



City of Nedlands

Minutes

Audit & Risk Committee Meeting 5 October 2020

ATTENTION

These Minutes are subject to confirmation

This is a committee which has only made recommendations to Council. No action should be taken on any recommendation contained in these Minutes. The council resolution pertaining to an item will be made at the Ordinary Council Meeting next following this meeting.

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City of Nedlands

Minutes of a meeting of the Audit & Risk Committee held online via livestream on Monday 5 October 2020 at 5.30 pm.

Declaration of Opening

The Presiding Member declared the meeting open at 5.30 pm and drew attention to the disclaimer below.

Councillors	Councillor L J McManus	(Presiding Member)
	Councillor A W Mangano	Dalkeith Ward
	Councillor R Senathirajah	Melvista Ward
	Councillor P N Poliwka	Hollywood Ward
	Mr P Setchell	Community Member

Staff	Mr M A Goodlet	Chief Executive Officer
	Mrs L M Driscoll	Director Corporate & Strategy
	Mrs S C Gibson	PA to Director Corporate & Strategy

Invited Guests	Ms Michelle Shafizadeh	Moore Australia, Director Assurance Advisory
	Mr D Vo	Moore Australia, Assurance Advisory

Public There were no members of the public present.

Press There were no representatives from the press.

Leave of Absence (Previously Approved)	C M de Lacy	Mayor
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Apologies	Mr S Foley	Community Member
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Disclaimer

Members of the public who attend Council meetings should not act immediately on anything they hear at the meetings, without first seeking clarification of Council's position. For example by reference to the confirmed Minutes of Council meeting. Members of the public are also advised to wait for written advice from the Council prior to taking action on any matter that they may have before Council.

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The Chair (Councillor Leo McManus) ruled Councillor Mangano's questions out of order and proceeded with the meeting.

1. Public Question Time

Nil.

2. Addresses By Members of the Public (only for items listed on the agenda)

Nil.

3. Disclosures of Financial and/or Proximity Interest

The Presiding Member reminded Councillors and Staff of the requirements of Section 5.65 of the Local Government Act to disclose any interest during the meeting when the matter is discussed.

There were no disclosures of financial interest.

4. Disclosures of Interests Affecting Impartiality

The Presiding Member reminded Councillors and Staff of the requirements of Council's Code of Conduct in accordance with Section 5.103 of the *Local Government Act*.

There were no disclosures of interest affecting impartiality.

5. Declarations by Members That They Have Not Given Due Consideration to Papers

Nil.

6. Confirmation of Minutes

6.1 Audit & Risk Committee Meeting 31 August 2020

Moved – Councillor Senathirajah
Seconded – Mr Setchell

The minutes of the Audit & Risk Committee held 31 August 2020 be confirmed subject to an amended to note that Mr Setchell's comments regarding not reading all the papers, was due to the volume of papers and the limited time available.

CARRIED UNANIMOUSLY 5/-

7. Matters for Which the Meeting May Be Closed

Council, in accordance with Standing Orders and for the convenience of the public, is to identify any matter which is to be discussed behind closed doors at this meeting, and that matter is to be deferred for consideration as the last item of this meeting.

Nil.

8. Items for Discussion

Note: Regulation 11(da) of the *Local Government (Administration) Regulations 1996* requires written reasons for each decision made at the meeting that is significantly different from the relevant written recommendation of a committee or an employee as defined in section 5.70, but not a decision to only note the matter or to return the recommendation for further consideration.

8.1 Internal Audit Action Log

Committee	5 October 2020
Applicant	City of Nedlands
Employee Disclosure under section 5.70 Local Government Act 1995	Nil.
Director	Lorraine Driscoll – Director Corporate & Strategy
Attachments	1. Internal Audit Actions Log – Archive; and 2. Internal Audit Actions Log - Main
Confidential Attachments	Nil.

Regulation 11(da) – Not Applicable – Recommendation Adopted.

Moved – Councillor Senathirajah
Seconded – Mr Setchell

That the Recommendation to Committee be adopted.

(Printed below for ease of reference)

CARRIED UNANIMOUSLY 5/-

Committee Recommendation / Recommendation to Committee

The Audit and Risk Committee receives the internal audit actions Log.

Executive Summary

The attached Internal Audit Actions Log contains details of the matters raised by the Auditors during the City’s Internal Audit program. The list apporitions information detailing the Log Reference, Dates – Open, Due and Closed, Business, Audit Status, Name and Action, Owner, Original and Revised Due Dates, Action, Owner and Status Comments.

The recently updated internal audit Actions Log is presented to the Audit and Risk Committee for their information.

Discussion/Overview

An audit is a process through which internal control effectiveness is examined and assessed. The objective is to provide an audit for compliance with relevant management policies and procedures. Each internal audit undertaken results in actions being recommended to the City’s Administration. These actions are monitored for completion using the internal audit Actions Log.

The attached list contains details of the Actions raised and outcome.

The recently updated internal audit Actions Log is presented to the Audit and Risk Committee for their information. We have recently updated the log to a more optimise process. All past iteams are under the Archive tab. The log will be managed on one page which is the Main sheet of the register.

Key Relevant Previous Council Decisions:

Nil

Consultation

Nil.

Strategic Implications

As part of our measures identified within the SCP for Great governance and civic leadership, ongoing management of internal audit items assists towards this goal. This register has improved our ability to identification and management of both audit items and potential risk.

Who benefits?

All will benefit from a more streamlined method of capture and simpler method of filtering closed and open items.

Does it involve a tolerable risk?

This reduces our risk exposures as it provides a method of management by measuring our actions and outcomes.

Budget/Financial Implications

Nil.

Any actions requiring expenditure that is not allocated to an existing budget will be considered by Council during budget deliberations.

