or contributed to, through the delivery of services.

Efficiency indicators are key performance indicators that generally relate services to the level of resource inputs required to deliver them.

Financial statements are a structured set of financial information including explanatory notes derived from accounting records to communicate for a period of time an entity's financial performance and cash flows, and at a point of time its financial position, that is useful to a wide range of users in making economic decisions.

Focus area audit are audits which assess how well public sector entities perform common business practices and related controls. They are carried out as an extension of our annual financial audits.

A **follow-up audit** reviews the extent to which recommendations from a previous performance audit have been implemented, generally 3 to 5 years after tabling a report.

A **follow-on audit** examines the progress in implementing recommendations from a previous report and has additional scope in covering significant issues or developments in the area or activity.

Key performance indicator (KPI) is information about critical or material aspects of service performance or outcome achievement.

Key performance indicator audit is an audit performed to enable an opinion to be expressed about whether or not the key performance indicators are relevant and appropriate having regard to their purpose and fairly represent indicated performance.

A **local government entity** (LG entity) is one of the 139 local governments or 9 regional councils in Western Australia.

Management letter is a letter to senior management of an entity that conveys the audit findings and results of an audit. It may include recommendations for improvements in controls and other matters.

Matters of significance (MoS) are the 'key messages' in Auditor General's reports defined as the issues a general parliamentary reader would take away from the report after the detail of specific findings and recommendations has receded into the background.

Narrow scope performance audit focus on entity compliance with legislation, public sector policies and accepted good practice across state and local government entities.

Outcomes are the effect, impact, result on or consequence for the community, environment or target clients of government services.

Performance audits are audits that examine efficiency and effectiveness of public sector entities.

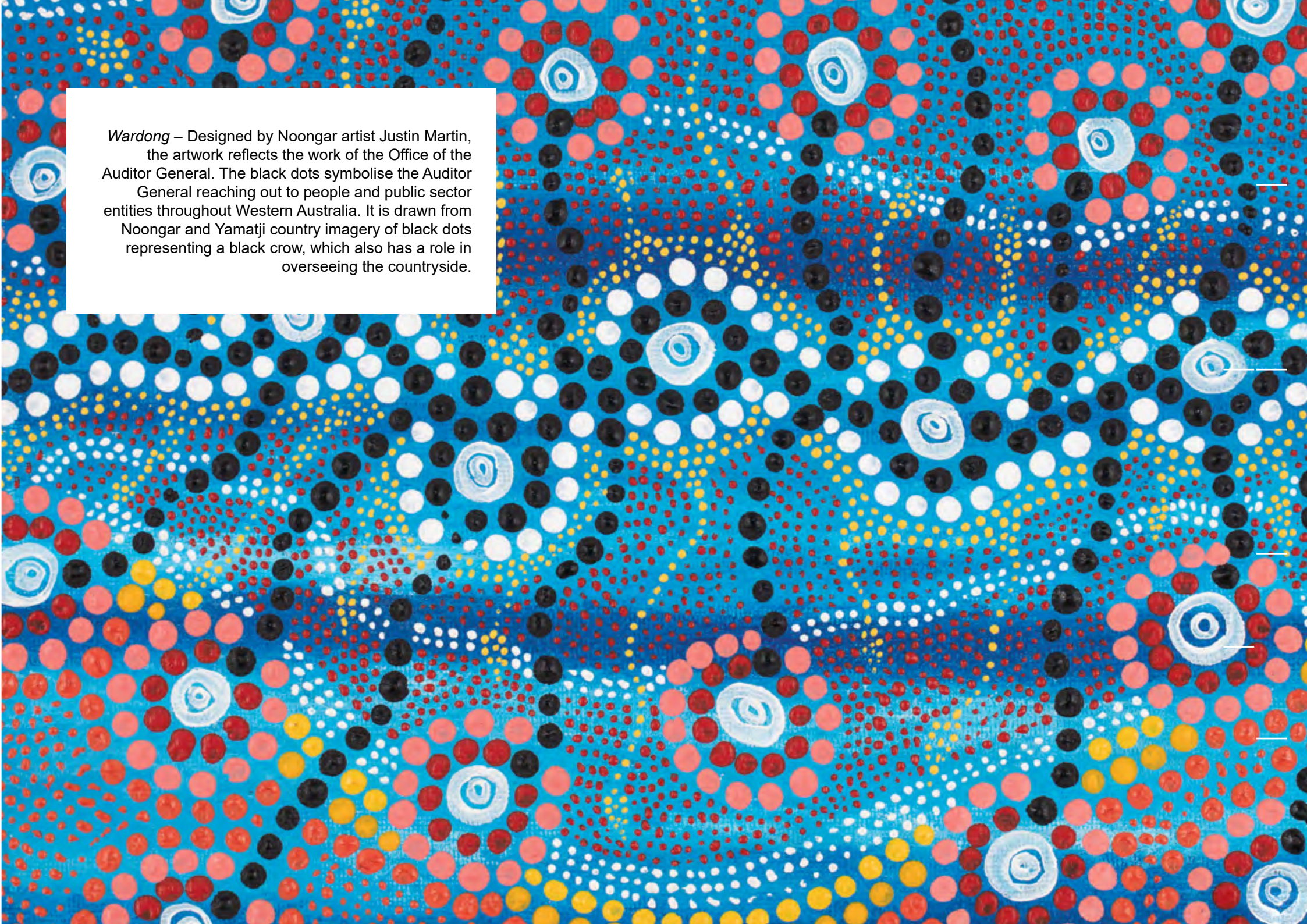
Public sector entities is the collective term for all Western Australian State and local government entities.

Service means the supply of an activity or good to a user external to the entity providing the service. Services comprise programs and outputs.

A **State government entity** (state entity) is a Western Australian government department or agency, parliamentary department, statutory authority, university or state training provider, superannuation fund, corporatised entity, cemetery board or subsidiary entity.

Statutory authority means a person or body specified in Schedule 1 of the *Financial Management Act 2006*. These entities are established by Parliament under legislation for specified purposes.

Treasurer's Instructions (TI) are prescribed requirements at a minimum level with respect to matters of financial administration that have the force of law and must be observed by State government entities under the *Financial Management Act 2006*.



Wardong – Designed by Noongar artist Justin Martin, the artwork reflects the work of the Office of the Auditor General. The black dots symbolise the Auditor General reaching out to people and public sector entities throughout Western Australia. It is drawn from Noongar and Yamatji country imagery of black dots representing a black crow, which also has a role in overseeing the countryside.

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Office of the Auditor General
for Western Australia



Dear Jamie
Shire of Westonia

On Sunday 2 February, I attended a State Emergency Coordination Group Meeting in relation to the State and federal response to the Coronavirus outbreak. WALGA is legislated to represent the sector at these meetings which includes membership of senior state government officials and key related stakeholders. The overarching purpose of the SECG is to ensure front line services are across details of the emergency and can coordinate clear actions in the best interest of community safety for WA. The Department of Health are the lead agency for this event and are liaising across all levels of government and key stakeholders in response to the emergency.

At this meeting, WALGA requested that information and updates being prepared for State agencies also be provided to the Local Government sector. The following information has been provided by the Department of Health and the Association will provide further updates as requested by the Department of Health. It is advised that you share this information internally with key officers, including Environmental Health Officers, Emergency Management Officers, your Communications officers and Local Recovery Coordinators. You Councillors will also find this information useful.

Should you have any questions on this please feel free to get in touch with our Emergency Management Policy Team by contacting 9213 2080.

Information from the Department of Health

The Western Australian health system is very well prepared to manage infectious disease situations and have well established systems and processes in place. The risk of the Coronavirus to the WA community remains low. Western Australians should remain alert, but they should not be alarmed. There are currently no confirmed cases in this State.

At this stage, there is no role for Local Governments (including Environmental Health Officers) in WA's response to Coronavirus, except in helping to direct any queries from your local community to trusted sources of information.

Up to date information is available on the HealthyWA website - https://healthywa.wa.gov.au/Articles/A_E/Coronavirus. This should be the main page to refer people to and has information for individuals, parents, schools and early childhood centres.

We encourage your Communications Officer to monitor and share any **HealthyWA** Facebook posts about Coronavirus to your community (rather than write your own); this page can be accessed at www.facebook.com/HealthyWA.

The Commonwealth has released numerous fact sheets to answer the many questions that are currently being asked by the broader community and different industries (e.g. advice for hotels and hotel staff). These fact sheets can be accessed on their website at <https://www.health.gov.au/resources/collections/novel-coronavirus-2019-ncov-resources>.

For enquiries:

- **Coronavirus Health Information Helpline (Healthdirect) - 1800 020 080 (24/7 queries) e.g. my neighbour has just returned from China what should I do, someone from China has booked my Airbnb or my hotel what should I do, questions for childcare centres, parents and schools.**

- Local government with specific enquiries about management responses can contact your local Population Health Unit, Communicable Disease Control Unit or alternatively contact the Coronavirus hotline who will put you in contact with the most appropriate support officer.

Metro 9222 8588 Or 1300 MCDCWA (1300 623292) contactMCDC@health.wa.gov.au	Kimberley 9194 1630 WACHSKimberleyCommunicableDiseaseControl@health.wa.gov.au	South West 9781 2350 WACHSSouthwestCommunicableDiseaseControl@health.wa.gov.au
Goldfields 9080 8200 WACHSGoldfieldsCommunicableDiseaseControl@health.wa.gov.au	Midwest 9956 1985 WACHSMidwestCommunicableDiseaseControl@health.wa.gov.au	Wheatbelt 9690 1720 WACHSWheatbeltCommunicableDiseaseControl@health.wa.gov.au
Great Southern 9842 7500 WACHSGreatSouthernCommunicableDiseaseControl@health.wa.gov.au	Pilbara 9174 1660 WACHSPilbaraCommunicableDiseaseControl@health.wa.gov.au	

The Communicable Disease Control Directorate, WA Department of Health, are leading the response to Coronavirus in WA, with support from the Population Health Units from the Health Service Providers.

Two media statements have been issued by the Chief Health Officer on the [2 February 2020](#) and the [22 January 2020](#), which provide the most up-to-date overview for WA.

This information is not about alarming your community, but to help keep everyone informed on where to go for accurate information and to reassure Western Australians that Australia has one of the best health systems in the world and we are prepared to deal with this situation. You can learn more about the novel coronavirus, including information about symptoms, travel and other advice and what you can do if you have concerns, by visiting the Department of Health website [-www.healthywa.gov.au/coronavirus](http://www.healthywa.gov.au/coronavirus).

Kind regards,

Nick

Nick Sloan | Chief Executive Officer | WALGA

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www.walga.asn.au

www.youreveryday.com.au



Department of
**Local Government, Sport
and Cultural Industries**

National Redress Scheme for Institutional Child Sexual Abuse

**Department of Local Government, Sport
and Cultural Industries**

Information Paper

3 February 2020

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1. SUMMARY - WA LOCAL GOVERNMENT: ROYAL COMMISSION AND REDRESS

The Western Australian Government (the State), through the Department of Local Government, Sport and Cultural Industries (DLGSC), has been consulting with the WA local government sector and other key stakeholders on the Royal Commission into Institutional Responses to Child Sexual Abuse (in 2018) and the National Redress Scheme (in 2019).

The consultation throughout 2019 has focused on the National Redress Scheme (the Scheme) with the aim of:

- raising awareness about the Scheme;
- identifying whether WA local governments are considering participating in the Scheme;
- identifying how participation may be facilitated; and
- enabling advice to be provided to Government on the longer-term participation of WA local governments.

Following this initial consultation and feedback gathered, the State Government considered a range of options regarding WA local government participation in the Scheme and reached a final position in December 2019.

DLGSC, supported by the Departments of Justice and Premier and Cabinet, will again engage with WA local governments in early 2020, to inform of the:

- State's decision and the implications for the sector (see [Section 4](#));
- Support (financial and administrative) to be provided by the State; and
- Considerations and actions needed to prepare for participation in the Scheme from 1 July 2020 (see [Section 5](#)).

DLGSC's second phase of engagement with WA local governments is summarised in the table below:

Description and Action	Agency	Timeline
Distribution of Information Paper to WA Local Governments	DLGSC	3 February 2020
WALGA hosted webinar	DLGSC / DPC	18 February 2020
Metro and Country Zone meetings	WA LG's / DLGSC	19 to 24 February 2020
State Council meeting – Finalisation of Participation arrangements	WALGA	4 March 2020
WALGA hosted webinar – Participation arrangements	DLGSC/ DPC	Mid-March 2020

Further information about the Royal Commission is available at [Appendix A](#) and the National Redress Scheme at [Appendix B](#) of this Information Paper.

The information in this Paper may contain material that is confronting and distressing. If you require support, please [click on this link](#) to a list of available support services.

2. CURRENT SITUATION - WA LOCAL GOVERNMENT PARTICIPATION IN THE NATIONAL REDRESS SCHEME

The WA Parliament passed the legislation required to allow for the Government and WA based non-government institutions to participate in the National Redress Scheme. The *National Redress Scheme for Institutional Child Sexual Abuse (Commonwealth Powers) Act 2018* (WA) took effect on 21 November 2018.

The WA Government commenced participating in the Scheme from 1 January 2019.

The State Government's Redress Coordination Unit within the Office of the Commissioner for Victims of Crime, Department of Justice:

- Acts as the State Government's single point of contact with the Scheme;
- Coordinates information from State Government agencies to the Scheme; and
- Coordinates the delivery of Direct Personal Responses (DPR) to redress recipients (at their request) by responsible State Government agencies to redress recipients.

CURRENT TREATMENT OF WA LOCAL GOVERNMENTS IN THE SCHEME

Under the *National Redress Scheme for Institutional Child Sexual Abuse Act 2018* (Cth), Local Governments may be considered a State Government institution.¹

There are several considerations for the State Government and Local Governments (both individually and collectively) about joining the Scheme.

The State Government considers a range of factors relating to organisations or bodies participation in the Scheme, before their inclusion in the declaration as a State Government institution. These factors include the capability and capacity of the agencies or organisations to:

- Respond to requests for information from the State Government's Redress Coordination Unit within prescribed timeframes;
- Financially contribute to the redress payment made by the Scheme on behalf of the agency or body; and
- Comply with the obligations of participating in the Scheme and the Commonwealth legislation.

