



# Agenda

## Audit and Risk Management Committee

Monday 16 June 2025 6:00 pm



## **Notice of an Audit and Risk Management Committee**

Elected Members

An Audit and Risk Management Committee of the City of Fremantle will be held on **Monday 16 June 2025** in the Seminar Room (Wetj Room) at the Walyalup Civic Centre, located at 151 High Street, Fremantle commencing at 6:00 pm.

This meeting is closed to the public.

A handwritten signature in black ink, appearing to read "M. Hammond".

Matt Hammond  
**Director City Business**

11 June 2025



## Table of Contents

Official opening, welcome and acknowledgement.....	4
Attendance, apologies and leave of absence .....	4
Attendance.....	4
Apologies.....	4
Leave of absence .....	4
Disclosures of interest by members.....	4
Deputations.....	4
Presentations.....	4
Confirmation of minutes .....	5
Elected member communication .....	5
Reports and recommendations from officers .....	6
<b>Governance and Compliance .....</b>	<b>6</b>
ARMC2506-1 APPOINTMENT OF THE PRESIDING MEMBER AND DEPUTY PRESIDING MEMBER OF THE AUDIT AND RISK MANAGEMENT COMMITTEE .....	6
ARMC2506-2 AUDIT ACTIONS UPDATE - MAY 2025.....	9
ARMC2506-3 EMERGING ISSUES REPORT - MARCH TO MAY 2025 .....	15
<b>Finance .....</b>	<b>17</b>
ARMC2506-4 PURCHASING POLICY EXEMPTIONS MARCH TO MAY 2025 .....	17
ARMC2506-5 TENDERS AWARDED UNDER DELEGATION MARCH TO MAY 2025..	20
ARMC2506-6 OVERDUE DEBTORS REPORT AS AT 31 MAY 2025 .....	23
ARMC2506-7 FINANCIAL HARDSHIP POLICY .....	30
<b>Health, Safety and Environment.....</b>	<b>33</b>
ARMC2506-8 LOCAL EMERGENCY MANAGEMENT COMMITTEE UPDATE - JUNE 2025.....	33
<b>Legal, Reputation and Brand .....</b>	<b>36</b>
Motion of which previous notice has been given .....	36
Urgent business .....	36
Late items.....	36
Confidential business .....	36
Closure.....	36



## **Official opening, welcome and acknowledgement**

Ngala kaaditj Whadjuk moort keyen kaadak nidja Walyalup boodja wer djinang Whadjuk kaaditjin wer nyiting boola yeye.

We acknowledge the Whadjuk people as the traditional owners of the greater Fremantle/Walyalup area and we recognise that their cultural and heritage beliefs are still important today.

## **Attendance, apologies and leave of absence**

### **Attendance**

### **Apologies**

There are no previously received apologies.

### **Leave of absence**

There are no previously received leave of absence.

### **Disclosures of interest by members**

Elected members must disclose any interests that may affect their decision-making. They may do this in a written notice given to the CEO or at the meeting.

### **Deputations**

A deputation may be made to the meeting in accordance with the City of Fremantle Meeting Procedures Policy.

### **Presentations**

Elected members and members of the public may make presentations to the meeting in accordance with the City of Fremantle Meeting Procedures Policy.



## **Confirmation of minutes**

### **OFFICER'S RECOMMENDATION**

**The Audit and Risk Management Committee confirm the minutes of the Audit and Risk Management Committee meeting dated 17 March 2025.**

## **Elected member communication**

Elected members may ask questions or make personal explanations on matters not included on the agenda.



## Reports and recommendations from officers

### Governance and Compliance

#### **ARMC2506-1      APPOINTMENT OF THE PRESIDING MEMBER AND DEPUTY PRESIDING MEMBER OF THE AUDIT AND RISK MANAGEMENT COMMITTEE**

**Meeting date:** 16 June 2025  
**Responsible officer:** Manager Governance  
**Voting requirements:** Absolute Majority Required  
**Attachments:** Nil

#### **SUMMARY**

**As part of the reforms to the *Local Government Act 1995 (the Act)*, changes to section 5.12 of the Act now require the presiding members and deputy presiding members of committee to be appointed by absolute majority by Council. Transitional provision 67 and 68 of the Act, relating to the Local Government Amendment Act 2024, require the appointments to be made no later than 1 July 2025.**

**This report recommends that Council appoint the existing Audit and Risk Management Committee presiding member and deputy presiding member for a term of four months, to expire following the 2025 Ordinary Local Government Elections.**

#### **BACKGROUND**

Previous provisions enabled committee's made under section 5.8 of the *Local Government Act 1995 (the Act)* to appoint the presiding member and deputy presiding member amongst the members at the first committee meeting following the local government ordinary election.

As part of the reforms to the *Local Government Act 1995 (the Act)*, changes to section 5.12 of the Act now require the presiding members and deputy presiding members of committee to be appointed by absolute majority by Council. Subsection 5.12(1) requires a presiding member to be appointed, while the deputy presiding member is optional (s 5.12(2)).



Transitional provision 67 and 68 of the Act, relating to the *Local Government Amendment Act 2024* require Council, for each of its existing committees, to make its first appointment of the presiding member and deputy presiding member under new section 5.12 no later than 1 July 2025. Until the first appointment is made, the person who, immediately before amendment day (6 December 2024), is the presiding member of the existing committee may continue to be the presiding member.

Officers have not brought this appointment to Council prior to this report in anticipation of further changes to the Committee, including the name of the committee, terms of reference amendments, and public participation, however these changes are not likely to commence until after 1 July 2025.

### **FINANCIAL IMPLICATIONS**

Nil.

### **LEGAL IMPLICATIONS**

Transitional provision 67 and 68 of the *Local Government Act 1995*, relating to the *Local Government Amendment Act 2024* (local government reforms), set the requirements for Council to appoint a presiding member and a deputy presiding member of an existing committee.