CLOSED AUDIT ITEMS

Item ID	Log Reference	Audit	Audit Action	Original Due Date	Revised Date	Action Owner	Completed - pending	Status Comments	Validation comments
	2015Dec	Purchasing Card and Credit Card Control Assessment	Include Card Cancellation process in the procedure (5) Add card cancellation process to credit card procedure.	Dec-16	Sep-18		Closed	Jan19: Validated via Accounts Payable & Purchasing audit Nov18: Card cancellation process has been included in the procedure. Control validated during Accounts Payable and Purchasing audit	N/A
	2015Dec	Purchasing Card and Credit Card Control Assessment	Formalise credit card financial delegations and update procedure (5) A delegation process for use of credit cards belonging to a different card holder to be investigated and implemented.	Dec-16	Dec-18		Closed	Jan19: Validated via Accounts Payable & Purchasing audit Nov 18: Recommendation of replacing a delegation process with a control whereby an application by the card user and approval by the cardholder for each transaction.	N/A
	2015Dec	Project Management	Project Management Information (3.4.1) Develop a standard practice policy for storing project file folders and applying version control over key documentation.	Nov-15	Apr-18		Closed	Jan19: Validation requires passage of time and review of internal practices in following standard. Nov18: This solution became available in December 2017.	Validated August 2020.
2	2015Dec	IT General Controls	Backup and restoration testing (4.1) Review the tapes backup process and determine if this process is still necessary due to the online replication of data.	Dec-15	Mar-19	Director Corporate & Strategy	Closed	Feb19: Tapes back-up process is no longer relevant due to the City's online replication of data. Nov18: Backup and recovery processes are being reviewed and will be tested in line with the Business Continuity requirements.	N/A
4	2015Dec	IT General Controls	Change Management Procedures (4.2) Develop change request form with sign-off when changes are made to IT infrastructure, systems and applications.	Dec-15	Dec-18	Director Corporate & Strategy	Closed	Feb19: Documented has been approved and implemented. Nov18: This policy has been developed and is awaiting approval by the Executive.	Reviewed during IT Policy review
6	2016Nov	Control Self-Assessments	Accounts Receivable Policy and Procedures (1) Develop Accounts Receivable policy and update current procedures.	Jul-18	Dec-18	Manager Financial Services	Closed	Feb 19: The policy has been created and approved by the Director Corporate & Strategy and pending EMT approval. Procedures have been updated. Nov18: The drafted policy is awaiting review by the Governance Officer	Will be reviewed during planned Revenue Audit.
9	2017Nov	Payroll Review	Improve leave processing process (pt 4) Fix the rejected system leave requests to enable accurate updates.	Late 2018	N/A	Manager Financial Services	Closed	Jun19: This has been fixed.	Validated during Payroll Audit July 2020.
12	2017Dec	Financial Applications Control	Improve application security management (pt 3) Authority (Civica) password policies be implemented with access managed, monitored and reviewed to ensure only authorised individuals are granted access based on business needs.	Jun-18	Dec-18	Director Corporate & Strategy	Closed	Feb19: Access to Authority is only granted to staff based on application approved by divisional and HR manager and for other individuals is approved by divisional manager. Authority Password policies are defined by Active Directory policies which enforce Complex passwords. Authorised users are only those that have an active Active Directory account along with a request for specific access from their manager. Once a user leaves the organisation, full access is removed. Nov18: Project review and update responsibilities in authority under way. Security levels are in scope of this project.	Access is granted at the active directory domain level . If staff are removed from active directory, access privileges at the application (Authority level) are also blocked.

CLOSED AUDIT ITEMS

16	2019Jan	Accounts Payable and Purchasing	Purchasing Policy (pt 2.1) Form of quotation to be included in Policy for Council approval. Suggested wording, "verbal and written quotations to include name of person and name of firm providing quotation, contact details pricing including GST, scope of works / details.	Apr-19	Manager Financial Services	Closed	Jun 19: The audit action has been completed and the Council Purchasing of Goods and Services Policy has been updated to incorporate the Audit Recommendations. Futher, the Policy has been approved by the EMT and will be presented to Council for approval in June 19 OCM.	Validated
17	2019Jan	Accounts Payable and Purchasing	Purchasing Policy (pt 2.2) Consider adjusting the thresholds to enable minor purchases to require verbal quotation (i.e. up to \$1k) with at least two written quotations if greater than \$5k and more stringent requirements for purchases greater than \$40k.	Mar-19	Director Corporate & Strategy	Closed	Jun 19: The audit action has been completed and the Council Purchasing of Goods and Services Policy has been updated to incorporate the Audit Recommendations. Futher, the Policy has been approved by the EMT and will be presented to Council for approval in June 19 OCM. Feb19:The City will take this recommendation under consideration and assess the impact upon operational efficiencies vs risk - will liaise with Audit team.	Validated
18	2019Jan	Accounts Payable and Purchasing	Purchasing Policy (pt 2.3) Policy to include criteria and requirements for approval as sole source supplier.	Apr-19	Manager Financial Services	Closed	Jun 19: The audit action has been completed and the Council Purchasing of Goods and Services Policy has been updated to incorporate the Audit Recommendations. Futher, the Policy has been approved by the EMT and will be presented to Council for approval in June 19 OCM.	Management will develop procedure for documentation and approval of when sole source suppliers are used.
19	2019Jan	Accounts Payable and Purchasing	Purchasing Policy - Contract Variations (pt 3.1) Include policy requirements around contract variations within the Purchasing Policy for Council approval.	Apr-19	Manager Financial Services	Closed	Jun 19: The audit action has been completed and the Council Purchasing of Goods and Services Policy has been updated to incorporate the Audit Recommendations. Futher, the Policy has been approved by the EMT and will be presented to Council for approval in June 19 OCM.	Validated
22	2019Jan	Accounts Payable and Purchasing	Delegations of Authority - Award of Tender (pt 4) Align wording re: delegations of authority to ensure consistency through all formal documentation.	Apr-19	Manager Financial Services	Closed	Jun 19: The audit action has been exected and the Council Purchasing of Goods and Services Policy has been updated to incorporate the Audit Recommendations. Futher, the Citys Purchasing Procedure Manual and the Register of Delegations will be amended once the Policy is approved.	Validated
29	2019Jan	Accounts Payable and Purchasing	Conflict of Interest Acknowledgement (pt 9) Develop a separate form for panel members to sign prior to receipt of the tender documentation.	Feb-19	Manager Financial Services	Completed - pending validation	Feb19: Completed and implemented	Pls send form for validation.
31	2019Jan	Accounts Payable and Purchasing	Access to ABA File (pt 11) Restrict access to the ABA file to only those that required.	Jan-19	Manager Financial Services	Closed	Feb19: Completed and implemented	Validated during Payroll Audit July 2020.
32	2019Jan	Accounts Payable and Purchasing	Vendor Masterfile Creation/Updates (pt 12) New/changes to supplier details should be checked after input into Authority.	Feb-19	Manager Financial Services	Closed	Feb19: Completed and implemented	Validated Aug 2020