A decision was made at the time of joining the Scheme to exclude WA local governments from the State Government's declaration. This was to allow consultation to occur with the local government sector about the Scheme, and for fuller consideration to be given to the mechanisms by which the sector could best participate in the Scheme.

¹ Section 111(1)(b).

3. CONSULTATION TO DATE WITH WA LOCAL GOVERNMENT SECTOR

The Department of Local Government, Sport and Cultural Industries (DLGSC) has been leading an information and consultation process with the WA local government sector about the Scheme. The Departments of Justice and Premier and Cabinet (DPC) have been supporting DLGSC in the process, which aimed to:

- Raise awareness about the Scheme;
- Identify whether local governments are considering participating in the Scheme;
- Identify how participation may be facilitated; and
- Enable advice to be provided to Government on the longer-term participation of WA local governments.

DLGSC distributed an initial *Information and Discussion Paper* in early January 2019 to WA local governments, the WA Local Government Association (WALGA), Local Government Professionals WA (LG Pro) and the Local Government Insurance Scheme (LGIS). Between March and May 2019, DLGSC completed consultations that reached 115 out of 137 WA local governments and involved:

- an online webinar to 35 local governments, predominantly from regional and remote areas;
- presentations at 12 WALGA Zone and LG Pro meetings; and
- responses to email and telephone enquiries from individual local governments.

It was apparent from the consultations that the local government sector had, at the time, a very low level of awareness of the Scheme prior to the consultations occurring, and that little to no discussion had occurred within the sector or individual local governments about the Scheme. Local governments were most commonly concerned about the:

- Potential cost of redress payments;
- Availability of historical information;
- Capacity of local governments to provide a Direct Personal Response (apology) if requested by redress recipients;
- Process and obligations relating to maintaining confidentiality if redress applications are received, particularly in small local governments;
- Lack of insurance coverage of redress payments by LGIS, meaning local governments would need to self-fund participation and redress payments.

LGIS Update (April 2019) – National Redress Scheme

LGIS published and distributed an update regarding the considerations and (potential) liability position of the WA local government sector in relation to the National Redress Scheme.

WALGA State Council Resolution

The WALGA State Council meeting of 3 July 2019 recommended that:

1. *WA local government participation in the State's National Redress Scheme declaration with full financial coverage by the State Government, be endorsed in principle, noting that further engagement with the sector will occur in the second half of 2019.*
2. *WALGA continue to promote awareness of the National Redress Scheme and note that local governments may wish to join the Scheme in the future to demonstrate a commitment to the victims of institutional child sexual abuse.*

It is understood that this recommendation was made with knowledge that it is ultimately a State Government decision as to whether:

- Local governments can participate in the Scheme as part of the State's Government's declaration; and
- The State Government will fund local government redress liability.

4. WA GOVERNMENT DECISION - FUTURE PARTICIPATION OF WA LOCAL GOVERNMENTS IN THE NATIONAL REDRESS SCHEME

Following the initial consultation process, a range of options for local government participation in the Scheme were identified by the State Government including:

1. WA Local governments be **excluded** from the State Government's declaration of participating institutions.

This means that: local governments may choose not to join the Scheme; or join the Scheme individually or as group(s), making the necessary arrangements with the Commonwealth and self-managing / self-funding all aspects of participation in the Scheme.

2. WA Local governments be **included** in the State Government's declaration of participating institutions.

There were three sub-options for ways local government participation as a State Government institution could be accommodated:

- a. Local governments cover all requirements and costs associated with their participation;
- b. The State Government covers payments to the survivor arising from local governments' participation, with costs other than payments to the survivor (including counselling, legal and administrative costs) being funded by local governments; or
- c. An arrangement is entered into whereby the State Government and local governments share the requirements and costs associated with redress – for example, on a capacity to pay and deliver basis.

The State Government considered the above options and resolved via the Community Safety and Family Support Cabinet Sub-Committee (December 2019) to:

- Note the consultations undertaken to date with the WA local government sector about the National Redress Scheme;
- Note the options for WA local government participation in the Scheme;
- Agree to local governments participating in the Scheme as State Government institutions, with the State Government covering payments to the survivor; and
- Agree to the DLGSC leading further negotiations with the WA local government sector regarding local government funding costs, other than payments to the survivor including counselling, legal and administrative costs.

KEY ASPECTS OF THE STATE'S DECISION

For clarity, the State's decision that means the following financial responsibilities are to be divided between the State Government and the individual local government that has a Redress application submitted, and then subsequently accepted by the Scheme Operator as a Redress claim.

State Government

The State Government will cover the following:

- Redress monetary payment provided to the survivor;
- Costs in relation to counselling, legal and administration (including the coordination of requests for information and record keeping); and
- Trained staff to coordinate and facilitate a Direct Personal Response or DPR (Apology) to the survivor if requested (on a fee for service basis with costs covered by the individual local government – see below).

Individual Local Government

The individual local government will be responsible for:

- Costs associated with gathering their own (internal) information if requested in a Redress application;
- Providing the State with the necessary information to participate in the Scheme; and
- Costs associated the delivery of a DPR (based on a standard service fee, plus travel and accommodation depending on the survivor's circumstance). *

* note – The State's decision includes that all DPR's will be coordinated and facilitated by the Redress Coordination Unit (Department of Justice) on every occasion, if a DPR is requested by the survivor.

This decision was made on the basis that:

- State Government financial support for local government participation in the Scheme, as set out, will ensure that redress is available to as many WA survivors of institutional child sexual abuse as possible.
- The demonstration of leadership by the State Government, as it will be supporting the local government sector to participate in the Scheme and recognising the WALGA State Council resolution of 3 July 2019, is consistent with the local government sector's preferred approach.
- Contributes to a nationally consistent approach to the participation of local governments in the Scheme, and particularly aligns with the New South Wales, Victorian and Tasmanian Governments' arrangements. This provides opportunity for the State Government to draw on lessons learned through other jurisdictions' processes.
- Ensures a consistent and quality facilitation of a DPR (by the State) if requested by the survivor.
- State Government financial support for any local government redress claims does not imply State Government responsibility for any civil litigation against local governments.

Noting the State's decision, a range of matters need to be considered and arrangements put in place to facilitate local governments participating with the State Government's declaration and meeting the requirements of the Scheme. Those arrangements will:

- provide for a consistent response to the Scheme by WA Government institutions, and for WA survivors accessing the Scheme; and
- mitigate concerns raised by local governments during consultations about complying with the processes and requirements of the Scheme.

5. CONSIDERATIONS FOR WA LOCAL GOVERNMENTS

Following the State's decision, a range of matters need to be considered by each local government and in some cases, actions taken in preparation for participating in the Scheme, these include:

CONFIDENTIALITY

- Information about applicants and alleged abusers included in RFIs (Requests for Information) is sensitive and confidential and is considered protected information under *The National Redress Act*, with severe penalties for disclosing protected information.
- Individual local governments will need to consider and determine appropriate processes to be put in place and staff members designated to ensure information remains confidential.

APPLICATION PROCESSING / STAFFING

- The timeframes for responding to an RFI are set in *The Act* and are 3 weeks for priority application and 7 weeks for non-priority applications. This RFI process will be supported by the State (DLGSC and the Redress Coordination Unit).
- Careful consideration should be given to determining which position will be responsible for receiving applications and responding to RFIs, due to the potentially confronting content of people's statement of abuse.
- Support mechanisms should be in place for these staff members, including access to EAP (Employee Assistance Program) or other appropriate support.
- The need for the appointed position and person(s) to have a level of seniority in order to understand the magnitude of the undertaking and to manage the potential conflicts of interest.
- The responsible position(s) or function(s) would benefit from being kept confidential in addition to the identity of the person appointed to it.

RECORD KEEPING

- The Redress Coordination Unit (Department of Justice) are the state record holder for Redress, and accordingly will keep copies of all documentation and RFI responses. Local Governments will not be required to keep their own records and, if they chose to do so, these must be kept confidential and secure, in line with the protected information requirements in *The Act*.
- Consider secure storage of information whilst the RFI is being responded to.

REDRESS DECISIONS

- Decisions regarding redress applicant eligibility and responsible institution(s) are made by Independent Decision Makers, based on the information received by the applicant and any RFI responses. The State government does not have any influence on the decision made.
- There is no right of appeal.

MEMORIALS

- Survivors (individuals and / or groups) from within individual communities may ask about the installation of memorials. The State Government's view is to only consider memorialising groups, however locally, this is a decision of an individual local government.

6. NEXT STEPS – PREPARATION FOR WA LOCAL GOVERNMENT PARTICIPATION IN THE SCHEME

In addition to the second-phase information process outlined in section 1, the State will develop:

1. A Memorandum of Understanding (MOU) - to be executed between the State and WALGA following the (WALGA) State Council meeting on 4 March 2020.

The MOU will capture the overall principles of WA local governments participating in the Scheme as State Government institutions and being part of the State's declaration; and

2. Template Service Agreement – that will be executed on an 'as needed' basis between the State and an individual local government, if a redress application is received.

DLGSC and the Department of Justice will work with WALGA / LGPro and all local governments to prepare for participation in the Scheme including:

- Identifying appropriate positions, staff and processes to fulfil requests for information;
- Ensuring local governments have delegated authority to an officer to execute a service agreement with the State if needed;

The State will prepare a template Council report, where all WA local governments will be asked to delegate authority to an appropriate officer in advance, able to execute a service agreement if required. This is necessary as priority requests for information under the Scheme, are in a shorter turnaround time than Council meeting cycles and therefore, cannot be undertaken at the time.

- Ensuring local government have established appropriate processes and can fulfil Scheme obligations (particularly in terms of confidentiality, record keeping etc); and
- Gathering the necessary facility and service information from all individual local governments to commence participation in the Scheme. This information will be provided to the Commonwealth, loaded into the Scheme database and used to facilitate an individual local government's participation in the National Redress Scheme.

ACKNOWLEDGEMENTS

The contents of this Information and Discussion Paper includes extracts from the following identified sources. Information has been extracted and summarised to focus on key aspects applicable to the Department of Local Government, Sport and Cultural Industries' key stakeholders and funded bodies:

- The Royal Commission into Institutional Responses to Child Sexual Abuse – Final Report.

To access a full version of the Royal Commission's Findings and the Final Report, please follow the link at <https://www.childabuseroyalcommission.gov.au/>

- Western Australian State Government response to the Royal Commission (27 June 2018).

To access a full version of the State Government's detailed response and full report, please follow the link at

[https://www.dpc.wa.gov.au/ProjectsandSpecialEvents/Royal-Commission/Pages/The-WA-Government-Response-to-Recommendations-\(June-2018\).aspx](https://www.dpc.wa.gov.au/ProjectsandSpecialEvents/Royal-Commission/Pages/The-WA-Government-Response-to-Recommendations-(June-2018).aspx)

- More information on the National Redress Scheme can be found at www.nationalredress.gov.au.
- The full National Redress Scheme - Participant and Cost Estimate (July 2015) Report at <https://www.dlgsc.wa.gov.au/resources/publications/Pages/Child-Abuse-Royal-Commission.aspx>

FOR MORE INFORMATION

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APPENDIX A

ROYAL COMMISSION INTO INSTITUTIONAL RESPONSES TO CHILD SEXUAL ABUSE – FURTHER INFORMATION

The Royal Commission into Institutional Responses to Child Sexual Abuse (the Royal Commission) was established in January 2013, to investigate systemic failures of public and private institutions² to protect children from child sexual abuse, report abuse, and respond to child sexual abuse. The Royal Commission's Terms of Reference required it to identify what institutions should do better to protect children in the future, as well as what should be done to:

- achieve best practice in reporting and responding to reports of child sexual abuse;
- eliminate impediments in responding to sexual abuse; and
- address the impact of past and future institutional child sexual abuse.

The Western Australian Government (State Government) strongly supported the work of the Royal Commission through the five years of inquiry, presenting detailed evidence and submissions and participating in public hearings, case studies and roundtables.

The Royal Commission released three reports throughout the inquiry: *Working with Children Checks (August 2015)*; *Redress and Civil Litigation (September 2015)* and *Criminal Justice (August 2017)*. The Final Report (Final Report) of the Royal Commission into Institutional Responses to Child Sexual Abuse incorporated the findings and recommendations of the previously released reports and was handed down on 15 December 2017. To access a full version of the Royal Commission's Findings and the Final Report, follow the link at <https://www.childabuseroyalcommission.gov.au/>

The Royal Commission made 409 recommendations to prevent and respond to institutional child sexual abuse through reform to policy, legislation, administration, and institutional structures. These recommendations are directed to Australian governments and institutions, and non-government institutions. One specific recommendation was directed at Local Government, while many others will directly or indirectly impact on the organisations that Local Government works with and supports within the community.

Of the 409 recommendations, 310 are applicable to the Western Australian State Government and the broader WA community.

² * For clarity in this Paper, the term 'Institution' means any public or private body, agency, association, club, institution, organisation or other entity or group of entities of any kind (whether incorporated or unincorporated), however described, and:

- Includes for example, an entity or group of entities (including an entity or group of entities that no longer exist) that provides, or has at any time provided, activities, facilities, programs or services of any kind that provide the means through which adults have contact with children, including through their families
- Does not include the family.

THE WESTERN AUSTRALIAN GOVERNMENT RESPONSE TO THE ROYAL COMMISSION

The State Government examined the 310 applicable recommendations and provided a comprehensive and considered response, taking into account the systems and protections the State Government has already implemented. The State Government has accepted or accepted in principle over 90 per cent of the 310 applicable recommendations.

The State Government's response was released on 27 June 2018 fulfilling the Royal Commission recommendation 17.1, that all governments should issue a formal response within six months of the Final Report's release, indicating whether recommendations are accepted; accepted in principle; not accepted; or will require further consideration. The WA Government's response to the Royal Commission recommendations can be accessed at:

<http://www.dpc.wa.gov.au/childabuseroyalcommission>

The State Government has committed to working on the recommendations with the Commonwealth Government, other states and territories, local government, non-government institutions (including religious institutions) and community organisations.