### **STRATEGIC IMPLICATIONS**

This item is in keeping with the City of Fremantle's Strategic Community Plan 2024 – 2034:

#### **Corporate - Lead and empower the organisation to deliver the vision of 'strong reputation, stronger future'**

- Enable the City to maintain legislative compliance and accountability for organisational decision making.

### **CONSULTATION**

Nil.



## **OFFICER COMMENT**

Transitional provision 67 and 68 of the Act, relating to the *Local Government Amendment Act 2024* require Council, for each of its existing committees, to make its first appointment of the presiding member and deputy presiding member under new section 5.12 no later than 1 July 2025. Until the first appointment is made, the person who, immediately before amendment day (6 December 2024), is the presiding member of the existing committee may continue to be the presiding member.

At the Audit and Risk Management Committee meeting held on 11 December 2023, Cr Frank Mofflin was elected as presiding member, and Cr Fedele Camarda was elected as deputy presiding member. Both terms are for a period of two years, to expire following the 2025 Ordinary Local Government Election to be held on 18 October 2025.

Officers recommend to continue with both appointments, noting that between 1 July 2025 and 18 October 2025 the Audit and Risk Management Committee are set to meet for one meeting in September, which is also during Caretaker Period.

## **VOTING AND OTHER REQUIREMENTS**

Absolute Majority Required

## **OFFICER'S RECOMMENDATION**

### **Council:**

- 1. Appoint Cr Frank Mofflin as presiding member of the Audit and Risk Management Committee for the term of four months, to expire following the 2025 Ordinary Local Government Elections.**
- 2. Appoint Cr Fedele Camarda as deputy presiding member of the Audit and Risk Management Committee for the term of four months, to expire following the 2025 Ordinary Local Government Elections.**



## **ARMC2506-2      AUDIT ACTIONS UPDATE - MAY 2025**

<b>Meeting date:</b>	16 June 2025
<b>Responsible officer:</b>	Manager Financial Services
<b>Voting requirements:</b>	Simple Majority Required
<b>Attachments:</b>	<ol style="list-style-type: none"><li>1. CONFIDENTIAL - Audit Actions Register June 2025</li><li>2. CONFIDENTIAL - Emerging Findings Letter Response by City</li><li>3. Report 17 Local Government Management of Purchasing Cards</li></ol>

### **SUMMARY**

**This report provides an update on the status of actions arising from annual audits carried out in line with statutory requirements.**

**The report requests the Audit and Risk Management Committee receive and note the current list of audit actions and status associated with each.**

### **BACKGROUND**

Currently the City of Fremantle participates in or undertakes the following audits as required under the *Local Government Act 1995*:

- Audit of annual financial statements
- Audit of General computer controls and information systems
- Audit of Financial management (Regulation 5)
- Audit of general systems, procedures and controls (Regulation 17)

The Financial Audit and General Computer Controls Audit are carried out by the Office of the Auditor General (OAG) and assess both financial and information technology related compliance and controls.

The Regulation 5 and Regulation 17 audits are carried out by external auditors engaged by the City.

The OAG also carries out Performance audits from time to time on topics selected by the Auditor General. These audits assess the efficiency and effectiveness of entity activities, services and programs.



Each audit results in a series of recommendations being made by the auditor, which the City reviews, tracks and actions accordingly. Recommendations are rated based on risk and severity and the city prioritises any remediation required on that basis.

The audit register, as provided in confidential attachment 1, provides information regarding the status of each action and progress associated with each.

### **FINANCIAL IMPLICATIONS**

Nil.

### **LEGAL IMPLICATIONS**

The City considers and actions audit recommendations in line with its requirements under the *Local Government Act 1995*.

If the Auditor General or a local government's appointed auditor reports a significant matter in an audit report, section 7.12A of the Local Government Act 1995 (the Act) requires a response from the local government.

The requirements of this response are:

1. Upon receipt of the auditor's report, the local government must prepare a report for its Audit Committee to address the significant matters raised and outline what action(s) the local government has taken or intends to take in respect of each of the matters raised.
2. The Audit Committee minutes and the report to the Minister are referred to Council for proper review and endorsement of any proposed actions.
3. Within 3 months of receipt of the auditor's report, a copy of the Council-endorsed report must be provided to the Minister.
4. Within 14 days of providing a copy of the report to the Minister, a copy must be published on the local government's website.

### **STRATEGIC IMPLICATIONS**

This is in keeping with the City of Fremantle's Strategic Community Plan 2024 – 2034:



**Corporate - Lead and empower the organisation to deliver the vision of 'strong reputation, stronger future'**

- Enable the City to maintain legislative compliance and accountability for organisational decision making.
- Support the City through financial, procurement and revenue functions whilst ensuring legislative compliance and providing excellent customer service.

**CONSULTATION**

Audit recommendations are implemented and actioned in consultation with auditors to ensure accurate interpretation and understanding of audit recommendations.

**OFFICER COMMENT**

The audit action register has been developed as part of the continuous improvement of the City's management and reporting of audit activities and findings.

The audit action register provides a summary report of all the current open audit findings, recommendations, and progress comments from the various audit activities.

Noting that full audit reports are presented to the Audit and Risk Management Committee upon completion of each audit, the register provides an ongoing summary update on status and includes the following information:

- The core finding identified by the relevant audit.
- The associated risk rating as identified by the auditor.
- The auditor's core recommended actions.
- The officer responsible for implementing the action.
- Indications of which audits resulted in the core finding, whether it be the OAG financial, performance or IT audits, Regulation 5 or 17.
- Comments on progress made, and current status of action being taken by the City.
- Estimated completion date and actual completion date for the items that have been resolved.

Since the ARMC in March 2025, there are 18 outstanding items on the audit register.



Of the Eighteen outstanding items:

- Eleven relate to the OAG GCC (IT) Audit, with nine of those findings being assessed as moderate and two other being assessed as minor.
- One relates to the Reg 17 audit and is assessed as moderate.
- Six relate to the OAG Performance Audit for the management of purchasing cards with one finding being significant, four being moderate and one being minor.

Five findings are now complete with the majority of remaining findings on track to be addressed and closed out prior to the end of 2025.