CLOSED AUDIT ITEMS									
7	2016Nov	Control Self-Assessments -Accounts Receivable	Excessive Number of Users with Access to Accounts Receivable Modules (pt 3) Review current user access and allocate relevant and appropriate access for staff based on roles and responsibilities.	Dec-18	Dec-18 Apr-19 Jul-19	Director Corporate & Strategy	Closed	Sept19: The matter has been addressed and the City wide User access to the Accounts Receivable Module has been reviewed and updated based on roles and responsibilities.	Will be reviewed during planned Revenue Audit.
10	2017Dec	Financial Applications Control	Improve application governance and management (1) Develop policies and procedures to support the management and governance of the authority application e.g. information security, data management, IT asset management, IT risk management and change management.	Jun-18	Aug-18 Aug-19 Dec -19	Director Corporate & Strategy	Closed	Feb19: IT Policies have been reviewed and developed as required.	Further actions have been reported in the IT Policy Audit.
11	2017Dec	Financial Applications Control	Improve application contract management (pt 2) Authority (Civica) service level agreement is out of date and does not include any reference to confidentiality or security requirements.	Jun-18	Mar-19 Aug-19	Director Corporate & Strategy	Closed	Sept19: The matter has been addressed with Clvia and no further action is required based on the comments provided in June 2019	Closed Aug19 reporting; to be formally addressed following outcome of ERP decision
14	2017Dec	Financial Applications Control	Improve application controls (pt 5) Implement data verification and input controls to Authority system, with automated transactional calculations and reconciliation where possible.	Jun-18	Jun-19 Dec-19	Director Corporate & Strategy	Closed	Jun 19: The City is still negotiating with CIVICA and will try to address the recommendation with them.	Closed Aug19 reporting; to be formally addressed following outcome of ERP decision
15	2019Jan	Accounts Payable and Purchasing	Procurement Role (pt 1) Consider changes to the roles and responsibilities of the Purchasing and Tenders Co-ordinator: -Reporting line to Corporate & Strategy -Responsibility for co-ordination of all tenders.	Dec-19		Director Corporate & Strategy	Closed	Oct19: Roles & Responsibilities have been updated and reporting lines changed.	Actioned Oct19
23	2019Jan	Accounts Payable and Purchasing	Purchasing Policy - Anti Avoidance (pt 5.1) Develop monitoring controls re: supplier spend for potential breach of the \$150k threshold at least once a year.	Feb-19	Sep-19	Manager Financial Services	Closed	Nov19: reports have been developed.	Sighted evidence.
24	2019Jan	Accounts Payable and Purchasing	Purchasing Policy - Anti Avoidance (pt 5.2) Conduct spend analysis: • current spend by category; • to identify opportunities to achieve cost savings; • review length of existing contracts by service type to determine most appropriate duration upon renewal etc.	Jul-19	Sep-19	Manager Financial Services	Closed	Nov19: reports have been developed.	Sighted evidence.
25	2019Jan	Accounts Payable and Purchasing	Purchasing Policy - Quotations (pt 6.1) Provide City wide training for staff re: market testing and evaluation of tenders.	May-19	Sep-19	Manager Financial Services	Closed	Oct19: Training has been conducted.	Training June 25/26 2019.
26	2019Jan	Accounts Payable and Purchasing	Purchasing Policy - Quotations (pt 6.2) Develop procedures for the checks to be performed by officers when approving POs.	Mar-19	Sep-19	Manager Financial Services	Closed	Oct19: Training has been conducted.	Sighted training material.
30	2019Jan	Accounts Payable and Purchasing	Segregation of Duties - Finance System Access Privileges (pt 10) Conduct a full review of all staff with Authority access.	Jun-19	Sep-19	Director Corporate & Strategy	Closed	Sept19: The matter has been addressed and the City wide User access to the Authority System has been reviewed and updated based on roles and responsibilities.	Full review has been conducted. New issue raised regarding review of Payroll access by HR staff.
33	2019Jan	Accounts Payable and Purchasing	Technical Check - Supplier Invoices (pt 13) Formal handovers should be conducted for new contract owners.	Apr-19	Sep-19	Director Corporate & Strategy	Closed	Oct19: Handovers by departing employees are not part of the Exit checklist.	Sighted new checklist.
28	2019Jan	Accounts Payable and Purchasing	Tender Process - Assessment for Financial Capability (pt 8) Develop and implement risk-based matrix to evaluate the potential supplier for financial capability.	Jun-19	Sep-19	Manager Financial Services	Closed	Oct19: Risk matrix being used to determine extent of due diligence for evaluation of financial capability of suppliers. Financial assessment is being performed by Finance Manager.	Sighted improved process for evaluation of suppliers for supplier strength.

CLOSED AUDIT ITEMS

20	2019Jan	Accounts Payable and Purchasing	Purchasing Policy - Contract Variations (pt 3.2) Provide staff training to 'contract owners' to ensure they are aware of the requirements around contract variations.	Apr-19	Oct-19	Manager Financial Services	Closed	Oct19: Training has been conducted.	Sighted email to staff.
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Audit Register 2020/21

ID	Date			Business	Status	Name	Audit Action	Owner	Status Comments
	Open	Due	Closed						Status Comments
1	Dec-15	Nov-20		Business Systems	Work in progress	Business Continuity Management Review	Business Continuity Management Review Workshop and update to current plan and then produce new plan	Manager Business Systems	<p>5 Oct - Status Not Changed</p> <p>23 Sep 20: Workshop has been carried out, updated plan has been received and updated. The plan it self now required sign off by EMT to be completed.</p> <p>3Aug20: Both strategy and presentation have been drafted and await executive endorsement.</p> <p>Jun20: Manager Business Systems is going to develop a Digital Strategy by Aug 2020 which will address the matters raised here. Further, a strategic plan will be developed by Oct 2020.</p> <p>Sept19: The IT Strategic Plan will be developed once all recommendations made in Final IT Audit Report has been addressed and the relevant policies, procedures and plans have been created.</p> <p>Feb19: All policy, procedures and plans will be developed and adopted in line with the final IT audit report to ensure all recommendations are included.</p> <p>Nov18: IT Strategic Plan to be formulated following development of corporate strategy.</p>
2	Dec-15	Nov-20		Business Systems	Work in progress	IT General Controls	Formalisation of IT Strategic Plan (3.3.1) Due to changes to IT infrastructure, development of IT Strategic Plan is crucial to ensure business strategy and IT decisions are evaluated in alignment.	Manager Business Systems	<p>5 Oct: Status Not Changed</p> <p>3Aug20: Both strategy and presentation have been drafted and await executive endorsement.</p> <p>Jun20: Manager Business Systems is going to develop a Digital Strategy by Aug 2020 which will address the matters raised here. Further, a strategic plan will be developed by Oct 2020.</p> <p>Sept19: The IT Strategic Plan will be developed once all recommendations made in Final IT Audit Report has been addressed and the relevant policies, procedures and plans have been created.</p> <p>Feb19: All policy, procedures and plans will be developed and adopted in line with the final IT audit report to ensure all recommendations are included.</p> <p>Nov18: IT Strategic Plan to be formulated following development of corporate strategy.</p>
3	Dec-16	May-20		Finance	Work in progress	Control Self-Assessments	Fraud Management Policy and Procedures (1) Create a formal fraud management policy and procedure based on relevant industry standards.	Manager Financial Service	<p>5 Oct: No Change; awaiting approval</p> <p>18Aug20: No change; awaiting approval</p> <p>Jun20: Fraud and Corruption Policy and Fraud and Corruption Investigation and Reporting Procedure have been established. These documents are awaiting for EMT review and approval.</p> <p>Sept19: The City was audited by OAG as a part of their Performance Audit - Fraud Management Prevention in Local Government. Based on the outcome of the audit, the City is progressing to complete the full documentation of the Fraud & Corruption Framework and Relevant Policies & Procedures consistent with the OAG's findings and requirements.</p> <p>Feb 19: The policy has been reviewed by the Governance Officer. We are now progressing to complete the full documentation of the Fraud & Corruption Framework and Procedures consistent with the OAG's approach and requirements under their current audit.</p> <p>Nov18: The drafted policy is awaiting review by the Governance Officer</p>
4	Nov-17	Jul-20		Finance	Closed	Payroll Review	Review, update and implement documented payroll policy and procedures (pt 3) Develop and document the Payroll Policy and update procdures to include: -Changes to payroll data -Tax file number declarations -Termination payments -Fortnightly payroll processing -Terminating employees payroll processing -Payroll month end reporting.	Manager Financial Service	<p>5 Oct: CLOSED</p> <p>18Aug20: The audit actions are still outstanding. This is being raised again in the current Payroll Audit which has just been completed.</p> <p>Jun20: The Payroll Policy awaiting for the EMT review and approval. Once approved, the policy will be implemented.</p> <p>Feb20: Combined Payroll Policy and Procedure was presented to EMT for the approval. However, the recommendation was made to create a separate Policy and Porcedural document. Accordingly, a sperate Payroll Policy has been created and is awaiting for the EMT review and approval.</p> <p>Nov19: Payroll policy and procedures have been combined in a procedural document with the new legislation requirements incorporated and awaiting EMT approval.</p> <p>Sept19: Procedural document was finalised and was awaiting for the adoption. However, due to implementation of new Legislation the procedures needs to be amended and updated. Further, few relevant improved processes will be added to implement new Legislation requirements.</p>
5	Jan-19	Oct-20		Finance	Work in progress	Accounts Payable and Purchasing	Purchasing Policy - Contract Variations (pt 3.3) Develop monitoring controls to ensure that deviations to the guidelines around contract variations are detected and mitigated.	Manager Business Systems	<p>5 Oct: Still in progress</p> <p>3Aug20: - Currently in progress</p> <p>Jun20: The Procurement Coordinator is in the process of reviewing the exisiting controls and update them to enhance the monitoring process around contract variations.</p> <p>Feb20: The City is in the process of recruiting Purchasing and Tenders Coordinator. Existing Monitoring controls will be reviewed, finalised and managed by the appointed Purchasing and Tenders Coordinator.</p> <p>Nov19: Monitoring controls to detect contract varaiations will be managed via exception reporting. Currently, the reporting is being developed.</p> <p>Jun19: The Purchasing of Goods and Services Policy has been updated with the contract variations clauses. The monitoring controls will be updated as part of the purchasing procedures and process which will be rolled out once the policy is approved by the Council.</p>