The State Government's overall approach to implementation of reforms is focused on:

- Stronger Prevention (including Safer Institutions and Supportive Legislation)
 - Create an environment where children's safety and wellbeing are the centre of thought, values and actions;
 - Places emphasis on genuine engagement with and valuing of children;
 - Creates conditions that reduce the likelihood of harm to children and young people.
- Reliable Responses (including Effective Reporting)
 - Creates conditions that increase the likelihood of identifying any harm;
 - Responds to any concerns, disclosures, allegations or suspicions of harm.
- Supported Survivors (including Redress).

Many of the recommendations of the Royal Commission have already been addressed through past work of the State Government, and others working in the Western Australian community to create safe environments for children. This work is acknowledged and where appropriate, will be built upon when implementing reforms and initiatives that respond to the Royal Commission's recommendations.

APPENDIX B

NATIONAL REDRESS SCHEME - FURTHER INFORMATION

The Royal Commission's *Redress and Civil Litigation (September 2015)* Report recommended the establishment of a single national redress scheme to recognise the harm suffered by survivors of institutional child sexual abuse.

The National Redress Scheme (the Scheme):

- Acknowledges that many children were sexually abused in Australian institutions;
- Recognises the suffering they endured because of this abuse;
- Holds institutions accountable for this abuse; and
- Helps people who have experienced institutional child sexual abuse gain access to counselling and psychological services, a direct personal response, and a redress-payment.

The National Redress Scheme involves:

- People who have experienced institutional child sexual abuse who can apply for redress;
- The National Redress Scheme team — Commonwealth Government staff who help promote the Scheme and process applications;
- Redress Support Services — free, confidential emotional support and legal and financial counselling for people thinking about or applying to the Scheme;
- Participating Institutions that have agreed to provide redress to people who experienced institutional child sexual abuse; and
- Independent Decision Makers who will consider applications and make recommendations and conduct reviews.

The National Redress Scheme formally commenced operation on 1 July 2018 and offers eligible applicants three elements of redress:

- A direct personal response from the responsible institution, if requested;
- Funds to access counselling and psychological care; and
- A monetary payment of up to \$150,000.

Importantly, the Scheme also provides survivors with community based supports, including application assistance; financial support services; and independent legal advice. The Scheme is administered by the Commonwealth Government on behalf of all participating governments, and government and non-government institutions, who contribute on a 'responsible entity pays' basis.

Institutions that agree to join the Scheme are required to adhere to the legislative requirements set out in the *National Redress Scheme for Institutional Child Sexual Abuse Act 2018* (Cth).

More information on the Scheme can be found at www.nationalredress.gov.au or the [National Redress Guide](#).

SURVIVORS IN THE COMMUNITY

Throughout the five years of its inquiry, the Royal Commission heard detailed evidence and submissions, and held many public and private hearings, case studies and roundtables. Most notably, the Royal Commission heard directly from survivors of historical abuse.

The Royal Commission reported that survivors came from diverse backgrounds and had many different experiences. Factors such as gender, age, education, culture, sexuality or disability had affected their vulnerability and the institutions response to abuse.

The Royal Commission, however, did not report on the specific circumstances of individuals with the details of survivors protected; the circumstances of where and within which institutions their abuse occurred is also protected and therefore unknown. Further, survivors within the WA community may have chosen to not disclose their abuse to the Royal Commission.

Accordingly, it is not known exactly how many survivors were abused within Western Australian institutions, including within Local Government contexts. Within this context of survivors in the community, who may or may not be known, consideration needs to be given to how all institutions, including local governments, can fulfil the Royal Commission's recommendation in relation to redress.

The Royal Commission's *Redress and Civil Litigation (September 2015)* Report recommended the establishment of a single national redress scheme to recognise the harm suffered by survivors of institutional child sexual abuse. This report also recommended that Governments around Australia remove the limitation periods that applied to civil claims based on child sexual abuse, and consequently prevented survivors – in most cases – pursuing compensation through the courts.

As a result of reforms made in response to these recommendations, WA survivors now have the following options to receive recognition of their abuse:

1. Pursuing civil court action(s) against the perpetrator and/or the responsible institution. The *Civil Liability Legislation Amendment (Child Sexual Abuse Actions) Act 2018* (WA) took effect on 1 July 2018, removing the limitation periods that previously prevented persons who had experienced historical child sexual abuse from commencing civil action.
2. Applying to the National Redress Scheme, which provides eligible applicants with a monetary payment, funds to access counselling and an apology. Note, to receive redress the responsible institution(s) will need to have joined the Scheme.

TREATMENT OF LOCAL GOVERNMENTS BY OTHER JURISDICTIONS

At the time of the State Government joining the Scheme, only two jurisdictions had made a decision about the treatment of local governments. All jurisdictions have since agreed to include local governments within their respective declarations, with the exception of South Australia (SA). The SA Government is still considering their approach.

It is understood that all jurisdictions, with the exception of SA, are either covering the redress liability associated with local government participation in the Scheme or entering into a cost sharing arrangement. The table below provides a summary of other jurisdictions' positions.

Jurisdiction	Position
Commonwealth	<ul style="list-style-type: none"> No responsibility for local governments. The Commonwealth Government has indicated preference for a jurisdiction to take a consistent approach to the participation of local governments in the Scheme.
Australian Capital Territory (ACT)	<ul style="list-style-type: none"> ACT has no municipalities, and the ACT Government is responsible for local government functions. ACT has therefore not been required to explore the issue of local government participation in the Scheme.
New South Wales (NSW)	<ul style="list-style-type: none"> In December 2018, the NSW Government decided to include local councils as NSW Government institutions and to cover their redress liability. The NSW Office for Local Government is leading communications with local councils about this decision. NSW's declaration of participating institutions will be amended once preparation for local council participation is complete.
Northern Territory (NT)	<ul style="list-style-type: none"> The NT Government has consulted all of the Territory's local governments, including individually visiting each local government. NT is in the process of amending Territory's declaration of participating institutions to include local governments.
Queensland	<ul style="list-style-type: none"> Queensland is finalising a memorandum of understanding (MOU) with the Local Government Association of Queensland to enable councils to participate in the Scheme as State institutions. The MOU includes financial arrangements that give regard to individual councils' financial capacity to pay for redress.
South Australia (SA)	<ul style="list-style-type: none"> Local governments are not currently included in the SA Government's declaration The SA Government is still considering its approach to local governments.
Tasmania	<ul style="list-style-type: none"> Local Governments have agreed to participate in the Scheme and will be included as a state institution in the Tasmanian Government's declaration. A MOU with local governments is being finalised, ahead of amending Tasmania's declaration.
Victoria	<ul style="list-style-type: none"> The Victorian Government's declaration includes local governments. The Victorian Government is covering local governments' redress liability.
Western Australia (WA)	<ul style="list-style-type: none"> The WA Government has excluded local governments from its declaration, pending consultation with the local government sector.

TIMEFRAME TO JOIN THE SCHEME

Institutions can join the Scheme within the first two years of its commencement. This means that institutions can join the Scheme up to and including 30 June 2020 (the second anniversary date of the Scheme). The Commonwealth Minister for Social Services may also provide an extension to this period to allow an institution to join the Scheme after this time. However, it is preferred that as many institutions as possible join the Scheme within the first two years to give certainty to survivors applying to the Scheme about whether the institution/s in which they experienced abuse will be participating.

If an institution has not joined the Scheme, they are not a participating institution. However, this will not prevent a person from applying for redress. In this circumstance, a person's application cannot be assessed until the relevant institution/s has joined the Scheme. The Scheme will contact the person to inform them of their options to either withdraw or hold their application. The Scheme will also contact the responsible institution/s to provide information to aid the institution/s to consider joining the Scheme.

THE SCHEME'S STANDARD OF PROOF

The Royal Commission recommended that 'reasonable likelihood' should be the standard of proof for determining eligibility for redress. For the purposes of the Scheme, 'reasonable likelihood' means the chance of the person being eligible is real and is not fanciful or remote and is more than merely plausible.

When considering a redress application, the Scheme Operator must consider whether it is reasonably likely that a person experienced sexual abuse as a child, and that a participating institution is responsible for an alleged abuser/s having contact with them as a child. In considering whether there was reasonable likelihood, all the information available must be taken into account.

Where a participating institution does not hold a record (i.e. historical information), the Scheme Operator will not be precluded from determining a person's entitlement to redress. The information to be considered by the Scheme Operator includes:

- The information contained in the application form (or any supplementary information provided by a person by way of statutory declaration);
- Any documentation a person provided in support of their application;
- The information provided by the relevant participating institution/s in response to a Request for Information from the Operator, including any supporting documentation provided; and
- Any other information available including from Scheme holdings (for example where the Scheme has built up a picture of relevant information about the same institution during the relevant period, or the same abuser).

It should be noted that the 'reasonable likelihood' standard of proof applied by the Scheme is of a lower threshold (or a lower standard of proof) than the common law standard of proof applied in civil litigation – the 'balance of probabilities'. Please see 11.7 of the Royal Commission's *Redress and Civil Litigation Report (2015)* for additional information on the difference between the two.

MAXIMUM PAYMENT AND SHARED RESPONSIBILITY

The amount of redress payment a person can receive depends on a person's individual circumstances, specifically the type of abuse the person experienced.

A person may only make one application for redress. The maximum redress payment payable under the scheme to an applicant is \$150,000 in total.

The payment of redress is made by the institution(s) found responsible for exposing the individual to the circumstances that led to the abuse.

There may be instances where one or more institutions are found to be jointly responsible for the redress payment to a person, and instances where a person may have experienced abuse in one or more different institutions. In such situations, the redress payable by an institution will be apportioned in accordance with the Scheme's assessment framework - see <https://www.legislation.gov.au/Details/F2018L00969> and method statement - see <http://guides.dss.gov.au/national-redress-guide/4/1/1>

Prior payments made by the responsible institution for the abuse to the applicant (e.g. ex-gratia payments) will be taken into account and deducted from the institutions' redress responsibility.

EFFECT OF AN APPLICANT ACCEPTING AN OFFER OF REDRESS

Accepting an offer of redress has the effect of releasing the responsible participating institution/s and their officials (other than the abuser/s) from civil liability for instances of sexual abuse and related non-sexual abuse of the person that is within the scope of the Scheme. This means that the person agrees to not bring or continue any civil claims against the responsible participating institution/s in relation to any abuse within the scope of the Scheme.

If a responsible participating institution/s is a member of a participating group, the person will be releasing the other associated institutions and officials within that group from any civil liability for instances of sexual abuse and related non-sexual abuse of the person that is within the scope of the Scheme.

Accepting an offer of redress also has the effect of preventing a responsible participating institution from being liable to contribute to damages that are payable to the person in civil proceedings (where the contribution is to another institution or person).

In accepting the offer of redress, a person will also be consenting to allow the participating institution/s or official/s to disclose the person's acceptance of redress offer in the event that a civil claim is made. The Scheme must provide a copy of the person's acceptance of offer to each responsible institution for their records once received.

Note – the acceptance of an offer of redress does not exclude the pursuance or continuance of criminal proceedings against the abuser(s).

Drought fund rules deny dry pastoral regions



COUNCILLOR
LYNNE CRAIGIE
PRESIDENT
WALGA

A long anticipated grant programme meant to provide relief to drought-affected regions has instead left WA farming communities disappointed and confused.

The Prime Minister and Federal Minister for Drought announced the Drought Communities Programme funding for 35 WA Local Governments last month.

In a bizarre outcome, not a single Council in the drought-ravaged pastoral regions of WA qualified.

While it is pleasing that some Councils will receive the drought funding, the omission of over a dozen Local Governments in the WA rangelands and northern agricultural region draws forth a number of questions.

It is no secret that the pastoralists and farmers in these regions have been crippled by the drought over many years.

Struggling pastoralists, despite generations of endeavour, are on a long-term decline from the drought and are doing anything they can to keep their stock alive, their lands productive and their markets intact.

While they are not anticipating a free-for-all, it would be expected that the Federal Government be transparent with a fair formula of metrics to decide on the grant recipients.

For example, the criteria of employment data could possibly be affected by the mining sector, since it is one of the main employers in the pastoral regions.

The Federal Drought Minister would be familiar with the above – he

toured the WA southern rangelands last November and announced he would look at the criteria for Local Governments where mining and pastoralism co-exist.

Despite the announcement, it did not eventuate into a competent set of metrics that encompass existing and long term drought situations which are clearly valid and legitimate.

When the Prime Minister took office in last August, he declared drought the most urgent and pressing need which required long-term resilience into the future.

Unfortunately, the outcome of this funding round of the Drought Communities Programme has translated into a band-aid solution, created in a hurry, and with little consultation.

Without collaboration and consultation between all spheres of Government, much-needed money, which will make a real difference to hurting communities amid the persistent drought, will be hindered.

This is also against a backdrop of Western Australia having received only two per cent of available Commonwealth water related funding in the last decade.

The confusion surrounding the eligibility criteria of the Drought Communities Programme may well have blinded the Federal Government's outlook of drought affected communities across Western Australia, forsaking many struggling WA farmers, pastoralists and their communities in the process.

Given the circumstances, a full review of the eligibility criteria for the Drought Communities Programme is required to ensure that this investment of taxpayers' dollars is targeted to those most in need, and that clearly includes our communities in the rangelands and northern agricultural region.