### **OAG Performance Audit - Local Government Management of Purchasing Cards**

In early 2025 the OAG selected the City of Fremantle, along with several other metropolitan local governments to undergo a performance audit relating to the use of Purchasing Cards. The focus of the performance audit was to assess whether larger metropolitan Local Government entities effectively manage the issue, use and cancellation of purchasing cards, based on the following criteria:

1. Are there effective controls over the issue and cancellation of purchasing cards?
2. Are there effective controls over the use of purchasing cards?

This audit was recently concluded and results of the audit have now been received by the City, as shown in the emerging findings letter provided in Attachment 2.

As outlined in the table below, the City received six findings as part of the audit, one of which was considered by the OAG to be significant.



INDEX OF FINDINGS	RATING		
	Significant	Moderate	Minor
<b>Findings identified in the current audit</b>			
1. Inadequate policy guidance on allowable and reasonable business use	✓.		
2. Control weaknesses over the issue and cancellation of cards		✓.	
3. Review and approval of purchases did not comply with City policies and procedures		✓.	
4. Policies and procedures to manage purchasing cards are missing key elements		✓.	
5. Insufficient information is included in the list of transactions presented to Council		✓.	
6. No appropriate management oversight of purchasing card control effectiveness			✓.

The significant finding, OAG Recommendation, and the City’s response to the finding and proposed action to be taken, is provided below for Council consideration:

**Finding 1: Inadequate policy guidance on allowable and reasonable business use.**

**OAG Recommendation:**

*The City of Fremantle should develop and implement staff travel, hospitality, alcohol for staff and council members, meals and entertainment policies that align with business use and community expectations.*

**Action in response to significant finding:**

The City is in the process of reviewing and updating its Procurement Policy, and developed a new set of guidelines that incorporates the existing purchase card procedure. This document will provide more definitive guidelines on what is allowable and reasonable with respect to the above-mentioned spending categories. The draft Procurement Policy will be provided to Council for consideration by the end of August 2025.



In line with legislative requirements, this report and associated attachments outline the nature of the significant finding and the action being taken by the City to remedy it. Following consideration by the Audit and Risk Management Committee and Council, the required information will be forwarded to the Minister and published on the City's website as per the statutory requirements.

## **VOTING AND OTHER REQUIREMENTS**

Simple Majority Required

## **OFFICER'S RECOMMENDATION**

### **Council:**

- 1. Receive and note the updated Audit Actions Register as provided in confidential attachment 1.**
- 2. Receive and note the Performance Audit Emerging Findings Letter as provided in confidential attachment 2.**
- 3. Note the significant finding received in the *OAG Performance Audit - Local Government Management of Purchasing Card*; and accept the City's action in response to this finding, as outlined in this report.**
- 4. Note in accordance with section 7.12A of the *Local Government Act 1995*, this report will be provided to the Minister for Local Government, and a copy will be placed on the City's website within 14 days.**



## **ARMC2506-3          EMERGING ISSUES REPORT - MARCH TO MAY 2025**

**Meeting date:** 16 June 2025  
**Responsible officer:** Manager Governance  
**Voting requirements:** Simple Majority Required  
**Attachments:** Nil

### **SUMMARY**

**This report highlights the relevant issues which are either current or emerging and may significantly affect the operation, financial, legal, or reputational operation of the City.**

**These matters are raised to inform the committee of any significant issues identified by officers and allow for any further feedback or questions on the actions currently being taken or under consideration to address and resolve them.**

### **BACKGROUND**

Part of the role of the Audit and Risk Management Committee is to be aware of any significant financial, political, and corporate issues being identified by the organisation and to understand, review or advise on the possible actions to address these.

### **FINANCIAL IMPLICATIONS**

Some of the issues and potential mitigation actions outlined in this report may include financial implications for the City. Order of magnitude estimates of financial implications based on information available at the time of the report is included in the issues table attached.

### **LEGAL IMPLICATIONS**

The City actively seeks legal advice and support where issues and risks identified have potential legal implications.

### **STRATEGIC IMPLICATIONS**

This is in keeping with the City of Fremantle's Strategic Community Plan 2024 – 2034:



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- Enable the City to maintain legislative compliance and accountability for organisational decision making.
- Support the City through financial, procurement and revenue functions whilst ensuring legislative compliance and providing excellent customer service.

**CONSULTATION**

Nil.

**OFFICER COMMENT**

The table provided in confidential attachment 1 identifies the current or emerging issues which are considered significant by the organisation. Some are in action, and some are under review by the organisation and will continue to be updated to the Audit and Risk Management Committee over time.

In conjunction with the organisation's newly developed Risk Management Framework, the City's issues log will provide a consistent and effective means of tracking, managing, and resolving significant issues.

It should be noted that as the City progresses through the transitional period to the new Risk Management Framework, there are a number of issues covered on both the issues log and the current Corporate Risk Register.

The City's emerging issues log is populated and maintained by officers. This document is maintained live in the City's corporate document management system and is reviewed and discussed by the Executive Leadership Team as a standing agenda item monthly.

**VOTING AND OTHER REQUIREMENTS**

Simple Majority Required

**OFFICER'S RECOMMENDATION**

**Council receive the Emerging Issues report for March to May 2025 as detailed in confidential attachment 1.**



## Finance

### **ARMC2506-4 PURCHASING POLICY EXEMPTIONS MARCH TO MAY 2025**

<b>Meeting date:</b>	16 June 2025
<b>Responsible officer:</b>	Manager Financial Services
<b>Voting requirements:</b>	Simple Majority Required
<b>Attachments:</b>	1. Purchasing Policy Exemptions March May 2025

#### **SUMMARY**

**The purpose of this report is to inform Council of purchases made by the City that were exempted from the requirements of the Purchasing Policy, during the period March to May 2025.**

**This report recommends that Council receive the Purchasing Policy Exemptions report for March to May 2025.**

#### **BACKGROUND**

The City's Purchasing Policy outlines the requirements and decision-making process for each Policy threshold. The Policy also contains a list of tender exemptions (exempt under Regulation 11(2) of the *Local Government (Functions and General) Regulations 1996*) and other Policy exemptions.