6	Jan-19	Oct-20	Aug-24	Business Systems	Closed	Accounts Payable and Purchasing	Tender Process - Risk Assessment (pt 7) Develop a risk assessment process to identify potential risks as part of tender process.	Manager Business Systems	<p>5 Oct: Closed</p> <p>3Aug20: - This has been completed. Will send evidence to Internal Auditor to close out item.</p> <p>Jun20: The Procurement Coordinator is in the process of developing Risk Assessment Process. Once developed the Risk Assessment Process along with relevant documents will be approved and roll out within the City.</p> <p>Feb20: The City is in the process of recruiting Purchasing and Tenders Coordinator. The Risk Assessment process will be developed and maintained by the appointed Purchasing and Tenders Coordinator.</p> <p>Nov19: The Risk Assessment process was going to be developed by Purchasing and Tenders Coordinator. The Purchasing and Tenders Coordinator has resigned from the City and the development of the Risk Assessment process will be completed by the replacement officer.</p> <p>Jun19: To be completed after approval of policy by Council as part of the updated procedures and processes.</p>
7	Jun-19	Nov-20		Business Systems	Work in progress	IT Policy review	Develop Privacy Policy and also policy to cover Data Breach Notifications (4.2.1)	Manager Business Systems	<p>5 Oct: Still in Progress</p> <p>3Aug20: Currently work in progress.</p> <p>Jun20: The IT Department is in the process of creating Privacy Policy and to test it. Once developed and tested, the policy will be approved and implemented.</p>
8	Jun-19	Nov-20		Business Systems	Work in progress	IT Policy review	Item #1 Review and update BCP. Carry out testing of the BCP to assess for appropriateness.	Manager Business Systems	<p>5 Oct: Completed going to EMT for Sign Off</p> <p>3Aug20- Remaining action is to carry out testing by re-creating a complete shutdown. The BCP has now been reviewed and the current BCP has been updated. A series of two workshop and a complete re-write will commence after that workshop.</p> <p>Jun20: The review has been conducted by the Internal Auditors on Business Continuity Management Area as part of 2nd year Internal Audit Function. The review process is in progress but the BCP document has been updated to incorporate certain recommendations made as a part of Internal Audit Review. Once, the review is completed and the Final recommendations are received, the BCP document will be finalised and the testing will be conducted.</p>
9	Jun-19	Aug-31		Business Systems	Work in progress	IT Policy review	Item #2 To consider update of the Business Information Systems document covering critical functions to increase effectiveness and usability of the document as per suggestions outlined in report.	Manager Business Systems	<p>5 Oct: Awaiting validation</p> <p>3Aug20: An entire suite of policies, procedures and governance have been developed and now awaiting validation.</p>
10	Jun-19	Aug-31		Business Systems	Work in progress	IT Policy review	Item #6 Update Business Systems and Applications - System Application Change Management to ensure greater clarity around protocols for changes made by third parties.	Manager Business Systems	<p>5 Oct: New interface being developed around (Request/Incident/Problem/Change/Release Management)</p> <p>Sep20: In progress</p> <p>3Aug20: The adoption of ITIL Service Management has been designed to use within our Service Desk Solution (JIRA). Once new workflow has been tested it will be adopted. The existing system will manage existing requests and close that interface. All new requests will be managed via the ITIL Service desk version which will manage Request, Incidence, Problems, Change, Release Management.</p>
11	Jun-19	Oct-20		Business Systems	Closed	IT Policy review	Item #16 Change Control form - to update form to provide greater clarity around Go/No Go decision.	Manager Business Systems	<p>5 Oct: Repeat of item 10 (Closed)</p> <p>3Aug20: IT Governance Framework has been defined and is currently waiting on EMT endorsement</p> <p>Jun20: The IT Department is in the process of changing form. Once updated the form will be approved and implemented.</p>

8.2 2020/21 Insurance & Brokerage Services

Committee	5 October 2020
Applicant	City of Nedlands
Employee Disclosure under section 5.70 Local Government Act 1995	Nil.
Director	Lorraine Driscoll – Director Corporate & Strategy
Attachments	1. LGIS Renewal Report
Confidential Attachments	Nil.

Regulation 11(da) – The Committee added the 3rd item as it wished to gain a better understanding of the insurance provision directly from LGIS.

Moved – Mr Setchell

Seconded – Councillor Senathirajah

Committee Recommendation

- 1. The Audit and Risk Committee receives the report and notes the information and contents of the report;**
- 2. The Audit and Risk Committee receives the Insurance Renewal report and notes information and contents of the report; and**
- 3. LGIS representative to attend the next Audit & Risk Committee Meeting to review the policy with the Committee.**

**CARRIED 4/1
(Against: Cr. Mangano)**

Recommendation to Committee

1. The Audit and Risk Committee receives the report and notes the information and contents of the report; and
2. The Audit and Risk Committee receives the Insurance Renewal report and notes information and contents of the report.

Executive Summary

The report is presented to the Audit and Risk Committee to outline the activities undertaken by the City's Management regarding the Insurance Renewal for the 2020/21 year. Further, the objective of the report is to inform the Audit and Risk Committee that the City's Management have successfully renewed the expiring Insurance Program with LGIS who were awarded the service contract as a part of tender process.

Discussion/Overview

The provision of Insurance Brokerage and Risk Management Service is a key focus area of the Strategic Plan and provides compliant governance to the Council. Recently, the City conducted a Tender Process for Insurance & Brokerage Services and appointed Local Government Insurance Scheme (LGIS) – an Industry Based Self-Insurance service as the City's insurance broker for the 2020/21 financial year.

Management advice to LGIS was an expectation of reduced costs and broader coverage, following thorough and productive discussions with key LGIS representatives, a renewal strategy has been agreed with the best premiums possible, pleasingly **early indications are of \$90,000 + in savings in comparison to last year**, additionally, the program includes options to improve or broaden coverage.

The deployment of the agreed strategy resulted in the following:

PARTICULARS	2019/20 ACTUAL TOTAL PREMIUM (\$)	2020/21 BUDGETT ED TOTAL PREMIUM (\$)	2020/21 ACTUAL TOTAL PREMIUM (\$)	PRO-RATA TOTAL PREMIUM – 1 OCT 2020 TO 30 JUNE 2020 (\$)	REDUCTION (%) IN 2019/20 ACTUAL PREMIUM T O 2020/21 ACTUAL PREMIUM
Insurance Premiums	595,129.74	634,917.00	505,681.59*	379,260.68*	15%
TOTAL PREMIUM	595,129.74	634,917.00	505,681.59	379,260.68	15%

* **INDICATIVE COST** – The costs are indicative as the Motor Fleet class Insurance will be finalised before 30 September 2020. LGIS have advised that change will be insignificant and won't drastically impact the indicated total premium.