Council Outstanding Resolutions Status Report

Resolutions not included here can be assumed to have been satisfactorily completed or have become redundant by virtue of a more current resolution or action. Councillors aware of an outstanding resolution not completed that should be placed in this outstanding resolution report

should contact the CEO. Red – New ~~Strikethrough – Delete~~

MEETING	ITEM/RESOLUTION	ACTION REQUIRED	RESPONSE	RESPONSIBLE OFFICER	TIME FRAME
September 19	12/09-19	LAND DEVELOPMENT – SCHEELITE STREET	That Council 1. Continue with the Scheelite Street Subdivision as planned; 2. Engage the services of Resolute Australia Civil Contractors at the cost of \$39,648.61 plus GST to perform the water extension for the Scheelite Street; 3. Authorise the additional expenditure (approximately \$25,000) as an out of budget expense, funded by budget savings or Development Reserve transfer at year end. Works have commenced on the water extension/upgrades and should be completed by Friday 15 th Nov. Power extension working on quotes.	CEO	FEB 20



Council Outstanding Resolutions Status Report

Resolutions not included here can be assumed to have been satisfactorily completed or have become redundant by virtue of a more current resolution or action. Councillors aware of an outstanding resolution not completed that should be placed in this outstanding resolution report

should contact the CEO. Red – New ~~Strikethrough – Delete~~

October 2018	12/10-18	WATER CORPORATION PRICING POLICY – COUNCIL OWNED STANDPIPES	That Council 1. Discusses any public submissions received from the community; 2. Seeks an extension of time to respond to the Water Corporations Action Plan for Council Controlled Standpipes; 3. Request the Chief Executive Officer to attend the Rural Water Council meeting in Northam on Friday 19th October to raise Council's issues with the new fee structure; 4. Reaffirm September motion to write to the WA Water Corporation opposing their proposed fee structure in remote parts of the eastern wheatbelt; 5. Reaffirm September motion to write to the Department of Water and suggest that as a result of the increased Standpipe water costs that they re-introduce the Farm Water Grants to allow effected landholders the ability to create on-farm water storage and water connections;	CEO	June 19
MEETING	ITEM/RESOLUTION	ACTION REQUIRED	RESPONSE	RESPONSIBLE OFFICER	TIME FRAME
Feb 2019	05/02-19	CEO – JP Nomination	Application submitted in Feb 2019, Approved by Hon Mia Davies, awaiting approval from the Attorney Generals Office. CEO's Application approved with Attorney Generals Office awaiting notification for study component of course..	CEO	Dec 19



Council Outstanding Resolutions Status Report

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should contact the CEO. Red – New ~~Strikethrough – Delete~~

July 2018	12/07-18	Standpipe Controller	That Council agree to install two (2) two solar powered standpipe controllers in Carrabin and Walgoolan, with Council transferring the \$20k from the Trust account (George Road Water Extension) and contributes the difference of approximately \$12k from Municipal Funds to complete the two stand pipes Council investigating alternative, cheaper solutions CEO finalizing purchase of Standpipe controllers Ex East and installation. Tanks on order as per budget.	CEO, WS	Dec 18
Sept 2018	10/09-18	WATER CORPORATION PRICING POLICY – COUNCIL OWNED STANDPIPES	That Council 1. Write to the WA Water Corporation opposing their proposed fee structure; 2. Write to the Department of Water and suggest that as a result of the increased Standpipe water costs that they re-introduce the Farm Water Grants to allow effected landholders the ability to create on-farm water storage and water connections; 3. Inform all ratepayers/farmers of the proposed changes to the WA Water Corporations fee structure and seek comment on the Shire proposed rationalisations by 15th October 2018. Issue raised with WALGA to be taken to Minister level	CEO	Nov 2018
MEETING	ITEM/RESOLUTION	ACTION REQUIRED	RESPONSE	RESPONSIBLE OFFICER	TIME FRAME



Council Outstanding Resolutions Status Report

Resolutions not included here can be assumed to have been satisfactorily completed or have become redundant by virtue of a more current resolution or action. Councillors aware of an outstanding resolution not completed that should be placed in this outstanding resolution report

should contact the CEO. Red – New ~~Strikethrough – Delete~~

Dec 2017	10/12-17	Warrachuppin Road Realignment	<p>That Council</p> <ol style="list-style-type: none"> 1. Welcomes Ramelius Resources proposal to commence operations with the Greenfinch project in the mid to later stages of 2018. 2. Authorises the Chief Executive Officer to instigate the process for a resumption of land under the Land Administration Act in Reserve 14983. 3. Authorises expenditure to the Chief Executive Officer to commence the survey of the proposed road reserve, possible relocation of utility services (Telstra, Water) and possible new road design (if required) to enable a cost to be provided to Ramelius Resources for comment. <p>Council have engaged the services of RoadsWest engineering to draw up plans and road design. Land resumption process has been commenced, waiting on Ministers desk. Delays in environmental approval. Approval DENIED from State Govt, Modified clearing application to be submitted by Ramelius to State Government. Application resubmitted, approval granted subject to 21 day appeals process completing on Friday 18th October 2019</p> <p>Clearing permit approved, awaiting Road dedication prior to commencement of roadworks</p>	CEO	Feb 20
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Council Outstanding Resolutions Status Report

Resolutions not included here can be assumed to have been satisfactorily completed or have become redundant by virtue of a more current resolution or action. Councillors aware of an outstanding resolution not completed that should be placed in this outstanding resolution report

should contact the CEO. **Red – New** ~~Strikethrough – Delete~~

MEETING	ITEM/RESOLUTION	ACTION REQUIRED	RESPONSE	RESPONSIBLE OFFICER	TIME FRAME
Sept 2017	10/09-17	Westonia Airstrip	That Council authorise the Chief Executive Officer to negotiate a fair price for the two areas of land to incorporate into the Westonia Airstrip and report back to Council at the October meeting. Offer and Paperwork to be discussed and finalized. The CEO has recently held discussions with Paul Sawyer of AD Astral Aviation in relation to some substantial development & improvements to the Westonia Airstrip to allow commercial flights in and out of Westonia. Waiting on response from Ramelius Resources. Additional discussion held with Ramelius regarding airstrip	CEO	July 19
Apr 2017	17/04-17	Town Planning Scheme	Currently seeking input from town planners in relation to low cost solution Held discussions with Dept of Planning – there are willing to assist, spoke with Planner in Kellerberrin who is willing to assist. Result – reduced cost plan. Dept of Planning attended June Meeting to discuss TPS with work to commence in 2018/19. Planning Commission met with Council in March 2019 with partially completed TPS & Strategies for review by Council.	CEO	Dec 19
Apr 2017	16/04-17	Westonia Airstrip	Currently investigating, coincide with Kaolin St Renaming.	CEO	July 19
Apr 2017	15/04-17	Renaming of Egg Rock Road & Kaolin Street	Currently seeking input from families prior to advertising as per requirements	CEO	July 19



Council Outstanding Resolutions Status Report

Resolutions not included here can be assumed to have been satisfactorily completed or have become redundant by virtue of a more current resolution or action. Councillors aware of an outstanding resolution not completed that should be placed in this outstanding resolution report

should contact the CEO. Red – New ~~Strikethrough – Delete~~

MEETING	ITEM/RESOLUTION	ACTION REQUIRED	RESPONSE	RESPONSIBLE OFFICER	TIME FRAME
Mar 2017	13/03-17	Review of Integrated Planning Suite	Awaiting commencement date for Integrated Planning Suite review. Review undertaken from April 2018, presentation in Dec 2018. Community Strategic Plan due for adoption in April 2019. Commence Workforce Plan in April 2019.	CEO	Ongoing
Oct 16	10/10-16	Adopted sea container policy formulated by the Chief Executive Officer on the provision of sea containers in the Westonia Townsite.	CEO awaiting advise from new Health/Building Surveyor in relation to extent of paperwork required in submitting “Building Application” for approval. Local Planning Policies via Town Planning Scheme to address issue. TPS due for adoption in December 2019.	CEO/Building	Dec 19

WORK SUPERVISOR'S REPORT

1. PLANT REPAIRS & MAINTENANCE

The following repairs and maintenance were carried out since the last meeting.

- Cat Grader – 2000Hr service.
- Multipac Roller – 250Hr service and replace rear hub.
- Dynapac Roller – Replace batteries.
- JD Tractor – 2000Hr service, repair tyre and new battery.
- New Freightliner – repair electrical fault.
- JCB Telehandler – 250Hr service.
- Maintenance Ute – struck kangaroo Boodarockin Rd drivers side door currently in panel beaters insurance work.
- Prado – 10,000km service
- Landcruiser – 10,000km service

Attached is a copy of the Plant Operating Costs schedule for the period 1 July 2019 to 30 December 2019 for Councillor information.

2. CAPITAL ROAD WORKS

- Council has made excellent progress on the Boodarockin Road project with the completion of all gravel cartage and water binding through to the M040. Bitutek are currently completing sealing works through to the M040 which is a significant milestone. Remaining works involve the completion of the Sandford Rock bend (1.4km) and the entry and slip lane into the minesite on Corsini corner. It is anticipated that the project will be completed by end of February. A report is currently being compiled which will be presented to Council giving an overview of the project.
- Separate to the main project the roads crew will be completing the first 1.7km section from the town boundary and Corsini Corner in preparation for sealing.
- Council has also commenced work on the Warrachuppin Road realignment project. Ramelius undertook the clearing of the trees with their own Dozer with the Council removing the tree trunks (which is stockpiled in Council Gravel Pit adjacent townsite) and all of the topsoil which has been stockpiled in the Stoneman Road gravel pit to be utilized in the proposed future rehabilitation project for the site. Formation work will then commence with the carting of sub-base and basecourse materials for the road. Utility works for Water Corporation and Telstra services will also be undertaken by separate contractors in conjunction with Council roadworks.

3. GENERAL ROAD MAINTENANCE

- The maintenance grader has undertaken maintenance work on South Walgoolan, Elachbutting, Echo Valley and Rabbit Proof Fence North Roads.
- Twinkarri Tree Mulching services have been engaged to shred tree tops on Warrachuppin Road project and scrub clearing on sections of Barnett and Begley Roads.
- Clearing of trees off several roads blown over during strong wind events.

4. PRIVATE WORKS

- Fred Faithfull – telehandler Hire, topsoil sale, cement sale.
- Dog Hermon – Topsoil sale
- Douglas Contracting – sale of gravel.

5. TOWN MAINTENANCE

- A hedging and mulching program has been carried out through the townsite gardens.

6. OTHER.

- Nil.

7. PLANT HOURS

The following is a list of plant and vehicle kilometre and hour readings for the period ending 1.2.20

Item		1.12.19	1.2.20
P1	JOHN DEERE 770G GRADER	7,150hrs	7,308hrs
P2	CAT 12M	3,861hrs	4,100hrs
P3	PRIME MOVER (FREIGHTLINER)	119,810kms	125,923kms
P4	ROAD TRAIN (FREIGHTLINER)	5,522kms	9,552kms
P5	JOHN DEERE LOADER	1,710hrs	1,915hrs
P6	MULTI PAC	8,881hrs	9,107hrs
P7	MINI-EXCAVATOR	404hrs	404hrs
P8	TELEHANDLER JCB	1,299hrs	1,334hrs
P9	TOYOTA (MTCE UTE)	28,700kms	29,326kms
P10	mitsubishi CANTER	43,100kms	43,975kms
P11	TOYOTA HILUX (GARDENER) WT 35	55,994kms	57,000kms
P12	JOHN DEERE (5100)	1,952hrs	1,952hrs
P14	TOYOTA LANDCRUISER GXL (CEO)	7,888kms	12,763kms
P15	TOYOTA PRADO GXL (W/SUPER)	4,129kms	12,101kms
P16	TOYOTA RAV4 (ADMIN)	63,576kms	66,664kms
P17	TOYOTA HILUX DUAL CAB	45,983kms	48,301kms
P19	FAST ATTACK	6,965kms	7,706kms
P20	FIRE TRUCK	5,620kms	5,764kms
P18	WESSY BUS	111,300kms	111,817kms
P21	DYNAPAC FLAT DRUM	1,424hrs	1,625hrs
P22	KUBOTA RIDE ON MOWER (OVAL)	1,847hrs	1,851hrs
P23	TOYOTA MINI BUS (WT COM V)	14,883kms	16,707kms
P24	HAMM ROLLER	1,724hrs	1,967hrs
P25	MICK's BEAUT UTE	133,969kms	135,410kms
P26	GO-GO MOBILE SWEEPER		

TOURISM REPORT

WESTONIA SHIRE CARAVAN PARK:

1. A quiet summer however we have had a few caravanners still trickling through from one to 4 bays full on most days. A large group from Bruce Rock stayed over the very hot Australia Day long weekend. Deb has not been wasting any time while the park has been quiet. She has been doubling as the town gardener standing in for Steve while he has been on the roller.

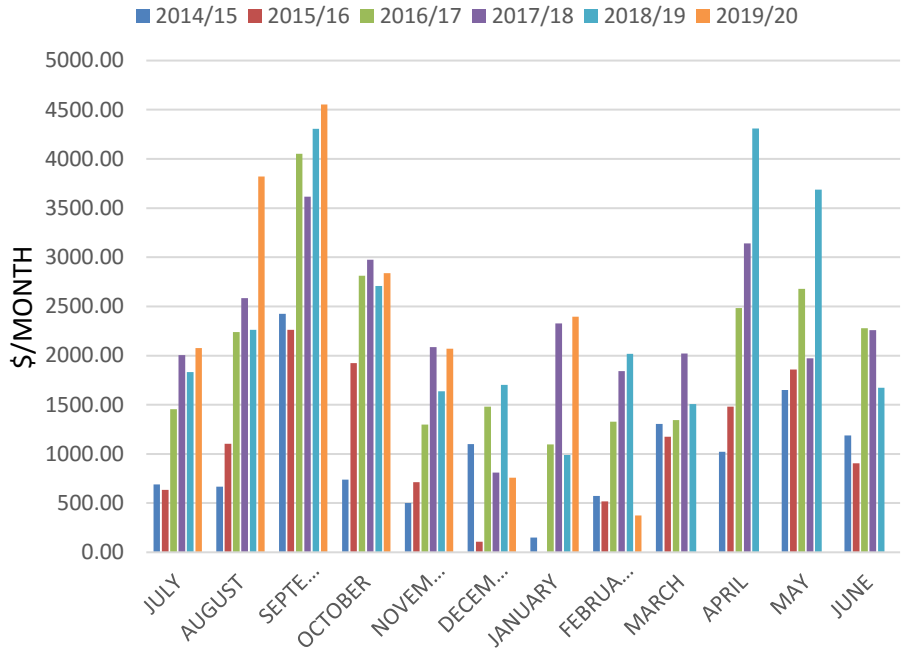
Visiting Caravan Clubs 2019:

Big Rigs & Motorhomes (Easter - Overflow area)
Explorex Caravan Club (May)
M.A.D Meanderers CC Albany (Sept)

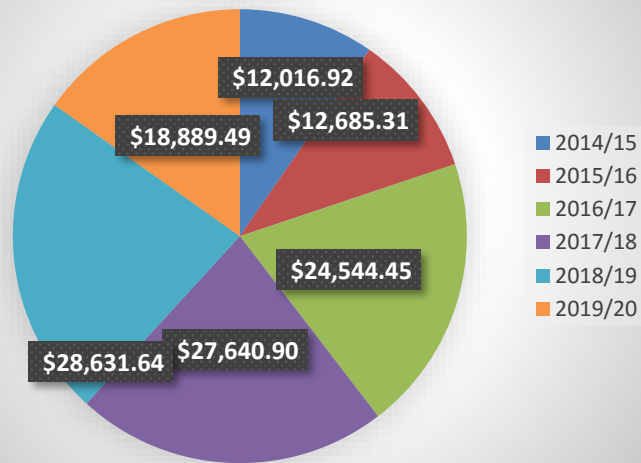
The National Hang Gliders Association will be back in Westonia from Thursday 20th of February 2020 until Sunday the 1st of March 2020. This year we have requested that they book ASAP because we will not hold sites at the caravan park indefinitely. The Hang Gliders have again booked the facilities at the Rec centre. The mine has been notified, regarding gym usage during this time, the gym itself will not be affected. We will be asking gym users to be respectful during presentation times. The Hang gliders now have a separate liaison officer. The main co-ordinator, no longer has to fill the roll of liaison, which will hopefully make communication with the group easier.