Under this policy all exemptions applied by the City are to be reported to the Audit and Risk Management Committee.

#### **FINANCIAL IMPLICATIONS**

Nil.

#### **LEGAL IMPLICATIONS**

Nil.

#### **STRATEGIC IMPLICATIONS**

This is in keeping with the City of Fremantle's Strategic Community Plan 2024 – 2034:



**Corporate - Lead and empower the organisation to deliver the vision of 'strong reputation, stronger future'**

- Support the City through financial, procurement and revenue functions whilst ensuring legislative compliance and providing excellent customer service.

**CONSULTATION**

Nil.

**OFFICER COMMENT**

**March 2025**

The total value of spending exempt from the City of Fremantle Purchasing Policy was **\$93,583.000** for the month of March 2025.

The value of exemptions by category is:

Exemption Category	Value
Purchasing Policy Exemption	\$90,923.00
Request for Artist	\$2,660.00
Sole Source of Supply	Nil
<b>Total</b>	<b>\$93,583.00</b>

Details regarding individual exemptions can be found in Attachment 1.

**April 2025**

The total value of spending exempt from the City of Fremantle Purchasing Policy was **\$142,489.00** for the month of April 2025.

The value of exemptions by category is:

Exemption Category	Value
Purchasing Policy Exemption	\$80,000.00
Request for Artist	Nil
Sole Source of Supply	\$62,489.00
<b>Total</b>	<b>\$142,489.00</b>

Details regarding individual exemptions can be found in Attachment 1.



## **May 2025**

The total value of spending exempt from the City of Fremantle Purchasing Policy was **\$63,400.00** for the month of May 2025.

The value of exemptions by category is:

Exemption Category	Value
Purchasing Policy Exemption	\$63,400.00
Request for Artist	Nil
Sole Source of Supply	Nil
<b>Total</b>	<b>\$63,400.00</b>

Details regarding individual exemptions can be found in Attachment 1.

## **VOTING AND OTHER REQUIREMENTS**

Simple Majority Required

## **OFFICER'S RECOMMENDATION**

**Council receive the information report on Purchasing Policy Exemptions for March to May 2025.**



## **ARMC2506-5      TENDERS AWARDED UNDER DELEGATION MARCH TO MAY 2025**

**Meeting date:** 16 June 2025  
**Responsible officer:** Manager Financial Services  
**Voting requirements:** Simple Majority Required  
**Attachments:** Nil

### **SUMMARY**

**The purpose of this report is to summarise tenders awarded under delegation by various delegated Officers and Committees during the period March to May 2025.**

**This report recommends that Council receive the report on tenders awarded under delegation between March to May 2025.**

### **BACKGROUND**

Tenders awarded by the City are awarded under the following delegations, approved at Council on 26 June 2024 (C2406-15):

<b>Delegated Authority</b>	<b>Amount of Delegation</b>
Ordinary Meeting of Council	\$1,000,000+ (if within budget)
CEO	Up to \$1,000,000
Directors	Up to \$500,000

Items identified under 'Officer Comment' of this report detail tenders awarded under delegation.

### **FINANCIAL IMPLICATIONS**

All tenders were awarded in line with the adopted 2024-25 budget.

### **LEGAL IMPLICATIONS**

All tenders awarded met the requirements of Regulations 11A – 24AJ of the *Local Government (Functions and General) Regulations 1996* and S3.57 of the *Local Government Act 1995*.



Under delegation 2.11 Expressions of interest and tenders, of the City’s Register of Delegated Authority 2023-24, the Chief Executive Officer is required to report the use of this delegation to the Audit and Risk Management Committee.

**STRATEGIC IMPLICATIONS**

This is in keeping with the City of Fremantle’s Strategic Community Plan 2024 – 2034:

**Corporate - Lead and empower the organisation to deliver the vision of 'strong reputation, stronger future'**

- Support the City through financial, procurement and revenue functions whilst ensuring legislative compliance and providing excellent customer service.

**CONSULTATION**

Nil.

**OFFICER COMMENT**

Below is a list of tenders awarded under delegation between March to May 2025.

**March 2025**

Tender Description	Awarded By	Contractor(s)	Contract Term	Contract Value
FCC672/24 - Supply and Delivery of One 4x2 Jetting Vacuum Excavator	Directors	STG Global Pty Ltd	One Off Purchase	381,396.00 ex GST

**April 2025**

Tender Description	Awarded By	Contractor(s)	Contract Term	Contract Value
RFQ634/25 - Fremantle Oval Redevelopment Business Case Phase – Lead Consultant	Directors	Urbis Limited	Up to 1 year	\$249,650.00 ex GST
FCC670/24 - Aquatic Water Treatment Servicing –	Directors	Aquatic Services WA Pty Ltd	Up to 6 years	\$228,404.46 ex GST



Preventative and Reactive				
FCC671/24 – Supply and Delivery of One 4x2 Rear Loading Refuse Truck	Directors	Major Motors Isuzu Pty Ltd	One Off Purchase	388,440.00 ex GST
FCC673/24 - WCC Mechanical and Electrical Warm Shell Tenancy Fit Out	CEO	MEP Service Group Pty Ltd	3 Months	707,726.00 ex GST
WFCC127/25 - Agency Labour Hire - HR Drivers and Laborers	CEO	Perth Recruitment Services Pty Ltd	1 Year	\$900,000.00 ex GST

**May 2025**

Tender Description	Awarded By	Contractor(s)	Contract Term	Contract Value
Nil				

**VOTING AND OTHER REQUIREMENTS**

Simple Majority Required

**OFFICER'S RECOMMENDATION**

**Council received the information report on Tenders Awarded under Delegation for March to May 2025.**



## **ARMC2506-6 OVERDUE DEBTORS REPORT AS AT 31 MAY 2025**

<b>Meeting date:</b>	16 June 2025
<b>Responsible officer:</b>	Manager Financial Services
<b>Voting requirements:</b>	Simple Majority Required
<b>Attachments:</b>	1. CONFIDENTIAL - Summary of Outstanding Debtors as at 31 May 2025