The clear direction provided by the City and the successful implementation of the agreed strategy by LGIS, resulted in the significant reduction of premiums compared to last year. Further, the City managed to obtain an optimum program providing far better overall coverage and reduced claims deductibles compared to the current insurance program. This represents a very positive outcome for the City particularly in the prevailing insurance environment.

Key Relevant Previous Council Decisions:

Ordinary Meeting of Council 25 August 2020, Item 12.4 Report No. CPS17.20

“Council:

- 1. accepts the City’s recommendation to award the contract for RFT 2020-21.01 - Brokerage, Management and Consultancy Services to LGIS for the initial term of 24 months with the option of a further 12 months to be awarded at the sole discretion of the City; and**
- 2. authorises the CEO to enter into a contract with the accepted tenderer.”**

Consultation

Nil.

Strategic Implications

How well does it fit with our strategic direction?

The provision of Insurance Brokerage and Risk Management Service is a key focus area of the Strategic Plan and assists Council to be compliant with good governance and risk management requirements.

Who benefits?

The City and wider community will benefit from implementing an enhanced insurance program to manage the operational, strategic and financial risks faced by the City in the challenging times.

Does it involve a tolerable risk?

As a part of insurance program renewal strategy, the City conducted thorough evaluation process for the Insurance Program. Accordingly, the City has identified an optimum program to replace the existing insurance program and thus reducing inherent risk. Further, management will liaise with LGIS to manage and mitigate residual risk associated with each insurance coverage.

Do we have the information we need?

Yes.

Budget/Financial Implications

Can we afford it?

The cost of insurance premiums and brokerage fees are within the City's existing monetary budget limits for the 2020/21 Financial Year.

How does the option impact upon rates?

The implemented insurance program has resulted in significant savings to the City and has an overall positive impact on the City's financial performance. Accordingly, the new insurance program will not result in the increment of rates levied to the ratepayers.



www.lgiswa.com.au

RENEWAL REPORT

CITY OF NEDLANDS

25 September 2020

LOCAL GOVERNMENTS WORKING TOGETHER

For over two decades, we have stood by our West Australian local government members through thick and thin, working together to ensure the ongoing protection and vibrancy of local communities.

As the protection partner of choice for WA local governments, we understand the complexity of the sector like no other.

Our risk program aligns with the priorities of modern, sophisticated local governments and supports their growth to meet changing community needs.

Based in WA our team of local government experts are always on-hand to support members - whether it's managing risk, providing cover to protect the organisation and community, or handling claims.

EXECUTIVE SUMMARY

We have pleasure in presenting this report to the City of Nedlands (“the City”) to meet your risk financing and management needs for the period of 30 September 2020 to 30 June 2021. We value your membership and this report will demonstrate that the LGIS member-owned self-insurance scheme will provide a superior alternative to the commercial insurance market. Being a member of LGIS will ensure the long term protection of the City and your community

Unparalleled approach to risk financing and risk management

- A. Recognising the volatility of the insurance, the protections from the Scheme were expanded as at 30 June to include Commercial Crime and Cyber Liability; Management Liability; Motor Fleet; Personal Accident; and Corporate Travel. Only the City’s Annual Contract Works risk would not be protected by the Scheme.
- B. Appropriate Public Liability, Products Liability and Profession Indemnity limit of \$600,000,000. As a trusted adviser to WA local governments, LGIS provides substantial limits in order to prevent uninsured losses. We note the costs incurred by the City for the purchase of the substantially lower-limits are marginally different to the LGIS offer.
- C. Nil deductible on all Public Liability claims to remove the burden of responsibility for the City to respond to dozens of claims a year, and having to seek its own legal advice and defence, including legal fees and settlement amounts.
- D. No exclusions in relation to liability for building surveying activities or exclusion in relation to planning related cladding risks. This is necessary for the City’s licenced surveyors and for the City to carry out their statutory functions
- E. No sexual abuse and molestation exclusions removing the need for the City to acquire additional policies and save the City in premium spend
- F. Additional Liability covers that are funded by the Scheme (Pollution Legal Liability and Casual Hirers Liability) saving the City in premium spend
- G. Property Protection limits of liability, sub-limits and deductibles that are necessary in the events of catastrophic event in the City.
- H. The City’s assets are automatically covered for flood damage under the LGIS Property Scheme, not an optional extra for additional cost. We believe protection for the community’s assets against flood risk is essential for a local government with river frontage as is the case with the City of Nedlands.
- I. Complimentary tailored risk management services to support the City in mitigating and preventing the impact of claims, which also support good corporate governance, ensuring a safer workplace and community
- J. Delegated authority on Scheme claims to provide a quick resolution on the outcome of the claim. Claims are assessed, adjusted and determined locally within LGIS.

Understanding risks associated with the City of Nedlands

- K. We understand the risks faced by the City with proven experience to support you with risk mitigation and management strategies.
- L. Over 18 LGIS risk, governance and OSH consultants provide on the ground advice and support.
- M. Experience in engaging state government, regulators, stakeholders and legislators in the interests of the sector.

Unmatched WA local government experience

- N. A service model and dedicated service team which specialises in WA local government.
- O. Working with integrity, transparency, and proactivity we are flexible enough to innovate and deliver the best outcomes for the City.

This report describes in more detail the benefits and value that a partnership with LGIS delivers to the City of Nedlands.

Your member service team of Damien Gaughan phone +61 8 9483 8841 and Sara Mears phone +61 8 9483 8819 are here to assist you.

Please contact them for further information

LGIS STRUCTURE

As you know JLT Public Sector (a Marsh & McLennan Companies (MMC) company) as part of the LGIS arrangement, have managed your local government self-insurance scheme, provided insurance broking and other related services, for over two decades.

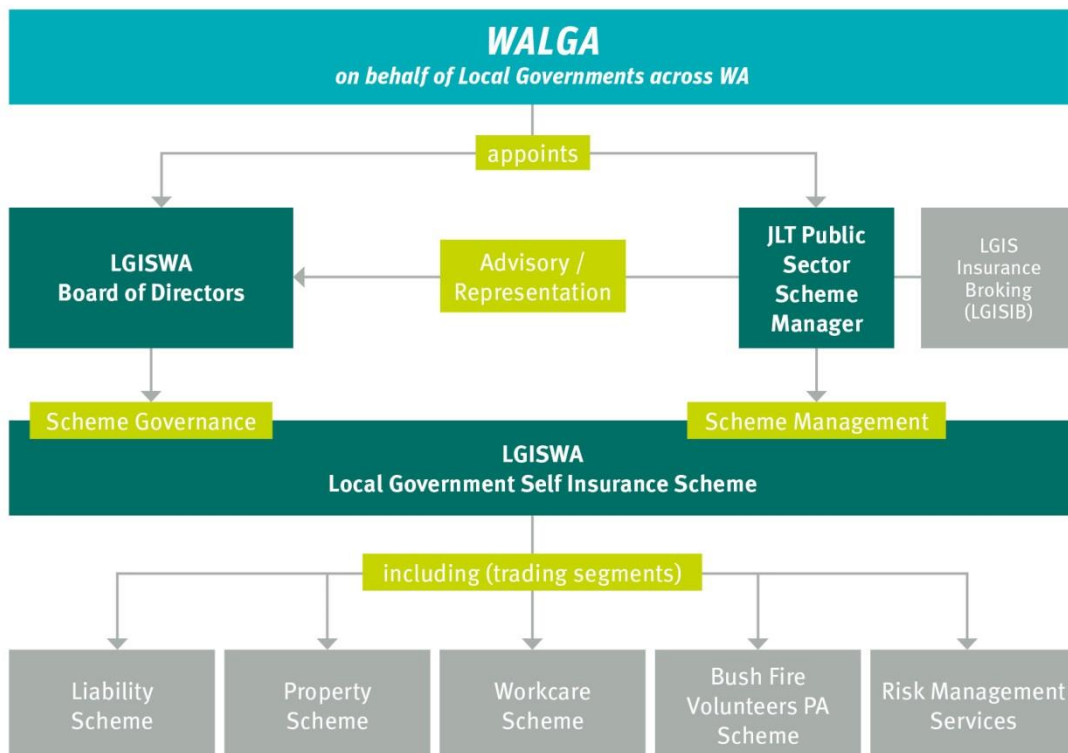
JLT Public Sector are appointed, by the WA Local Government Association (WALGA) as the scheme manager for the self-insurance scheme known as LGISWA.