2. REPAIRS & MAINTENANCE
 - Various minor repairs and maintenance ongoing.
3. FUTURE PROJECTS
 - Unpowered Overflow/ Tent area – Weed matting and out lined sites
4. VISITOR FEEDBACK
 - Visitors are still loving the Caravan Park and town/ facilities.
 - Great value for money, best facilities in a caravan park they have seen in the whole of OZ!
5. STATISTICS

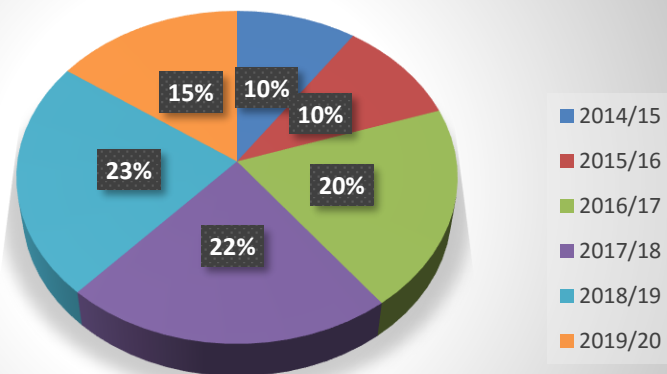
MONTHLY PARK INCOME



ANNUAL PARK INCOME



Percentage Increase or Decrease/Year



HOOD-PENN MUSEUM:

We are awaiting notification from Sharp FX on progress of the Mannequines. Work has begun on the Farming Scene. The old Cart purchased from the Daddow clearing sale, has been restored and modified to suit the scene, thanks to the invaluable skills of Steve Norman.



Merredin Telephones have now relocated the Museum CCTV computer to the Volunteer work room which has allowed us to start sealing the floor in the new scene area. Ancor electrical have installed new plugs throughout the museum. This is so that we can use previously purchased Tablets, as a new interactive component, in the museum. New flood lighting has been installed to areas which were lacking light.

Rick Grant & his wife Kristy donated a brooch commissioned to be made by Alfred Weston himself in the early 20's. The Brooch was a prized possession of Rick's mother which was given to her by her mother Marjory Sack nee Weston (second daughter of A Weston). When Rick's mother died he wanted to do something special with the brooch and not keep it in a draw forgotten. We are so lucky to now have this brooch along with new photographs of Weston family members. The museum would like to make a small scene dedicated to the founding family in the future featuring the Brooch. The brooch is currently on display in the museum for all to see.



1. REPAIRS & MAINTENANCE

- Footpaths and Carpark hot mix needs to go down before we can start getting the Volunteers to use the new door and close off the old one to become a façade'.

2. RECENT PROJECTS

- Merredin Telephones – Have now relocated the Museum CCTV computer to the Volunteer work room.
- Lighting solutions.
- Storage area restructure

3. FUTURE PROJECTS

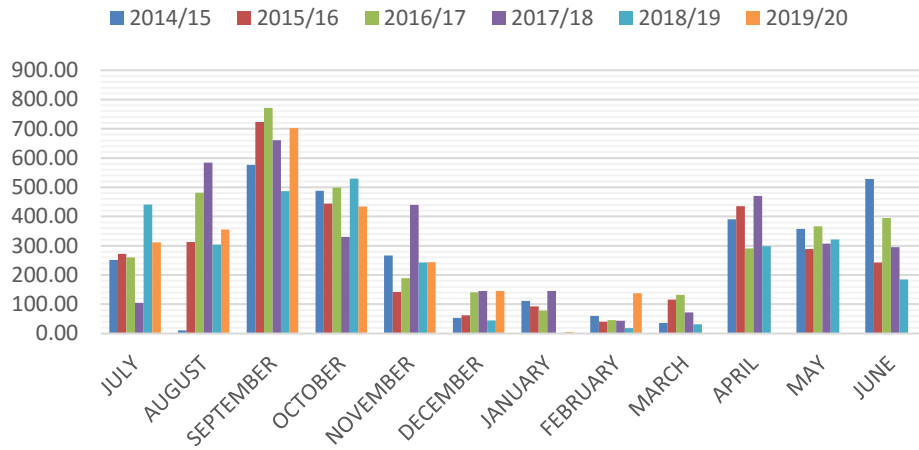
- Painting and sealing of the floor in the new scene area (old storage area).
- New scenes to be created in the existing space of the old storage room to tell the stories of our primary industries of which Westonia was founded on.

4. VISITOR FEEDBACK (Verbal and Visitor register)

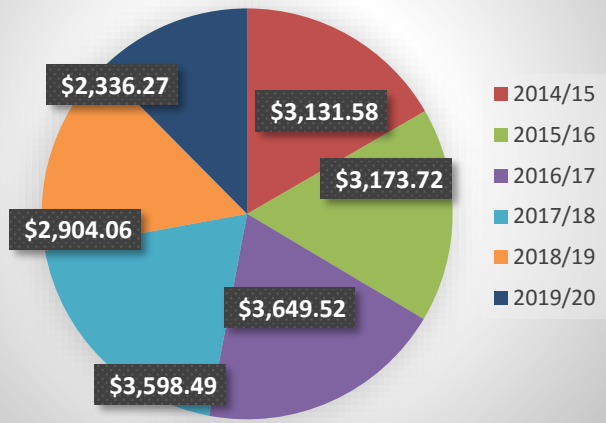
- Clean No dust!
- Not cluttered
- The best Museum they have visited on their travels.
- Not over the top with things to read.
- Visitor's hearing about museum in Merredin, specifically the visitor's centre, Spike Jones, railway & military museums.
- Wheatbelt way and word of mouth still a big performer for us (getting quite more and more of the highway drop-ins)

5. STATISTICS

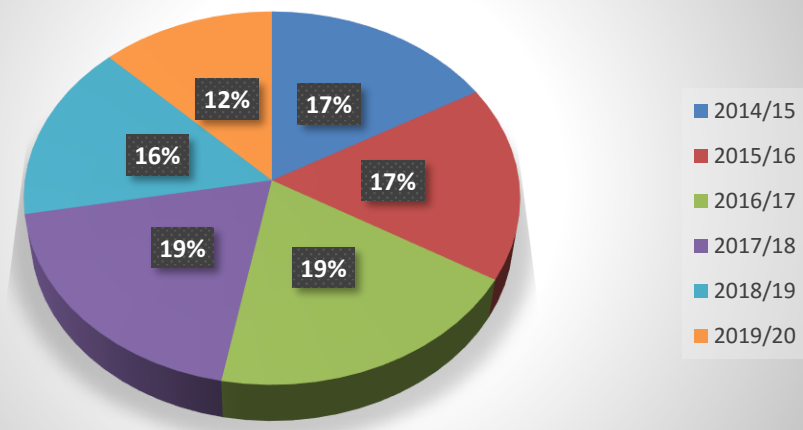
MONTHLY MUSEUM INCOME



ANNUAL MUSEUM INCOME



Percentage Increase or Decrease/Year



WALGA Quarterly Overview Report

2019 Q4 (October - December)



*Please note due to the Christmas shutdown this reporting period finished on 19 December 2019

Shire of Westonia

With this being the first quarter completed following the October elections, we welcome those newly Elected Councillors who are for the first time receiving this Quarterly Report. WALGA issues these individualised reports each quarter in order to outline the interactions and activities of your Council with the Association to help demonstrate how WALGA can contribute to Member's operations and our progress towards achieving Council specific and sector-wide advocacy goals.

This report includes for the first time an update for those Councils that are unit holders in the Local Government House Trust. 132 of 139 of WA Local Governments are holders, with the Auditor General recently advising this unit value needs to be included in your asset register.

WALGA has also been liaising with the Office of the Auditor General on the financial ratios used in auditing processes, as some of the current ratios are not suitable for the style and scope of Local Government operations. The OAG has indicated a willingness to explore this further, and WALGA will form a Sector Reference group to further review these ratios including Zone Feedback

and provide recommendations to the May 2020 State Council meeting.

MEMBER SERVICES

LOCAL GOVERNMENT HOUSE TRUST

The Shire of Westonia holds 2 units in the Local Government House Trust, with each unit valued at \$17,805.27 as at 30 June 2019. This value is derived from net assets as outlined in the latest audited financial statements which are available on request.

Total value of units currently held by the Shire of Westonia equals

\$35,610.54. Further information on results and outlook for the Trust is also included in the attached flyer.

SECTOR ADVOCACY

LOCAL GOVERNMENT ROAD ASSETS AND EXPENDITURE REPORT 2018-19

WALGA's annual Local Government Road Assets and Expenditure Report provides a comprehensive analysis of the investment in WA roads and acts as a supporting document, useful in inter-

governmental negotiations on the allocation of road funds.

WALGA sought information from all Local Governments on their road expenditure information for the financial year.

The Shire of Westonia contributed road data to the report.

YOUREVERYDAY CAMPAIGN

Over the quarter, videos from the Shire of Westonia received:

305 website views for A Glimpse Inside the Hood Penn Museum.

RESOURCES

- Two Policy Templates provided for Works and for Events in the Local Government Road Reserve.

CONTACTS

Chief Executive Officer

Nick Sloan
9213 2025

Executive Manager Business Solutions

John Filippone
9213 2020

Executive Manager Environment and Waste

Mark Batty
9213 2078

Executive Manager Finance and Marketing

Zac Donovan
9213 2038

Executive Manager Governance and Organisational Services

Tony Brown
9213 2051

Executive Manager Infrastructure

Ian Duncan
9213 2031

Executive Manager People and Place

Joanne Burges
9213 2018



Local Government Report Package for

WESTONIA (S)

Printed: 01/01/2020

**Incidents reported to DFES and Attended by Local Government
and Bushfire Brigades**

Current Brigade Vehicle Lists

000 Service Agreement

SMS Lists

Brigade Personnel Lists

v4.5

Incidents Reported to DFES and Attended by Local Government and Bushfire Brigades
WESTONIA (S)
 01/07/2014 to 01/01/2020

9134 SHIRE WESTONIA

Incident Address	Type of Incident	IRS Report Completed	Paper Report received by DFES
379496 01/01/2018 13:55 BURRACOPPIN SOUTH RD BURRACOPPIN	Fire - Bushfire (sml)	N	N
401126 20/08/2018 05:14 LEACH RD WESTONIA	Fire - Bushfire (sml)	N	N
426246 21/03/2019 14:52 (12KM SOUTH OF)GREAT EASTERN CARRABIN	Fire - Bushfire (sml)	N	N
429334 17/04/2019 15:52 WARRACHUPPIN NORTH RD WARRACHUPPIN	False Call - Good Intent	N	N
439841 10/06/2019 10:59 LINDLEY RD CARRABIN	Fire - Other/Rubbish/Vehicle	N	N
459181 18/11/2019 18:35 WEBB RD WARRACHUPPIN	Fire - Bushfire (lge)	N	N
459182 18/11/2019 18:37 FARINA RD ELACHBUTTING	Fire - Bushfire (lge)	N	N

Total number of Primary Incidents recorded in time frame: 7

6644 WALGOOLAN BFB

Incident Address	Type of Incident	IRS Report Completed	Paper Report received by DFES
4468 21/10/2015 06:30 BURRACOPPIN SOUTH RD SOUTH BURRACOPPIN	Fire - Bushfire (sml)	Y	
356336 03/03/2017 13:00 BURRACOPPIN SOUTH RD SOUTH BURRACOPPIN	Fire - Bushfire (lge)	Y	
357472 17/03/2017 18:30 ROHAN DAY DELLA RD SOUTH BODALLIN	Fire - Bushfire (lge)	Y	
387398 29/03/2018 12:00 ELLERY RD SOUTH BURRACOPPIN	Fire - Bushfire (sml)	N	N
460785 01/12/2019 21:25 GREAT EASTERN HWY BURRACOPPIN	Fire - Bushfire (sml)	N	N
461003 04/12/2019 06:36 GOLDFIELDS RD WALGOOLAN	Fire - Other/Rubbish/Vehicle	N	N

Total number of Primary Incidents recorded in time frame: 6

6658 WARRALAKIN BFB

Incident Address	Type of Incident	IRS Report Completed	Paper Report received by DFES
357472 17/03/2017 18:30 ROHAN DAY DELLA RD SOUTH BODALLIN	Fire - Bushfire (lge)	N	N
377761 10/12/2017 15:46 LEAVE JOB OPEN UNTIL 11/12 ROSE THOMSON RD ENEABBA	Fire - Bushfire (lge)	N	N
377973 12/12/2017 14:41 WEBB RD WARRACHUPPIN	Fire - Bushfire (lge)	N	N

416374 03/12/2018 15:02

WARRACHUPPIN NORTH RD WARRACHUPPIN

Fire - Bushfire (lge)

N

N

Total number of Primary Incidents recorded in time frame: 4

6668 WESTONIA BFB

	Incident Address	Type of Incident	IRS Report Completed	Paper Report received by DFES
322137 27/12/2015 13:29	CAW ST MERREDIN	Fire - Bushfire (lge)	N	N
323191 07/01/2016 13:13	ELACHBUTTING RD ELACHBUTTING	Fire - Bushfire (sml)	N	N
327059 20/02/2016 01:44	SANDS TRANSPORT GREAT EASTERN HWY BODALLIN	Fire - Other/Rubbish/Vehicle	N	N
357472 17/03/2017 18:30	ROHAN DAY DELLA RD SOUTH BODALLIN	Fire - Bushfire (lge)	N	N
368919 17/08/2017 15:21	CARRABIN ROADHOUSE YORK RD CARRABIN	Road Crash & Rescue	N	N
377973 12/12/2017 14:41	WEBB RD WARRACHUPPIN	Fire - Bushfire (lge)	N	N
416374 03/12/2018 15:02	WARRACHUPPIN NORTH RD WARRACHUPPIN	Fire - Bushfire (lge)	N	N
416402 03/12/2018 16:29	SMYTH RD CARRABIN	Fire - Bushfire (lge)	N	N
422358 06/02/2019 23:36	GRAHAM RD CARRABIN	False Call - Good Intent	N	N
439841 10/06/2019 10:59	LINDLEY RD CARRABIN	Fire - Other/Rubbish/Vehicle	N	N

Total number of Primary Incidents recorded in time frame: 10

NOTE: The above list shows all Incidents reported to DFES via the ComCen, or via a Paper Incident Report received, during the given time frame. Incidents not displayed on this list have not been reported to DFES.