### **SUMMARY**

**This Overdue Debtors Report, with confidential attachment, is provided to the Audit and Risk Management Committee to report details of overdue debts, as at 31 May 2025, and identify those where the amount owing is over 90 days with a total debt exceeding \$10,000.**

**This report recommends that Council receive the Overdue Debtors Report and acknowledge the overdue debts exceeding 90 days that have a combined value greater than \$10,000 as at 31 May 2025.**

### **BACKGROUND**

This report provides the Audit and Risk Management Committee the following information in relation to overdue debtors:

- The amount of total debt outstanding for the period aged from current to over 90 days overdue with a comparison to the same period for the previous year.
- All records of the uses of delegated authority, to waive or write off debts valued at \$1,000 or above.
- A confidential report containing the individual debtor information in relation to the outstanding debts exceeding 90 days with a combined value of debt, by debtor, exceeding \$10,000.
- The Debtor Day Ratio, being the average number of days taken for the City to receive payment from its customers for invoices issued to them.

### **FINANCIAL IMPLICATIONS**

It is a requirement that annual financial statements include an allowance for impairment of receivables owed to the local government to be recognised as a cost to the budget in the year in which the impairment is made.

As at the year ending 30 June 2024, an amount of \$160,937 is held as an allowance for impairment of sundry receivables. There was a total of \$87,996 of waivers or debts written off for the 2023/24 financial year.



## **LEGAL IMPLICATIONS**

Section 6.12 (1) (c) of the *Local Government Act 1995* provides authority for the Council to write off outstanding monies.

In accordance with section 5.42 and 5.44 of the *Local Government Act 1995* the following delegated authority applies:

- The Chief Executive Officer has delegated authority to write off debts (not including rates or infringement) considered unrecoverable up to \$50,000 per account where, in the opinion of the Chief Executive Officer, all other reasonable avenues of recovery have been exhausted.
- Directors and Managers have various sub-delegated authority to write off debts (not including rates or infringement) considered unrecoverable up to \$20,000 per account where, in the opinion of the Director or Manager, all other reasonable avenues of recovery have been exhausted.

All records of the uses of this delegated authority, to waive or write off debts valued at \$1,000 or above, per debtor, must be reported to the Audit and Risk Management Committee.

Any amount more than \$50,000 is to be written off by Council resolution. A Council resolution authorising the write-off of any bad debt does not prevent Council from reinstating the debt if the future circumstances change and the debt becomes collectable.

## **STRATEGIC IMPLICATIONS**

This is in keeping with the City of Fremantle's Strategic Community Plan 2024 – 2034:

### **Corporate - Lead and empower the organisation to deliver the vision of 'strong reputation, stronger future'**

- Support the City through financial, procurement and revenue functions whilst ensuring legislative compliance and providing excellent customer service.

## **CONSULTATION**

Nil.

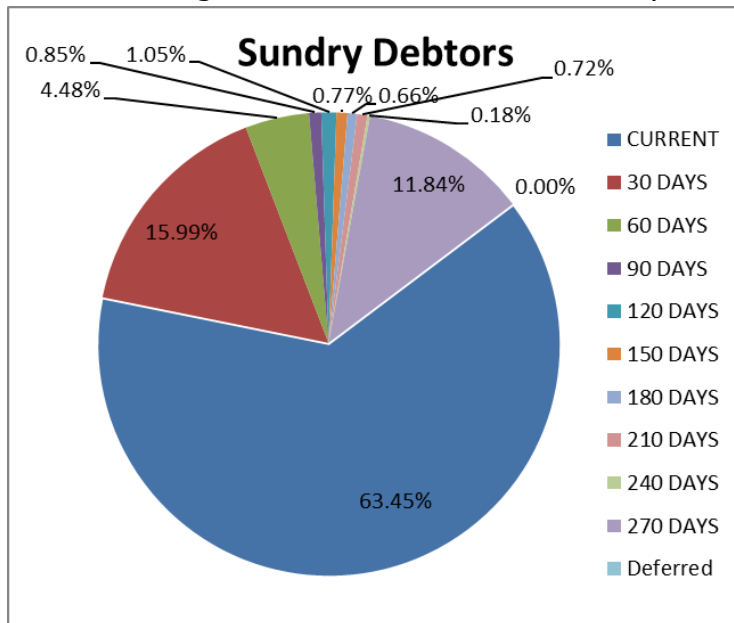


**OFFICER COMMENT**

The total of debts outstanding as at 31 May 2025 was \$746,129. A breakdown of aged debt for the current period compared to prior year is tabled below.

Period Ending May 2025	Current	30 Days	60 Days	90+ Days	Total
Mar 25 - May 25	63%	16%	4%	16%	100%
	473,416	119,323	33,425	119,965	746,129
Mar 25 - May 25 Excl. Commercial Properties	64%	21%	7%	9%	100%
	245,292	79,110	26,538	34,186	385,127
Mar 24 - May 24	459,499	145,660	74,715	425,837	1,105,710

The graph below shows the aged debt balances as at 31 May 2025:



Compared to the report of overdue debtors as at 28 February 2025, which was presented to Audit and Risk Management Committee meeting on 17 March 2025, the total value of outstanding debts has increased from \$739,705 to \$746,129.

Total outstanding debt over 90 days has decreased from \$140,807 at the end of the previous reporting date to \$119,965.

The number of overdue debtors over 90 days, and above the total debt reporting threshold of \$10,000 has increased to four.

Of the four reported, one debtor has increased, one is new and the other two debtors has had the debts reduced.



The four debtors have a total debt owing of \$124,650 of which \$100,729 is over 90 days. The confidential attachment contains details of the debtors comprising this balance.