The diagram below illustrates that WALGA has appointed JLT Public Sector as the scheme manager and have also appointed a Board of Directors, the majority of whom are local government representatives, to oversee the strategic management of the scheme.

As an insurance broker, JLT Public Sector trades as LGIS Insurance Broking (LGISIB), which is the trading name of the joint venture in place between JLT Public Sector and WALGA under which JLT Public Sector is the appointed broker for WALGA local government members.

Where we use the term 'LGIS', we are referring to JLT Public Sector's roles collectively (i.e. as either scheme manager or insurance broker).

The chart below illustrates the relationship between WALGA, JLT Public Sector and LGIS.



Underpinning the member focused service methodology is a corporate governance framework and business management strategies that ensure the success and longevity of the LGISWA Scheme. These include relevant legal instruments, policies, plans and procedures to ensure LGISWA delivers on its member value proposition; supported by good corporate governance, informed decision making and accountability.

The key elements are outlined below:

LGISWA Board

Pursuant to the Trust Deed, a Board is responsible to WALGA to achieve and implement the objects and purpose of the Scheme. A Finance, Audit and Risk Committee is also in place to assist the Board in fulfilling its responsibilities by monitoring and providing recommendations on LGISWA's financial reporting process, audit, and management of operational risks.

Corporate governance framework

The *Local Government Act (WA) 1995* establishes WALGA as an Association of Local Government, with provisions that include a power to arrange contracts of insurance on behalf of all or any of its members (S 9.58). Provides for WALGA to establish and manage for its members a mutual Workers Compensation arrangement (S 5.49).

Trust Deed

Key legal instrument under which the mutual scheme is established by WALGA. Sets out the core purposes of the Scheme along with provisions relating to governance of the Scheme, membership, financial and other administrative arrangements.

Scheme Rules

Provides more detailed terms on rights and obligations of Scheme members including rules for Scheme membership, fund years, membership contributions, protection, and claim procedures.

Workers' Compensation and Injury Management Act 1981

Regulatory framework under which the LGIS WorkCare Scheme operates (S 164-5).

Corporate Governance Charter

Sets out in detail the roles, responsibilities and authorities of the Board in corporate governance and setting the strategic direction of LGISWA.

Code of Conduct

A code of conduct has been adopted to promote the highest ethical and professional standards by directors of the LGISWA Board.

For further details please refer to the latest LGISWA Annual Report (2019).

MARKET UPDATE AND SCHEME RESPONSE

The world of insurance has changed rapidly.

The insurance market has been hardening for the past two years. Globally, the market is undergoing challenges, driven by the increasing cost of natural catastrophes, poor performance of Professional Indemnity and Directors and Officer markets (Councillors and Officers in local government parlance).

Catastrophic events like cyclones, storms, bushfires and systemic issues around building professionals and governance are putting added pressure on insurers. Significant losses mean many insurers are paying more in claims than they have received in premiums.

In early 2020 the Insurance Council of Australia estimated the claims totals from last summer's bushfires and hailstorm events would reach each \$3 billion - the latest numbers put the cost at nearly \$5.19 B. The most recent storms are expected to add another \$270 million lodged in the past four weeks.

Resultant price increases are driven principally by increases in property insurance and financial and professional lines. This is seen in Marsh's quarterly Global Insurance Market Index, a proprietary measure of global commercial insurance premium pricing change at renewal, representing the world's major insurance markets and comprising nearly 90% of Marsh's premium, which report a 31% average premium increase for renewals that occurred in the Pacific Region in Q2 2020.

Apart from pricing pressure, there has been a rapid decrease in capacity i.e. the amount of money insurers are willing to risk, due to:

- Increasing loss ratios (i.e. where the total amounts paid out on claims exceeds premiums written by insurers).
- The pressure of significant natural disaster risk, as mentioned above.
- Exposure to economic impacts including the equity markets in various regions,
- The insurance market looking at different levers to relieve pressure on results
- Changes in risk appetite and reverting to more modelled exposures and underwriting to risk as opposed to market.
- Political instability caused by US elections, trade wars and geopolitical unrest.

These changes came prior to the impact of the COVID-19 global pandemic. Significant pricing increases and tightening of terms and conditions are likely to continue throughout 2020 and well into 2023.

Scheme innovation

So how does this affect your Scheme?

Since its inception the Scheme has had to innovate to ensure the continued, sustainable protection of the WA local government sector, often taking on risk and providing covers when the commercial market has no appetite.

The tradition of innovation continues and LGIS has analysed market trends to identify areas where the sector will need greater certainty and sustainability going into the future. That's why in 2017 LGIS began to consider more Scheme protections, such as pollution legal liability, and consulted widely across the sector. In 2019 the WALGA State Council provided further support and direction to broaden the Scheme.

The Scheme, under the direction of WALGA State Council decided effective 30th June 2020 to include protection coverage not currently in the Scheme (See table below).

The reasoning behind State Council's decision was two fold, firstly to create greater clarity in the role of the Scheme, and WALGA as its trustee. The second recognised the Scheme's success in providing

affordable, sustainable cover for the sector, acknowledging that the commercial insurance market would continue to fluctuate (but never anticipating the impact of the pandemic). Broadening the Scheme's protection insulates the sector against this volatility.

The following policies that have previously been placed in the open market for members, are now provided as Scheme covers with manuscript Protection Wordings and subject to the Trust Deed and Scheme Rules.

Expiring Insurance Policies	New Protection Wording
Motor Insurance	New Protection Wording
Management Liability Insurance	LGIS Motor Fleet Protection
Cyber Insurance	LGIS Management Liability Protection
Personal Accident Insurance	LGIS Commercial Crime & Cyber Protection
Corporate Travel Insurance	LGIS Personal Accident Protection
Pollution Legal Liability	LGIS Corporate Travel Protection
Journey Injury	LGIS Pollution Legal Liability Protection

As we continue our phased approach to expanding the Scheme we will look to harness the benefits of scale and apply better structures to create more market resistant products. This is an exciting step towards a fully integrated offering which offers the sector sustainable covers across more areas now and into the future.

YOUR SCHEME MEMBERSHIP

LGISWA – Local Government Self-Insurance Scheme



YOUR SCHEME MEMBERSHIP – LGISWA

Whilst, LGIS is not immune to the large losses suffered by insurers, its scale and risk based approach provide it with a stronger negotiating position. LGIS is committed to the sustainable protection of the sector but concerted efforts are made to limit contribution volatility by providing relevant risk management support.