If the '*IRS Report Completed*' column shows N, then a complete Incident Report has not been received by DFES.

If there is an N in the '*Paper Report received at DFES*' column, then a copy of the Paper Report has not been received by DFES.

To enable the Incident Report to be completed, please forward a copy of the original Incident Report via fax or email to DFES as below.

If you require any assistance please contact us using any of the the following methods;

OIS Branch

Fax: 1800 309 999

Phone: 9395 9406 (office hours)

Email: reports@dfes.wa.gov.au

Location / Vehicle Listing - WESTONIA (S)
as at 01/01/2020

9134 SHIRE WESTONIA

Resource Name	Resource Type	Make	Model	Selcall No.	Year of make	Rego	Owner	Decom	Trans	New Location	Date
SHIRE WESTONIA PLACEHOLDER	OTHER							<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Please Note:

This report has ben produced to assist with maintaining Appliance information recorded on the DFES database.
It will be provided to Local Governments on a monthly basis.

If you identify any errors, please return corrected form to;

OIS Branch

Fax: 1800 309 999

Phone: 9395 9406 (office hours)

Email: reports@dfes.wa.gov.au

For vehicles which have been relocated or taken out of service please advise ComCen at cadadministrator.wa.gov.au

Location / Vehicle Listing - WESTONIA (S)
as at 01/01/2020

6644 WALGOOLAN BFB

Resource Name	Resource Type	Make	Model	Selcall No.	Year of make	Rego	Owner	Decom	Trans	New Location	Date
LT (E824) - WT339	LIGHT TANKER	TOYOTA	VDJ79R	806088	2012	WT339	LG (ESL)	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Please Note:

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Location / Vehicle Listing - WESTONIA (S)
as at 01/01/2020

6658 WARRALAKIN BFB

Resource Name	Resource Type	Make	Model	Selcall No.	Year of make	Rego	Owner	Decom	Trans	New Location	Date
LT (N175) - WT357	LIGHT TANKER	TOYOTA	VDJ79R	497005	2013	\WT357	LG (ESL)	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

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For vehicles which have been relocated or taken out of service please advise ComCen at cadadministrator.wa.gov.au

Location / Vehicle Listing - WESTONIA (S)
as at 01/01/2020

6668 WESTONIA BFB

Resource Name	Resource Type	Make	Model	Selcall No.	Year of make	Rego	Owner	Decom	Trans	New Location	Date
LT (N176) - 39WT	LIGHT TANKER	TOYOTA	VDJ79R	497010	2013	39WT	LG (ESL)				
3.4 URBAN (E579) - WT1500	3.4 URBAN	ISUZU	FHFTSLGB03	80454	2010	WT1500	LG (ESL)				

Please Note:

This report has been produced to assist with maintaining Appliance information recorded on the DFES database. It will be provided to Local Governments on a monthly basis.

If you identify any errors, please return corrected form to;

OIS Branch

Fax: 1800 309 999

Phone: 9395 9406 (office hours)

Email: reports@dfes.wa.gov.au

For vehicles which have been relocated or taken out of service please advise ComCen at cadadministrator.wa.gov.au

Current 000 SERVICE AGREEMENT for WESTONIA (S)

**In order to advise Local Government of 000 calls promptly it is suggested that contacts are 24/7 numbers.
The 4th contact will always be DFES Regional Duty Coordinator**

No more than 3 contacts per LGA will be recorded.

Our 24 hour, 365 day emergency 000 contacts from the Communications Centre are as follows:

Organisation	Role	Name	Contact Type	Number
1 Shire of Westonia	CEO - Shire Office	Jamie Criddle	Phone (Bus)	9046 7063
2 Shire of Westonia	CBFCO	Frank Corsini	Mobile	0429 467 042
3 Shire of Westonia	DCBFCO	Malcolm Nicoletti	Mobile	0428 449 034
4 DFES Goldfields Midlands Region	Regional Duty Co-Ordinat	DFES Regional Duty Co-Ordinator		1800 966 077

Note: Contacts may make reference to an SMS group which allows multiple pagers or mobile phones to be attached to that group.. An SMS list form needs to have been completed.

Alterations to contacts:

Organisation	Role	Name	Contact Type	Number
1.				
2.				
3.				

Local Government Chief Executive Officer

DFES Area / District Manager

Print Name

Signature

Print Name

Signature

Contact Number

Date

Contact Number

Date

Instructions for Local Authority in the event of any alterations to the list above;

1. Complete the Alterations section with the changes required.
2. CEO to sign form.
3. Local Authority to send a copy to DFES Regional Office for Authorisation by DFES Area / District Manager.
4. Area/District Manager to email a signed copy to **cadadministrator@dfes.wa.gov.au**

LG Brigade Personnel Listing - WESTONIA (S)
as at 01/01/2020

9134 SHIRE WESTONIA

Remove	Vol. Number	Rank	Surname	Given Name
	119012	LG FCO	BROWN	DAVID
	119154	LG CBFCO	CORSINI	FRANK
	119135	LG FCO	CRIDDLE	JAMIE
	142827	LG FCO	DAY	ROHAN
	162184	LG FCO	FARINA	DANE
	119016	LG FCO	LEMOLGNAN	STEVEN
	119120	LG FCO	LINDLEY	COLIN
	119079	LG FCO	MCDOWALL	JOHN
	146834	LG FCO	MURFIT	TONY
	133116	LG DCBFCO	NICOLETTI	MALCOLM
	146818	LG FCO	PENNY	BRAD
	119124	LG FCO	PRICE	ARTHUR
	119013	LG FCO	SMITH	AARON
	146836	LG FCO	WAHLSTEN	JASON

Members to be Added:

9134 SHIRE WESTONIA

DFES ID	Rank	Surname	First Name

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1. Details are to be printed **clearly**.
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3. Send the completed form to your Regional Office to ensure the information is updated in RMS
4. When authorised & signed by your Area / District Manager, send a copy of the new or updated form to **reports@dfes.wa.gov.au** or fax to 1800 309 999

Changes Requested By:

Contact Name (please print)	Contact Number	Date	Area / District Manager	Sign & Date

AUTHORISED:

YES

NO

LG Brigade Personnel Listing - WESTONIA (S)
as at 01/01/2020

6644 WALGOOLAN BFB

Remove	Vol. Number	Rank	Surname	Given Name
	119036	VOL FIRE FIGHTER	BARNETT	CHRISTOPHER
	119037	VOL FIRE FIGHTER	BARNETT	DANIEL
	119050	VOL FIRE FIGHTER	BARNETT	HELEN
	185050	ACTIVE MEMBER	BOWDEN	MARK
	119012	BFB 1ST LIEUTENANT	BROWN	DAVID
	119048	VOL FIRE FIGHTER	BROWN	EILEEN
	179432	VOL FIRE FIGHTER	BROWN	GERARD
	138356	VOL FIRE FIGHTER	COLE	CAROLYN
	138359	VOL FIRE FIGHTER	COLE	MALCOLM
	119047	VOL FIRE FIGHTER	CREES	RODNEY
	146831	VOL FIRE FIGHTER	DAY	KARIN
	142827	BFB 2ND LIEUTENANT	DAY	ROHAN
	185051	ACTIVE MEMBER	DAY	WILLIAM
	119045	VOL FIRE FIGHTER	JEFFERYS	BRETT
	146833	VOL FIRE FIGHTER	JEFFERYS	CHRIS
	150023	VOL FIRE FIGHTER	JEFFERYS	COREY
	119010	VOL FIRE FIGHTER	JEFFERYS	JOHN
	119046	VOL FIRE FIGHTER	JEFFERYS	MARK
	146832	VOL FIRE FIGHTER	JEFFERYS	NARELLE
	119051	VOL FIRE FIGHTER	JOHNSTON	GRAHAM
	182036	VOL FIRE FIGHTER	LAMBERT	PETER
	146834	VOL FIRE FIGHTER	MURFIT	TONY
	179674	VOL FIRE FIGHTER	MURRAY	ROBERT
	179078	VOL FIRE FIGHTER	ROUTLEDGE	BERGEN
	146838	VOL FIRE FIGHTER	WAHLSTEN	CLINTON
	146836	CAPTAIN	WAHLSTEN	JASON

146839

VOL FIRE FIGHTER

WAHLSTEN

LUKE

146837

VOL FIRE FIGHTER

WAHLSTEN

TERRY

Members to be Added:**6644 WALGOOLAN BFB****DFES ID****Rank****Surname****First Name**

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Changes Requested By:**Contact Name (please print)****Contact Number****Date****Area / District Manager****Sign & Date**

AUTHORISED:

YES

NO

LG Brigade Personnel Listing - WESTONIA (S)

as at 01/01/2020

6658 WARRALAKIN BFB

Remove	Vol. Number	Rank	Surname	Given Name
	171478	VOL FIRE FIGHTER	ALCOCK	GRAHAM
	178681	VOL FIRE FIGHTER	BALLANTYNE	DUNCAN
	182136	VOL FIRE FIGHTER	BRENNAN	BRAYDEN
	133119	VOL FIRE FIGHTER	CHRISP	SHAUN
	178680	VOL FIRE FIGHTER	CLAESSENS	EVA
	178682	VOL FIRE FIGHTER	CREWS	MITCH
	119017	BFB 3RD LIEUTENANT	CREWS	PETER
	146821	VOL FIRE FIGHTER	CROOK	DAVID
	119114	VOL FIRE FIGHTER	CROOK	MICHAEL
	119103	VOL FIRE FIGHTER	CROOK	RUSSELL
	119015	VOL FIRE FIGHTER	DADDOW	STEPHEN
	182134	VOL FIRE FIGHTER	DAWSON	SAM
	171481	VOL FIRE FIGHTER	FARINA	ABIGAIL
	171480	BFB 2ND LIEUTENANT	FARINA	BEN
	162184	VOL FIRE FIGHTER	FARINA	DANE
	182253	VOL FIRE FIGHTER	GIBSON	KYLIE
	119016	BFB 1ST LIEUTENANT	LEMOLGNAN	STEVEN
	182135	VOL FIRE FIGHTER	MARTIN	HANNAH
	119079	VOL FIRE FIGHTER	MCDOWALL	JOHN
	171482	VOL FIRE FIGHTER	MCDOWALL	ROBERT
	178679	VOL FIRE FIGHTER	NICOLETTI	ALEISHA
	133116	CAPTAIN	NICOLETTI	MALCOLM
	108605	VOL FIRE FIGHTER	PARKIN	CRAIG
	161319	VOL FIRE FIGHTER	PARKIN	DANIELLE
	162182	VOL FIRE FIGHTER	PRICE	DAVID
	171497	VOL FIRE FIGHTER	PRICE	MORGAN

	171498	VOL FIRE FIGHTER	PRICE	STACY
	171500	BFB SECRETARY	SING	JEANNIE
	155396	VOL FIRE FIGHTER	SING	STEWART
	119013	VOL FIRE FIGHTER	SMITH	AARON
	146827	VOL FIRE FIGHTER	SMITH	JOAN
	119084	VOL FIRE FIGHTER	SMITH	STEPHEN

Members to be Added:

6658 WARRALAKIN BFB

DFES ID	Rank	Surname	First Name

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Changes Requested By:

Contact Name (please print)	Contact Number	Date	Area / District Manager	Sign & Date

AUTHORISED: YES NO

LG Brigade Personnel Listing - WESTONIA (S)

as at 01/01/2020

6668 WESTONIA BFB

Remove	Vol. Number	Rank	Surname	Given Name
	119134	VOL FIRE FIGHTER	ANTONIO	JOCELYN
	119004	VOL FIRE FIGHTER	ANTONIO	PETER
	119148	VOL FIRE FIGHTER	ARGENT	BRIAN
	181988	VOL FIRE FIGHTER	BLAKE	DAMIEN
	181987	VOL FIRE FIGHTER	BLAKE	TERRI
	171479	VOL FIRE FIGHTER	BLAKE	VICTOR
	64802	VOL FIRE FIGHTER	BRIGHT	GRAEME
	119154	CAPTAIN	CORSINI	FRANK
	182000	VOL FIRE FIGHTER	CORSINI	JOEL
	119153	VOL FIRE FIGHTER	CORSINI	JOHN
	119135	VOL FIRE FIGHTER	CRIDDLE	JAMIE
	182080	VOL FIRE FIGHTER	DADDOW	GRAHAM
	182009	VOL FIRE FIGHTER	DELLA BOSCA	ROSS
	182010	VOL FIRE FIGHTER	DELLA BOSCA	TIMOTHY
	159264	VOL FIRE FIGHTER	DUNKLEY-COOPER	KASEY
	166652	VOL FIRE FIGHTER	GEIER	ASHLEY
	151957	VOL FIRE FIGHTER	GEIER	DAIMON
	119006	BFB 3RD LIEUTENANT	HAMILTON	DAVID
	159378	VOL FIRE FIGHTER	HERMON	DOUG
	119120	BFB 1ST LIEUTENANT	LINDLEY	COLIN
	119146	VOL FIRE FIGHTER	LINDLEY	CORALIE
	119152	VOL FIRE FIGHTER	LINDLEY	JUDITH
	119128	VOL FIRE FIGHTER	LINDLEY	KEVIN
	104308	VOL FIRE FIGHTER	MCLAUGHLIN	MARTIN
	182420	VOL FIRE FIGHTER	MOORE	JAMES
	119005	VOL FIRE FIGHTER	O' RAFFERTY	DES