### **Key Performance Indicators**

When determining status or risk associated with outstanding debtors, officers typically consider and assess the following metrics:

- Total amount of outstanding debt
- Age of outstanding debt (and value of that debt)
- Frequency of payment of outstanding debt
- Outstanding debt per individual debtor
- Outstanding debt per type of debtor

Officers consider all of these metrics alongside each other as well as the debtor day ratio to assist in providing an overarching assessment of general performance of outstanding debtors. The debtor day ratio measures how quickly cash is being collected from debtors regardless of the level of total outstanding amount of debt or the type of debt, allowing for a consistent metric that will identify periods where debtors are taking longer to pay down outstanding debt.

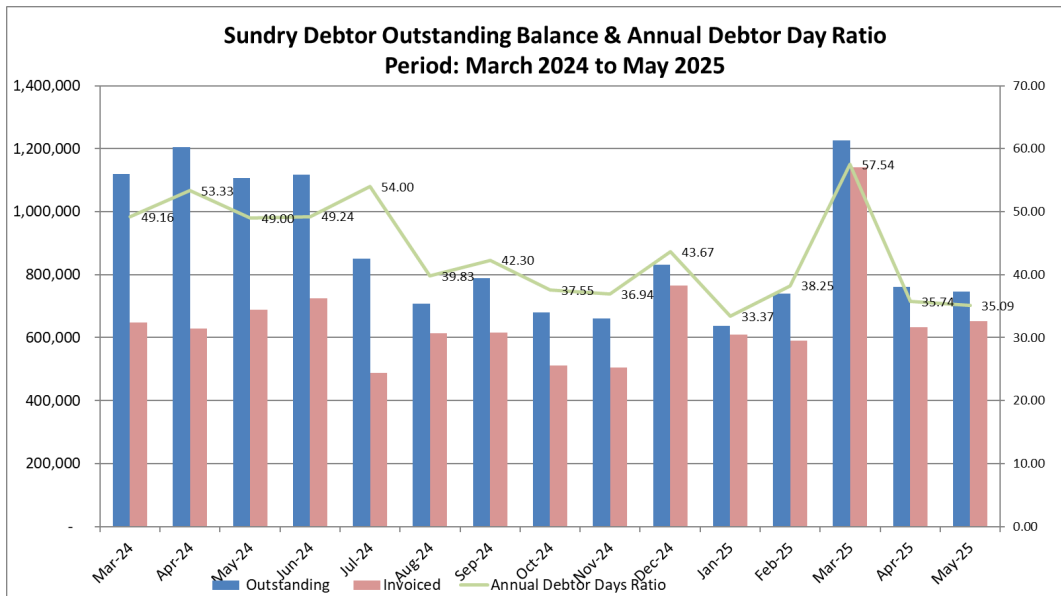
A number of metrics have been provided to follow that provide an initial snapshot of performance and or status of outstanding debtors to follow.

#### Debtor Day Ratio

The Debtor Day Ratio measures how quickly cash is being collected from debtors. The longer it takes for an organisation to collect, the greater the number of debtor days.

The calculation of the ratio considers the total amount outstanding at the end of the period divided by the total amount invoiced to that period for the financial year. This is then multiplied by the total number of days from 1 July to the end of the period. See calculation in the graph to follow.

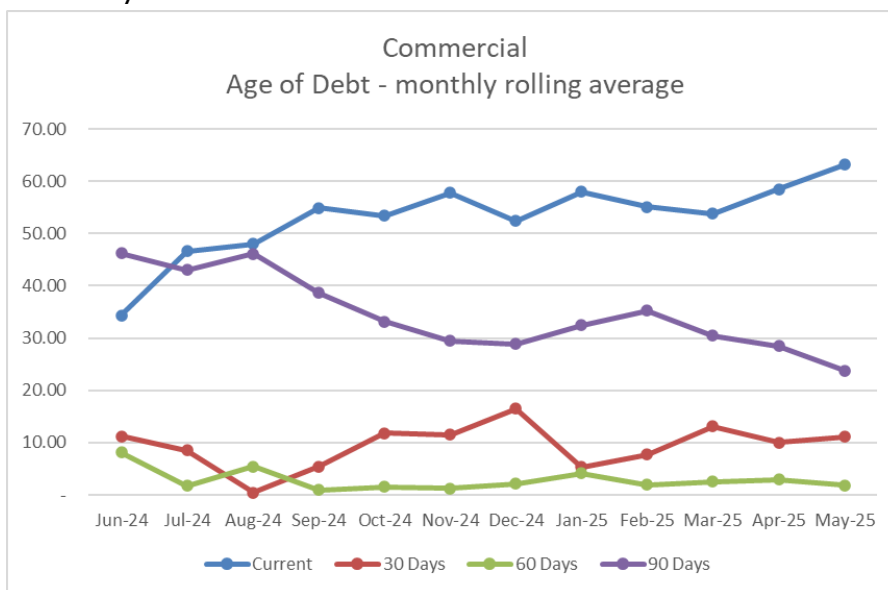
The chart to follow indicates the debtor days over the last 12 months. Debtor days have steadily decreased over the past 12 months, with a ratio of 35.09 being reported for May 2025.



Age of Debt

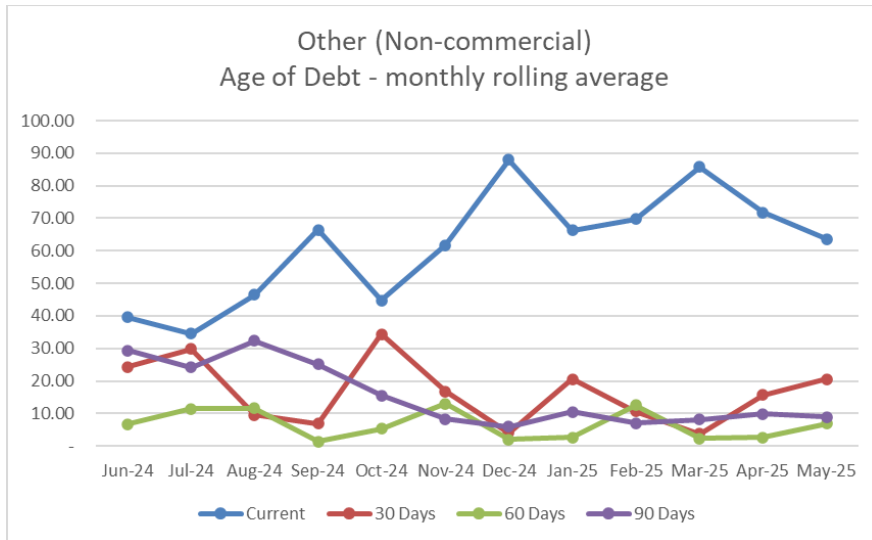
The rolling 12-month Average for debt in each age category is shown in the graphs to follow for Commercial and Other (non-commercial) debt. These graphs show the 12-month average as at each point in time, to provide a view of the trend of the City’s aged debt portfolio.