LGIS Liability

Commercial pricing has been increasing for three years despite increased competition and has seen on-average an 8% increase (and 30% for Professional Indemnity), however some types of exposures receive increases ranging from 10%-20%. Climate change factors are increasingly impacting upon reinsurer attitudes in providing cover in many areas, including risks facing specific exposures to bushfire and flood.

Pressure on pricing includes the evolving claims environment (such as recent class-action claims and settlements arising from bushfires across Australia); and extends to losses incurred unrelated to Australia, such as Californian / US wildfires where the same reinsurers will typically be exposed.

Many insurers are more selective of the risks that they choose to write, preferring to decline a risk entirely if it falls outside of their underwriting appetite, as opposed to chasing market share.

The building surveyor and certification crisis has been largely muted in the media (recently) but this area of risk continues to deteriorate with private certifiers scrambling to find alternative providers as insurers withdraw from the market. If there is pressure for local governments to carry more of this burden, changing the risk profile of the sector would invariably impact coverage (would it still be offered) and at what price.

Areas of focus:

- Bushfire and climate change impact and the sector's approach to planning and mitigation.
- Potential fall-out from non-compliant building material and professional indemnity coverage for certifiers and local governments role in the planning and approval process
- The portfolio has also witnessed a greater than normal number of claims impacting minors across reserves, playgrounds and aquatic facilities, reminding all of the significant exposures faced by local government.
- Medical centres, aged care and child care practices and involvement of local government.

LGIS Property

For seven years in the past decade, economic costs of natural disasters have exceeded the 30-year average. The amount of extreme weather events have tripled globally since the 1980s. Catastrophic events like cyclones, floods, storms, bushfires and earthquakes are putting added pressure on insurers to understand accumulation risks (number of risks in a geographical location exposed to hazards).

Commercial property insurance pricing increased 23% in the quarter, the tenth consecutive quarter of year-on-year double-digit increases. Property increases were driven by bushfires, hailstorm damage, and flooding, with 30%+ increases reported for clients located in cyclone, storm and earthquake exposed locations. There is increased focus on:

- The asset accumulation for certain types of loss events e.g. cyclone, bushfire, storm, earthquake.

- The quality of construction, and specific location information – the importance of providing this cannot be overstated as it is directly related to the assessment of a building to perform against certain perils (e.g. fire, cyclone, earthquake).
- Asset profile which drives level of exposure to malicious activity and weather related events.

Scheme expansions

The expansion of the Scheme protections policies provide the Scheme with a great opportunity to improve member’s engagement and experience.

Similar to Property, the motor reinsurance environment has sustained ongoing pressure on claim costs but overall members will see marginal growth in costs, subject to their individual claims performance.

Increasing claims due to regulatory investigations, employment practices failing and highly combative stakeholders has raised concerns. Councillors and Officers (C&O), specific to WA local government, was under significant pressure due to adverse claim trends in the past few years.

More broadly, other factors such as shareholder activism and rising cybersecurity risks are expected to continue to pose challenges to Directors and Officers (D&O) underwriters as losses creep from employment liabilities practices and cyber to D&O – creating potential clashes. While these claims aren’t coming from the public sector, pricing for the sector is contaminated due to claims (class actions and securities claims) against listed companies.

LGIS WorkCare

Workers’ Compensation is fully self-managed and pricing is subject to members claims outcomes. The integrated end-to-end management of workers’ compensation claims continues to yield positive results for the sector. We are continuing to experience:

- A reduction in the total cost of incurred claims.
- A reduction in the claim numbers.
- Positive return to pre-injury duties for injured employees.

WorkCover Gazette Rates

The WorkCover Authority has released its recommended workers compensation premium rates for 2020/2021 with average rate across all industries decreasing by 0.4%.

However the “Local Government Administration” rate within that report, which does not draw on any LGIS data, has been increased by 15% from 1.39% against wages to 1.60%. All insurers must comply with this gazetted rate increase.

Movement of the WorkCover recommended rates

2017/2018	2018/2019	2019/2020	2020/2021
0.98%	1.11%	1.39%	1.60%
13% increase			
	25% increase		
		15% increase	

However, as a member of the Scheme you are not subject to Gazette Rate increases, and rates are reflective of salary movements and individual member claims performance.

PROGRAM COMPARISON

We have undertaken an initial review of the City's existing insurance program and highlighted the differences between what Scheme protection provides, compared to the existing program. In the most these are positive changes, but there are some minor reductions in cover in relation to some of the ancillary benefits provided by the City's existing policies.

Please note that due to the limited timeframe that this comparison is not conclusive and we will continue with our review over the coming months and engage with the City on any additional variances.

Protection profiles detailing all protection clauses, limits, deductibles and conditions can be found at the end of this document.

LGIS Liability (Public Liability/Product Liability/Professional Indemnity)

Coverage

- Protection for claims arising from the City's building surveying and certification activities. Existing policy excludes claims relating to the City's building surveying and certification services
- Protection for claims relating to cladding. Existing policy excludes claims relating to all cladding, not just aluminium composite panelling.
- Protection for claims relating to molestation. The City had to purchase a separate policy for this cover which only applied to claims in relation to the Point Resolution Childcare Centre and was limited to \$10,000,000 in the aggregate. Ansvar had also already indicated they would not be offering renewal of the policy

Limits

- \$600,000.000 for public and products liability; and professional indemnity. Current limits are \$150,000,000 for public and products liability (including the additional layers purchased) and \$30,000,000 for professional indemnity. The City will no longer have to purchase the additional layers.
- Full limit for claims arising from road construction and maintenance. Currently sub limited to \$1,000,000
- \$250,000 care custody and control sublimit compared to \$100,000 from existing policy

Deductibles

- Nil deductible on all Public and Product Liability claims which removes the burden of responsibility for the City to seek its own legal advice and defence, including legal fees and settlement amounts as currently \$10,000
- \$10,000 on Professional Indemnity claims compared to \$25,000 on existing policy
- No separate deductible for claims in relation to labour hire/contractor management; facility hiring activities; and construction and maintenance activity compared to \$50,000 on existing policy
- No separate deductible for claims relating to bushfire compared to \$250,000 on existing policy

LGIS Commercial Crime and Cyber Liability

Coverage

- Protection provided for both Commercial Crime and Cyber Liability under the one Protection wording
- Under Section 1: Commercial Crime:
 - Extension of cover for contractual penalties up to \$500,000. The City's current policy excludes claims relating to contractual penalties
 - No Protection to identify and restore physical documents if damaged or lost as the result of an event. The City's current policy provides cover up to \$500,000
- Under Section 2: Cyber Liability
 - No Protection to reimburse a senior executive officer for personal financial loss because of a third party compromising the City's computer network security. The City's existing policy provides cover up to \$250,000 for this cover.