161702	VOL FIRE FIGHTER	PAUST	KEVIN
146818	BFB 2ND LIEUTENANT	PENNY	BRAD
119124	VOL FIRE FIGHTER	PRICE	ARTHUR
182037	VOL FIRE FIGHTER	PRICE	BOYD
180459	VOL FIRE FIGHTER	PRICE	JACK
166647	VOL FIRE FIGHTER	RILEY	COLIN
119140	VOL FIRE FIGHTER	SETTINERI	ANTONIO
146819	VOL FIRE FIGHTER	TOWNROW	ADRIAN
146820	VOL FIRE FIGHTER	TOWNROW	CLINTON
119151	VOL FIRE FIGHTER	TOWNROW	KERRY
119003	VOL FIRE FIGHTER	TOWNROW	LEX

Members to be Added:

6668 WESTONIA BFB

DFES ID	Rank	Surname	First Name

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Changes Requested By:

Contact Name (please print)	Contact Number	Date	Area / District Manager	Sign & Date

AUTHORISED: YES NO



Local Government Report Package for

WESTONIA (S)

Printed: 05/02/2020

**Incidents reported to DFES and Attended by Local Government
and Bushfire Brigades**

Current Brigade Vehicle Lists

000 Service Agreement

SMS Lists

Brigade Personnel Lists

v4.5

Incidents Reported to DFES and Attended by Local Government and Bushfire Brigades
WESTONIA (S)
 01/07/2014 to 05/02/2020

9134 SHIRE WESTONIA

Incident Address	Type of Incident	IRS Report Completed	Paper Report received by DFES
379496 01/01/2018 13:55 BURRACOPPIN SOUTH RD BURRACOPPIN	Fire - Bushfire (sml)	N	N
401126 20/08/2018 05:14 LEACH RD WESTONIA	Fire - Bushfire (sml)	N	N
426246 21/03/2019 14:52 (12KM SOUTH OF)GREAT EASTERN CARRABIN	Fire - Bushfire (sml)	N	N
429334 17/04/2019 15:52 WARRACHUPPIN NORTH RD WARRACHUPPIN	False Call - Good Intent	N	N
439841 10/06/2019 10:59 LINDLEY RD CARRABIN	Fire - Other/Rubbish/Vehicle	N	N
459181 18/11/2019 18:35 WEBB RD WARRACHUPPIN	Fire - Bushfire (lge)	N	N
459182 18/11/2019 18:37 FARINA RD ELACHBUTTING	Fire - Bushfire (lge)	N	N

Total number of Primary Incidents recorded in time frame: 7

6644 WALGOOLAN BFB

Incident Address	Type of Incident	IRS Report Completed	Paper Report received by DFES
4468 21/10/2015 06:30 BURRACOPPIN SOUTH RD SOUTH BURRACOPPIN	Fire - Bushfire (sml)	Y	
356336 03/03/2017 13:00 BURRACOPPIN SOUTH RD SOUTH BURRACOPPIN	Fire - Bushfire (lge)	Y	
357472 17/03/2017 18:30 ROHAN DAY DELLA RD SOUTH BODALLIN	Fire - Bushfire (lge)	Y	
387398 29/03/2018 12:00 ELLERY RD SOUTH BURRACOPPIN	Fire - Bushfire (sml)	N	N
460785 01/12/2019 21:25 GREAT EASTERN HWY BURRACOPPIN	Fire - Bushfire (sml)	N	N
461003 04/12/2019 06:36 GOLDFIELDS RD WALGOOLAN	Fire - Other/Rubbish/Vehicle	N	N

Total number of Primary Incidents recorded in time frame: 6

6658 WARRALAKIN BFB

Incident Address	Type of Incident	IRS Report Completed	Paper Report received by DFES
357472 17/03/2017 18:30 ROHAN DAY DELLA RD SOUTH BODALLIN	Fire - Bushfire (lge)	N	N
377761 10/12/2017 15:46 LEAVE JOB OPEN UNTIL 11/12 ROSE THOMSON RD ENEABBA	Fire - Bushfire (lge)	N	N
377973 12/12/2017 14:41 WEBB RD WARRACHUPPIN	Fire - Bushfire (lge)	N	N

416374 03/12/2018 15:02

WARRACHUPPIN NORTH RD WARRACHUPPIN

Fire - Bushfire (lge)

N

N

Total number of Primary Incidents recorded in time frame: 4

6668 WESTONIA BFB

	Incident Address	Type of Incident	IRS Report Completed	Paper Report received by DFES
322137 27/12/2015 13:29	CAW ST MERREDIN	Fire - Bushfire (lge)	N	N
323191 07/01/2016 13:13	ELACHBUTTING RD ELACHBUTTING	Fire - Bushfire (sml)	N	N
327059 20/02/2016 01:44	SANDS TRANSPORT GREAT EASTERN HWY BODALLIN	Fire - Other/Rubbish/Vehicle	N	N
357472 17/03/2017 18:30	ROHAN DAY DELLA RD SOUTH BODALLIN	Fire - Bushfire (lge)	N	N
368919 17/08/2017 15:21	CARRABIN ROADHOUSE YORK RD CARRABIN	Road Crash & Rescue	N	N
377973 12/12/2017 14:41	WEBB RD WARRACHUPPIN	Fire - Bushfire (lge)	N	N
416374 03/12/2018 15:02	WARRACHUPPIN NORTH RD WARRACHUPPIN	Fire - Bushfire (lge)	N	N
416402 03/12/2018 16:29	SMYTH RD CARRABIN	Fire - Bushfire (lge)	N	N
422358 06/02/2019 23:36	GRAHAM RD CARRABIN	False Call - Good Intent	N	N
439841 10/06/2019 10:59	LINDLEY RD CARRABIN	Fire - Other/Rubbish/Vehicle	N	N

Total number of Primary Incidents recorded in time frame: 10

NOTE: The above list shows all Incidents reported to DFES via the ComCen, or via a Paper Incident Report received, during the given time frame. Incidents not displayed on this list have not been reported to DFES.

If the '*IRS Report Completed*' column shows N, then a complete Incident Report has not been received by DFES.

If there is an N in the '*Paper Report received at DFES*' column, then a copy of the Paper Report has not been received by DFES.

To enable the Incident Report to be completed, please forward a copy of the original Incident Report via fax or email to DFES as below.

If you require any assistance please contact us using any of the the following methods;

OIS Branch

Fax: 1800 309 999

Phone: 9395 9406 (office hours)

Email: reports@dfes.wa.gov.au

Location / Vehicle Listing - WESTONIA (S)
as at 05/02/2020

9134 SHIRE WESTONIA

Resource Name	Resource Type	Make	Model	Selcall No.	Year of make	Rego	Owner	Decom	Trans	New Location	Date
SHIRE WESTONIA PLACEHOLDER	OTHER							<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

Please Note:

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For vehicles which have been relocated or taken out of service please advise ComCen at cadadministrator.wa.gov.au

Location / Vehicle Listing - WESTONIA (S)
as at 05/02/2020

6644 WALGOOLAN BFB

Resource Name	Resource Type	Make	Model	Selcall No.	Year of make	Rego	Owner	Decom	Trans	New Location	Date
LT (E824) - WT339	LIGHT TANKER	TOYOTA	VDJ79R	806088	2012	WT339	LG (ESL)	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

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Location / Vehicle Listing - WESTONIA (S)
as at 05/02/2020

6658 WARRALAKIN BFB

Resource Name	Resource Type	Make	Model	Selcall No.	Year of make	Rego	Owner	Decom	Trans	New Location	Date
LT (N175) - WT357	LIGHT TANKER	TOYOTA	VDJ79R	497005	2013	\WT357	LG (ESL)	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

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Location / Vehicle Listing - WESTONIA (S)
as at 05/02/2020

6668 WESTONIA BFB

Resource Name	Resource Type	Make	Model	Selcall No.	Year of make	Rego	Owner	Decom	Trans	New Location	Date
LT (N176) - 39WT	LIGHT TANKER	TOYOTA	VDJ79R	497010	2013	39WT	LG (ESL)				
3.4 URBAN (E579) - WT1500	3.4 URBAN	ISUZU	FHFTSLGB03	80454	2010	WT1500	LG (ESL)				

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Current 000 SERVICE AGREEMENT for WESTONIA (S)

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Organisation	Role	Name	Contact Type	Number
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2 Shire of Westonia	CBFCO	Frank Corsini	Mobile	0429 467 042
3 Shire of Westonia	DCBFCO	Malcolm Nicoletti	Mobile	0428 449 034
4 DFES Goldfields Midlands Region	Regional Duty Co-Ordinat	DFES Regional Duty Co-Ordinator		1800 966 077

Note: Contacts may make reference to an SMS group which allows multiple pagers or mobile phones to be attached to that group.. An SMS list form needs to have been completed.

Alterations to contacts:

Organisation	Role	Name	Contact Type	Number
1.				
2.				
3.				

Local Government Chief Executive Officer

DFES Area / District Manager

Print Name

Signature

Print Name

Signature

Contact Number

Date

Contact Number

Date

Instructions for Local Authority in the event of any alterations to the list above;

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LG Brigade Personnel Listing - WESTONIA (S)
as at 05/02/2020

9134 SHIRE WESTONIA

Remove	Vol. Number	Rank	Surname	Given Name
	119012	LG FCO	BROWN	DAVID
	119154	LG CBFCO	CORSINI	FRANK
	119135	LG FCO	CRIDDLE	JAMIE
	142827	LG FCO	DAY	ROHAN
	162184	LG FCO	FARINA	DANE
	119016	LG FCO	LEMOLGNAN	STEVEN
	119120	LG FCO	LINDLEY	COLIN
	119079	LG FCO	MCDOWALL	JOHN
	146834	LG FCO	MURFIT	TONY
	133116	LG DCBFCO	NICOLETTI	MALCOLM
	146818	LG FCO	PENNY	BRAD
	119124	LG FCO	PRICE	ARTHUR
	119013	LG FCO	SMITH	AARON
	146836	LG FCO	WAHLSTEN	JASON

Members to be Added:

9134 SHIRE WESTONIA

DFES ID	Rank	Surname	First Name

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Changes Requested By:

Contact Name (please print)	Contact Number	Date	Area / District Manager	Sign & Date

AUTHORISED:

YES NO

LG Brigade Personnel Listing - WESTONIA (S)

as at 05/02/2020

6644 WALGOOLAN BFB

Remove	Vol. Number	Rank	Surname	Given Name
	119036	VOL FIRE FIGHTER	BARNETT	CHRISTOPHER
	119037	VOL FIRE FIGHTER	BARNETT	DANIEL
	119050	VOL FIRE FIGHTER	BARNETT	HELEN
	185050	ACTIVE MEMBER	BOWDEN	MARK
	119012	BFB 1ST LIEUTENANT	BROWN	DAVID
	119048	VOL FIRE FIGHTER	BROWN	EILEEN
	179432	VOL FIRE FIGHTER	BROWN	GERARD
	138356	VOL FIRE FIGHTER	COLE	CAROLYN
	138359	VOL FIRE FIGHTER	COLE	MALCOLM
	119047	VOL FIRE FIGHTER	CREES	RODNEY
	146831	VOL FIRE FIGHTER	DAY	KARIN
	142827	BFB 2ND LIEUTENANT	DAY	ROHAN
	185051	ACTIVE MEMBER	DAY	WILLIAM
	119045	VOL FIRE FIGHTER	JEFFERYS	BRETT
	146833	VOL FIRE FIGHTER	JEFFERYS	CHRIS
	150023	VOL FIRE FIGHTER	JEFFERYS	COREY
	119010	VOL FIRE FIGHTER	JEFFERYS	JOHN
	119046	VOL FIRE FIGHTER	JEFFERYS	MARK
	146832	VOL FIRE FIGHTER	JEFFERYS	NARELLE
	119051	VOL FIRE FIGHTER	JOHNSTON	GRAHAM
	182036	VOL FIRE FIGHTER	LAMBERT	PETER
	146834	VOL FIRE FIGHTER	MURFIT	TONY
	179674	VOL FIRE FIGHTER	MURRAY	ROBERT
	179078	VOL FIRE FIGHTER	ROUTLEDGE	BERGEN
	146838	VOL FIRE FIGHTER	WAHLSTEN	CLINTON
	146836	CAPTAIN	WAHLSTEN	JASON

146839

VOL FIRE FIGHTER

WAHLSTEN

LUKE

146837

VOL FIRE FIGHTER

WAHLSTEN

TERRY

Members to be Added:**6644 WALGOOLAN BFB****DFES ID****Rank****Surname****First Name**

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Changes Requested By:**Contact Name (please print)****Contact Number****Date****Area / District Manager****Sign & Date**

AUTHORISED:

YES

NO

LG Brigade Personnel Listing - WESTONIA (S)

as at 05/02/2020

6658 WARRALAKIN BFB

Remove	Vol. Number	Rank	Surname	Given Name
	171478	VOL FIRE FIGHTER	ALCOCK	GRAHAM
	178681	VOL FIRE FIGHTER	BALLANTYNE	DUNCAN
	182136	VOL FIRE FIGHTER	BRENNAN	BRAYDEN
	133119	VOL FIRE FIGHTER	CHRISP	SHAUN
	178680	VOL FIRE FIGHTER	CLAESSENS	EVA
	178682	VOL FIRE FIGHTER	CREWS	MITCH
	119017	BFB 3RD LIEUTENANT	CREWS	PETER
	146821	VOL FIRE FIGHTER	CROOK	DAVID
	119114	VOL FIRE FIGHTER	CROOK	MICHAEL
	119103	VOL FIRE FIGHTER	CROOK	RUSSELL
	119015	VOL FIRE FIGHTER	DADDOW	STEPHEN
	182134	VOL FIRE FIGHTER	DAWSON	SAM
	171481	VOL FIRE FIGHTER	FARINA	ABIGAIL
	171480	BFB 2ND LIEUTENANT	FARINA	BEN
	162184	VOL FIRE FIGHTER	FARINA	DANE
	182253	VOL FIRE FIGHTER	GIBSON	KYLIE
	119016	BFB 1ST LIEUTENANT	LEMOLGNAN	STEVEN
	182135	VOL FIRE FIGHTER	MARTIN	HANNAH
	119079	VOL FIRE FIGHTER	MCDOWALL	JOHN
	171482	VOL FIRE FIGHTER	MCDOWALL	ROBERT
	178679	VOL FIRE FIGHTER	NICOLETTI	ALEISHA
	133116	CAPTAIN	NICOLETTI	MALCOLM
	108605	VOL FIRE FIGHTER	PARKIN	CRAIG
	161319	VOL FIRE FIGHTER	PARKIN	DANIELLE
	162182	VOL FIRE FIGHTER	PRICE	DAVID
	171497	VOL FIRE FIGHTER	PRICE	MORGAN

	171498	VOL FIRE FIGHTER	PRICE	STACY
	171500	BFB SECRETARY	SING	JEANNIE
	155396	VOL FIRE FIGHTER	SING	STEWART
	119013	VOL FIRE FIGHTER	SMITH	AARON
	146827	VOL FIRE FIGHTER	SMITH	JOAN
	119084	VOL FIRE FIGHTER	SMITH	STEPHEN

Members to be Added:

6658 WARRALAKIN BFB

DFES ID	Rank	Surname	First Name

Instructions for any alterations to the list above;

1. Details are to be printed **clearly**.
2. Member names are to be listed as Surname, then First Name.
3. Send the completed form to your Regional Office to ensure the information is updated in RMS
4. When authorised & signed by your Area / District Manager, send a copy of the new or updated form to reports@dfes.wa.gov.au or fax to 1800 309 999

Changes Requested By:

Contact Name (please print)	Contact Number	Date	Area / District Manager	Sign & Date

AUTHORISED: YES NO

LG Brigade Personnel Listing - WESTONIA (S)

as at 05/02/2020

6668 WESTONIA BFB

Remove	Vol. Number	Rank	Surname	Given Name
	119134	VOL FIRE FIGHTER	ANTONIO	JOCELYN
	119004	VOL FIRE FIGHTER	ANTONIO	PETER
	119148	VOL FIRE FIGHTER	ARGENT	BRIAN
	181988	VOL FIRE FIGHTER	BLAKE	DAMIEN
	181987	VOL FIRE FIGHTER	BLAKE	TERRI
	171479	VOL FIRE FIGHTER	BLAKE	VICTOR
	64802	VOL FIRE FIGHTER	BRIGHT	GRAEME
	119154	CAPTAIN	CORSINI	FRANK
	182000	VOL FIRE FIGHTER	CORSINI	JOEL
	119153	VOL FIRE FIGHTER	CORSINI	JOHN
	119135	VOL FIRE FIGHTER	CRIDDLE	JAMIE
	182080	VOL FIRE FIGHTER	DADDOW	GRAHAM
	182009	VOL FIRE FIGHTER	DELLA BOSCA	ROSS
	182010	VOL FIRE FIGHTER	DELLA BOSCA	TIMOTHY
	159264	VOL FIRE FIGHTER	DUNKLEY-COOPER	KASEY
	166652	VOL FIRE FIGHTER	GEIER	ASHLEY
	151957	VOL FIRE FIGHTER	GEIER	DAIMON
	119006	BFB 3RD LIEUTENANT	HAMILTON	DAVID
	159378	VOL FIRE FIGHTER	HERMON	DOUG
	119120	BFB 1ST LIEUTENANT	LINDLEY	COLIN
	119146	VOL FIRE FIGHTER	LINDLEY	CORALIE
	119152	VOL FIRE FIGHTER	LINDLEY	JUDITH
	119128	VOL FIRE FIGHTER	LINDLEY	KEVIN
	104308	VOL FIRE FIGHTER	MCLAUGHLIN	MARTIN
	182420	VOL FIRE FIGHTER	MOORE	JAMES
	119005	VOL FIRE FIGHTER	O' RAFFERTY	DES

161702	VOL FIRE FIGHTER	PAUST	KEVIN
146818	BFB 2ND LIEUTENANT	PENNY	BRAD
119124	VOL FIRE FIGHTER	PRICE	ARTHUR
182037	VOL FIRE FIGHTER	PRICE	BOYD
180459	VOL FIRE FIGHTER	PRICE	JACK
166647	VOL FIRE FIGHTER	RILEY	COLIN
119140	VOL FIRE FIGHTER	SETTINERI	ANTONIO
146819	VOL FIRE FIGHTER	TOWNROW	ADRIAN
146820	VOL FIRE FIGHTER	TOWNROW	CLINTON
119151	VOL FIRE FIGHTER	TOWNROW	KERRY N
119003	VOL FIRE FIGHTER	TOWNROW	LEX

Members to be Added:

6668 WESTONIA BFB

DFES ID	Rank	Surname	First Name

Instructions for any alterations to the list above;

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Changes Requested By:

Contact Name (please print)	Contact Number	Date	Area / District Manager	Sign & Date

AUTHORISED: YES NO

Local Government House Trust Update

JANUARY 2020

BACKGROUND

The Local Government House Trust (“the Trust”) is a unit trust, created back in 1980 for the purpose of providing building accommodation to the Western Australian Local Government Association (WALGA).

Under the current Trust Deed, 132 Local Governments contributed to create a Trust comprising of 620 units. Units are of equal value and are revalued annually once the audited Financial Report is adopted by the Board of Management at its November meeting.

Since January 2014, the Trust has provided WALGA with accommodation at the ONE70 building, located at 170 Railway Parade West Leederville.

The building fulfils an essential requirement to provide suitable accommodation for the Association and its staff, while representing a long-term investment opportunity through rental income and long term capital growth. The building includes meeting rooms which are used extensively for training courses provided to Elected Members and Local Government Officers, meetings of State Council, its committees and numerous policy groups and committees. Meeting rooms are also available for use by Members.

The building consists of four levels of quality office space. WALGA leases level one, enabling WALGA employees to be housed on a single floor. Three levels are available to third party tenants with additional rental space on the ground floor occupied by an all-day childcare and café. Underground building car parking ensures sufficient parking for visitors. The energy efficient building utilises solar power generation from PVC Units and carries a 5 Star Green Star rating. It has also achieved an indicative five star NABERS rating for energy and water.

The Trust has 60% ownership of the ONE70 building, through its investment in a joint venture with Qube Property.

The Joint Venture agreement ends in 2024, with the Trust having the option of purchasing the building outright.

Cash growth outlined in the chart to the right allows for repayment of building loan debt. The projected cash reserves assumes the expected renewal of the fourth floor tenants beyond August 2020. The next major lease breakpoint is for levels two and three, when Marsh/LGIS has a lease breakpoint in 2024.

HIGHLIGHTS FROM 2018/19

- Building remained fully tenanted, which is a good result in the local commercial property market.
- Building is fully occupied with a weighted average lease expiry (WALE) of 5.3 years at 30 June 2019.
- Trust’s own cash reserves grew to \$2.0 million at 30 June 2019.
- Building loan debt held by the Joint Venture reduced to \$26.2 million at 30 June 2019 (Trust’s 60% share of the loan being \$15.7 million).
- Borrowing interest rates remained low.

BUILDING VALUATION

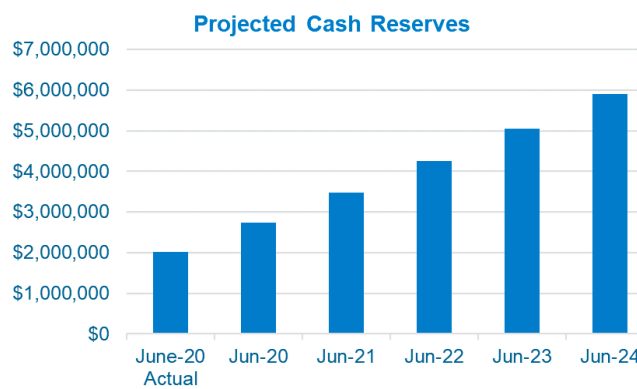
The most recent independent valuation at 30 June 2019 valued the property at \$49.5 million which reflects contracted future lease income. This compares favourably against the cost of land and buildings of \$43.4 million and current net book value of \$36.5 million.

FUTURE OUTLOOK

The positive impact of record low interest rates on loan borrowings is anticipated to drive a good result in 2019/20. However, interest rate savings will be absorbed by a reduction in lease income from 2020/21, as a 2020 lease expiry is expected to be extended in a market less favourable than five years ago. With full tenancy and low rates on loan borrowings, the outlook for the Local Government House Trust remains positive.

The Trust’s own cash reserves are projected to continue growing. Strategically this will place the Trust in a position to consider the outright purchase of 170 Railway Parade in 2024. Profits however tend to be relatively modest due to the impact of building depreciation which is an accounting entry and does not necessarily reflect the diminution in building value.

Projections for the Trust’s own cash reserves are shown below.



Local Government House Trust Update

JANUARY 2020 (CONTINUED)

HOUSE TRUST UNIT VALUE

The unit value as at 30 June 2019 is \$17,805 based upon Net Assets of \$11,039,266 / 620 units.

Unit values follow the movement of the Trust's Net Assets. Included within the Trust's Net Assets are the Trust's 60% share of assets and liabilities held in the Joint Venture established to own and manage the building.

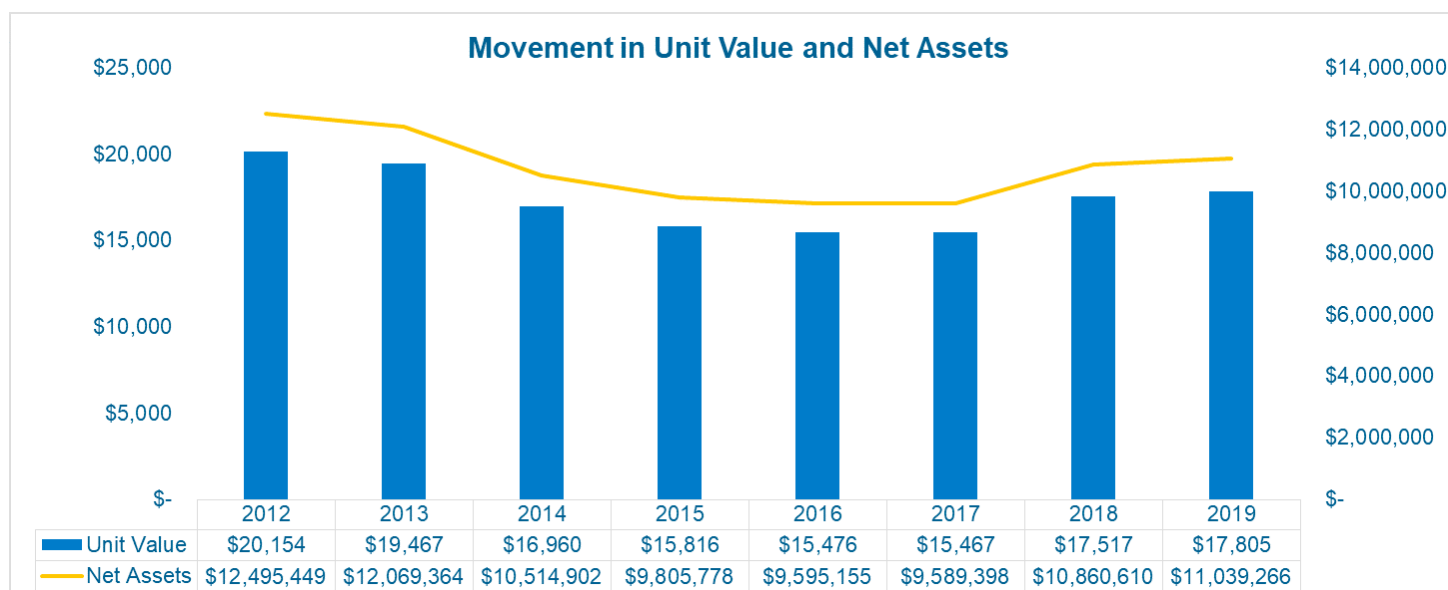
Unit values will fluctuate over time depending on the movement in net assets.

The downward fluctuation between 2013 and 2015 relates to the

transition from the previous building to the current ONE70 building.

Full occupancy of the new building since 2015 has seen the movement in net assets stabilise. The uplift in 2018 is due to the restatement of net assets by \$765,074 following the change in accounting for lease income. Lease income is now accounted for on the straight line basis, instead of the previous "as invoiced basis".

The graph below shows the fluctuation in the net assets and unit price of the Trust since 2012 (2011/12).



TRUST DEED VARIATION

A Deed of Variation to the Trust Deed will soon be circulated to Local Governments holdings units for approval. The amendment is intended to strengthen the House Trust's position as a State/ Territory Body for tax purposes. The Amendment seeks to achieve this by:

1. Transferring the power over the appointment of Trustee to the beneficiaries, where consent of 75% of the beneficiaries (unit holders) will be required, and

2. Confirmation that the power exists with the Board of Management, while allowing the Trustee sufficient operational discretion to place and renew investments and pay suppliers.

Approval of this Deed of Variation to the Trust deed requires consent of 75% of the 132 unit holders.

Any questions can be directed by email to lght@walga.asn.au.