As per the monthly rolling average chart for commercial, the portion of debt that is current was 31% as at May 2025. The portion of debt that is over 90 days has slightly increased since the last reporting period. The portion of debt in the 30-59 days and 60-89 days remained at the lower end.



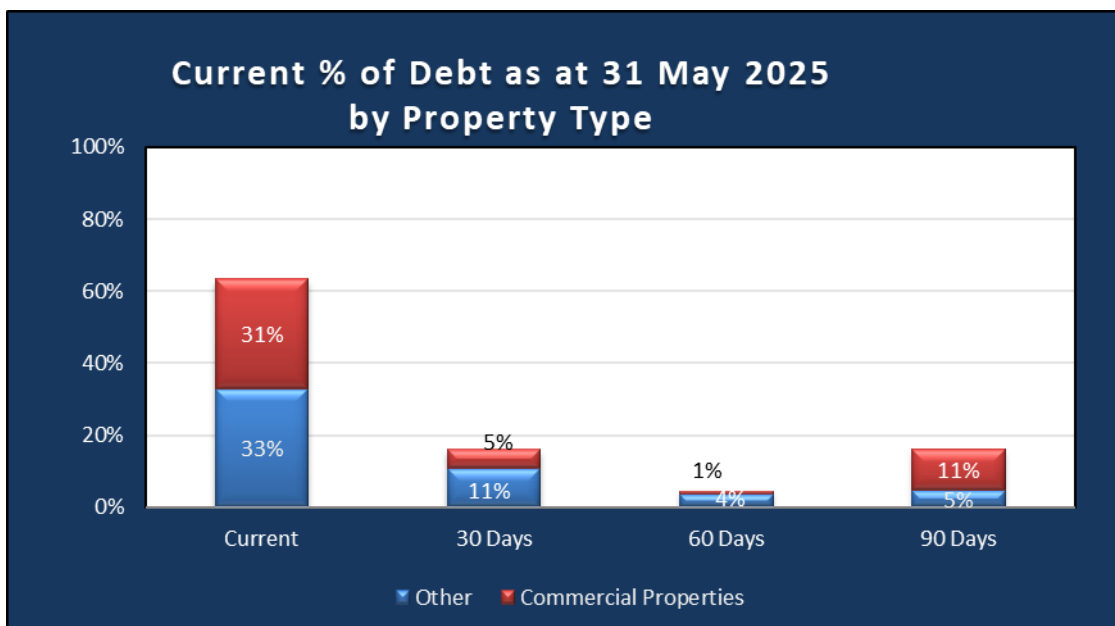


For other (non-commercial) debt, current debt has reduced from 40% to 33% since the last reporting period. All other categories remain much lower than the current trend line. This indicates a high proportion of debts being collected in a timely manner.



The Current Value of Debt by Age category is shown in the graph to follow, split between Commercial Properties and Other (Non-Commercial) Property Types. Of the total debt, Non-Commercial Properties account for 33% of Current debt, and account for 5% of the debt owing 90 days or more.

City officers continue to liaise with all commercial tenants to provide assistance, including payment arrangements where appropriate.





## **Delegation 2.3 - Defer payment, grant a concession, waive fees and write off of Debts**

During the reported period there were two waiver/write offs.

1. Parking fees for People with Disabilities WA to the amount of \$11,645
2. Town Hall commercial hire fee to the amount of \$7,470

## **VOTING AND OTHER REQUIREMENTS**

Simple Majority Required

## **OFFICER'S RECOMMENDATION**

**Council receive the Overdue Debtors Report as at 31 May 2025, and the confidential attachment listing overdue debts exceeding 90 days with the combined value, by debtor, exceeding \$10,000 as at 31 May 2025.**



## **ARMC2506-7      FINANCIAL HARDSHIP POLICY**

**Meeting date:** 16 June 2025  
**Responsible officer:** Director City Business  
**Voting requirements:** Simple Majority Required  
**Attachments:** 1. Council Financial Hardship Policy with amendments

### **SUMMARY**

**This report recommends that Council adopt proposed amendments to the City's existing Financial Hardship Policy.**

**The Financial Hardship Policy was developed to assist ratepayers that may be experiencing genuine financial hardship and require a different approach to paying outstanding rates and service charges when they fall due.**

**The primary amendments to the policy relate to removing outdated references to Covid-19. In addition to this, family and domestic violence has been included in the eligibility criteria. The policy has also been extended to all City debtors.**

### **BACKGROUND**

In response to the Covid-19 pandemic, a ministerial order; *Local Government (COVID-19)* was gazetted on 8 May 2020. The orders dealt with several issues, one of them being financial hardship. Information released in the Ministerial Circular issued to all local governments, encouraged the implementation of a financial hardship policy that addressed how the local government would deal with financial hardship of ratepayers as a result of the COVID-19 pandemic.

The Financial Hardship Policy was introduced and approved by Council on 8 July 2020. It has been in place since that time with no amendments. The wording implemented at the time referenced COVID-19 specifically which is no longer required. All arrangements dealt with under that particular provision have also now been resolved or paid off by respective debtors.

The City has also identified family and domestic violence as increasingly contributing to financial hardship within local communities and as such has recommended the addition of this category to the eligibility criteria for the policy.



**FINANCIAL IMPLICATIONS**

As a result of approval of this amended policy, there will remain a possibility of reduced overdue interest income and delay in receiving rates and service charge revenue.

**LEGAL IMPLICATIONS**

No changes required.

**STRATEGIC IMPLICATIONS**

This is in keeping with the City of Fremantle’s Strategic Community Plan 2024 – 2034:

**Corporate - Lead and empower the organisation to deliver the vision of 'strong reputation, stronger future'**

- Support the City through financial, procurement and revenue functions whilst ensuring legislative compliance and providing excellent customer service.

**CONSULTATION**

Nil.

**OFFICER COMMENT**

The recommended amendments to this Council Policy are tracked within **Attachment 1**. The following table lists the proposed amendments to the Financial Hardship Policy and the justification for each amendment.

<b>Change</b>	<b>Reason</b>
<b>Financial Hardship Policy</b>	
1. Anticipated Financial Hardship due to COVID19 section removed	No longer relevant
2. Added in Family and Domestic Violence to the Financial Hardship Criteria	Relevant new criteria for financial hardship
3. Included additional wording in policy statement to advise it is not a council discount and full rates and charges are still required to be paid.	Feedback from public that policy was not clear in this regard
4. Policy adapted to apply to debtors in general, not only Rate payers	To address financial hardship for non-ratepayers



## **VOTING AND OTHER REQUIREMENTS**

Simple Majority Required

## **OFFICER'S RECOMMENDATION**

### **Council:**

- 1. Adopt the following amended Financial Hardship Policy, as provided in Attachment 1.**
- 2. Note that minor amendments that do not change the effect or intent of the policy such as formatting, branding and corrections considered appropriate by the administration, may be made without further approval from Council.**



## Health, Safety and Environment

### AMRC2506-8 LOCAL EMERGENCY MANAGEMENT COMMITTEE UPDATE - JUNE 2025

<b>WG meeting date:</b>	24 March 2025
<b>Responsible officer:</b>	Manager Field Services
<b>Voting requirements:</b>	Simple Majority Required
<b>Attachments:</b>	1. LEMC Minutes - 24 March 2025 2. Final Exercise Piper Report 2025

#### SUMMARY

**The purpose of this information report is to provide an overview of the functions of the Local Emergency Management Committee (LEMC), including the City's role in emergency management, and to provide the minutes of the 24 March 2025 LEMC meeting.**

#### BACKGROUND

It is recognised that local governments are the closest level of government to their communities and have access to local knowledge about the local environment and demographic features of their communities.

It is recognised that in some instances the wider community are not always informed as best as can be on emergency management, and what it means to be prepared for an unanticipated emergency event.

Section 36 of the *Emergency Management Act 2005* states the functions of local government in an emergency are:

- a. subject to this Act, to ensure that effective local emergency management arrangements are prepared and maintained for its district;
- b. to manage recovery following an emergency affecting the community in its district; and
- c. to perform other functions given to the local government under this Act.

As per the definition in the *Act*, recovery means the support of emergency affected communities in the reconstruction and restoration of physical infrastructure, the environment and community, psychosocial and economic wellbeing.



The functions of a local emergency management committee (LEMC) are:

- a. to advise and assist the local government in ensuring that local emergency management arrangements are established for its district;
- b. to liaise with public authorities and other persons in the development, review and testing of local emergency management arrangements; and
- c. to carry out other emergency management activities as directed by the SEMC or prescribed by the regulations.

The current LEMC is made up of City officers and representatives from:

• WA Police Force	• Australian Border Force
• DFES	• Fremantle Ports
• St John Ambulance	• Department of Communities
• Department of Defense	• Department of Health

Representatives from other groups such as aged care and medical facilities attend meetings on an irregular basis.

The City's membership of the LEMC now includes two elected members, Cr Jemima Williamson-Wong and Cr Geoff Graham, and meets four times per year.

### **COMMITTEE UPDATE**

The City's Local Emergency Management Arrangements (LEMA), shared with the Town of East Fremantle, were endorsed by the LEMC on 27 February 2017 and approved by the State Emergency Management Committee (SEMC) on 2 May 2017. They were reviewed in 2025.

Towards the end of each financial year officers of the LEMC prepare an Annual Report which is a self-assessment of the City's Emergency Management capabilities. The report identifies any gaps due to external or internal factors during that period.

Over the last five years the City has responded, on average, to three Incident Support Group (ISG) activations per year, with the main hazards being commercial and residential building fires.

The committee met on 24 March 2025 to discuss recent and upcoming exercises, the endorsement of the Local Emergency Relief and Support Plan, and the review of the State Emergency Management Framework.

**City of Fremantle**  
**Audit and Risk Management Committee - Agenda**  
**16 June 2025**



The minutes of the meeting are provided in attachment 1. The next meeting will be held on 11 June 2025 at the Town of East Fremantle.

The City, along with East Fremantle, recently facilitated an ISG desktop exercise, involving a mid-air collision of two light aircraft over the City of Fremantle. The exercise was well attended by both internal and external stakeholders and reviewed by DFES. A report on this exercise is provided in attachment 2.

**VOTING AND OTHER SPECIAL REQUIREMENTS**

Simple Majority Required.

**OFFICER'S RECOMMENDATION**

**Council receive the Local Emergency Management Committee update for June 2025.**



## **Legal, Reputation and Brand**

Nil.

## **Motion of which previous notice has been given**

A member may raise at a meeting such business of the City as they consider appropriate, in the form of a motion of which notice has been given to the CEO in accordance with the Meeting Procedures Policy.

Nil.

## **Urgent business**

In cases of extreme urgency or other special circumstances, matters may, on a motion that is carried by the meeting, be raised without notice and decided by the meeting.

## **Late items**

In cases where information is received after the finalisation of an agenda, matters may be raised and decided by the meeting. A written report will be provided for late items.

## **Confidential business**

Nil.

## **Closure**