Limits of Liability

- Under Section 1: Commercial Crime
 - A Social Engineering Fraud sublimit of \$75,000 compared to \$50,000 from the existing policy
 - Interest lost or required to pay as a result of a claim is limited to \$500,000 compared to \$100,000 from the City's existing policy
 - Costs to reinstate computer systems following an event limited to \$250,000 compared to \$150,000 from the City's existing policy
 - Public Relations expenses are limited to \$100,000 compared to \$500,000 from the City's existing policy
 - Investigation costs are not sub limited and are included within the limit of liability. Whereas the City's current policy limit investigation costs up to \$100,000, but they are in addition to the limit of liability
- Under Section 2: Cyber Liability
 - \$1,000,000 limit of liability compared to \$500,000 limit from the City's existing policy

Deductible

- Under Section 1: Commercial Crime
 - \$5,000 excess any one claim compared to \$50,000 from the City's existing policy
- Under Section 2: Cyber Liability
 - \$5,000 excess any one claim compared to \$10,000 from the City's existing policy
 - The waiting period for Business Interruption losses is 12 hours compared to 8 hours from the City's existing policy

LGIS Management Liability

Coverage

- Includes statutory liability protection for both the individual and the City as the entity. The City's existing policy only provides statutory liability cover to the individual.
- Provides the City with access to a complimentary legal helpline managed by Clyde & Co, to advise on matters, which could potentially develop in a claim. In addition a 20% reduced excess (in the event of a claim) where City engage the complimentary legal assistance helpline.

Limits of Liability

- Under Section 2: Councillors and Officers Liability provides a:
 - \$500,000 limit for an emergency costs and costs extension compared to a \$1,000,000 limit from the City's existing policy
 - \$100,000 limit for a deprivation of assets extension compared to a \$1,000,000 from the City's existing policy
 - \$25,000 limit for a public relations extension compared to a \$250,000 from the City's existing policy
 - \$25,000 limit for a crisis costs extensions compared to a \$100,000 from the City's existing policy
- Under Section 3: Statutory Liability provides a:
 - \$2,000,000 statutory liability limit compared to the \$1,000,000 sub limit from the City's existing policy

Deductible

- Under Section 2 Councillors and Officers Liability includes a:
 - nil deductible for claims from individuals compared to a \$10,000 deductible from the City's existing policy
 - a \$5,000 deductible for Company Reimbursement claims compared to a \$10,000 deductible from the City's existing policy
- Under Section 3 Councillors and Statutory Liability includes a:
 - \$1,000 deductible for claims from individuals compared to a \$10,000 deductible from the City's existing policy
 - \$2,500 deductible for claims from the City where as the cover was not available from the City's existing policy
- Under Section 4 Employment Practices Liability includes a:
 - \$12,500 deductible for claims compared to a \$50,000 deductible from the City's existing policy

LGIS Property Protection

Coverage

- Miscellaneous structures and equipment (as defined by the protection wording) are automatically protected to meet the City's challenge to adequately capture and declare all assets
- Protection where a tenant vacates without notice or is declared bankrupt, leaving the City with loss of rent, up to \$50,000
- Provides cover for loss of rent receivable because of damaged to a building compared to the City's existing policy not covering this loss. This could provide a significant benefit to the City considering the number of commercial leases the City holds.
- Excludes claims arising from erosion, subsidence, earth movement or collapse compared to the City's existing policy providing cover for these sudden and unforeseen events, limited to \$100,000 any one event.
- Does not provide cover for loss of land value following a claim compared to the City's existing policy providing cover up to \$500,000 any one event

Limits of Liability

- Losses related to flood are not limited compared to a \$1,000,000 limit from the City's existing policy
- Automatic 36 months indemnity period for business interruption losses provided, compared to a 12 month limit from the City's existing policy
- Accidental Damage sublimit of \$30,000,000 compared to \$1,000,000 from the City's existing policy
- Losses for a burglary are not limited compare to \$250,000 from the City's existing policy
- Money sublimit of \$1,000,000 compared to \$100,000 from the City's existing policy
- Removal of debris sublimit of \$50,000,000 compared to \$1,000,000 from the City's existing policy
- Extra cost of reinstatement sublimit of \$20,000,000 compared to \$1,000,000 from the City's existing policy
- Professional fees sublimit of \$50,000,000 compared to \$250,000 from the City's existing policy
- Losses for theft of property in the open air are not limited compared to \$50,000 from the City's existing policy
- Unnamed suppliers and customers premises sub limit of \$2,000,000 compared to \$250,000 from the City's existing policy

Deductibles

- Standard excess of \$5,000 applies to claims relating to the removal of asbestos compared to \$25,000 from the City's existing policy
- Standard excess of \$5,000 applies to flood related compared to \$25,000 from the City's existing policy
- Standard excess of \$5,000 applies claims relating to vacant premises compared to \$50,000 from the City's existing policy

LGIS Motor Fleet

Coverage

- Provides new vehicle replacement for light vehicles if less than 3 years compared to 2 years from the City's existing policy
- Provides a claims experience discount of up to 10% of the City's contribution
- Automatically provide cover to vehicles up to \$750,000 in value, acquired during the protection period to remove the burden of the City having to notify of vehicle acquired or disposed of

Limits of Liability

- Dangerous goods limits of liability of \$5,000,000 compared to \$1,000,000 from the City's existing policy
- \$10,000 limit for employees personal effects compared to \$2,500 from the City's existing policy
- \$150,000 limit for removal of debris compared to \$100,000 from the City's existing policy

Deductibles

- No additional age/inexperienced driver excesses compared to up to an additional \$850 per claim from the City's existing policy
- Nil excess on claims for employee/volunteer/elected member private vehicle claims compared to the standard excess of \$2,000 from the City's existing policy

LGIS WorkCare

Limits of Liability

- Provides unlimited common law liability Protection compared to \$50,000,000 limit from the City's existing policy
- Includes an additional section for Journey Injury Protection with a \$300,000 capital benefit and 100% of income up to \$2,500 weekly injury benefit. The City had to purchase a separate policy for this cover which provided a lesser benefit of \$100,000 capital benefit and 85% of income up to \$1,500 weekly injury benefit

LGIS Personal Accident

Coverage

- Does not provide any protection to employees compared to the City's existing policy which provides cover to employees whilst working. However if the employee is working they should be covered by workers compensation and therefore the personal accident policy would be irrelevant
- Provides cover for non-Medicare medical expenses up to \$25,000 per claim

Limits of Liability

- The \$500,000 Death and Capital benefit is not linked to income compared to the City's existing policy limiting the benefit to 7 x annual income.
- Weekly injury benefit of \$2,500 per week compared to \$2,000 from the City's existing policy
- No age limit (there is some restriction in cover) for persons aged over 80 years.

Deductibles

- No excess period for weekly injury benefit claims compared to 7 days from the City's existing policy

LGIS Corporate Travel

Limits of Liability

- The \$1,000,000 Death and Capital benefit is not linked to income compared to the City's existing policy limiting the benefit to 7 x annual income. Limit also applied to accompanying spouses compared to a reduced limit of \$250,000 from the City's existing policy.
- Weekly injury benefit of 100% of weekly income up \$2,500 per week compared to 85% of weekly income to maximum up to \$2,000 from the City's existing policy
- Lump sum payments for injury or illness resulting in surgery is limited to \$20,000 compared to \$30,000 from the City's existing policy
-

Deductibles

- No excess period for weekly injury benefit claims compared to 7 days from the City's existing policy

Annual Contract Work

- Renewing the policy with Victor Underwriting Agency instead of Chase Underwriting to utilise the benefit of the portfolio placement
- No extension for Contractors Pollution Liability compared to a limit of \$250,000 from the City's existing policy

Summary of contributions - LGISWA Scheme membership

Scheme Cover	Annual Base Contribution (ex GST)	GST	Annual Total Contribution (inc GST)	30/09/20 to 30/06/21 Total Contribution (inc GST)	Comments
LGIS Liability	\$185,500.00	\$18,550.00	\$204,050.00	\$153,037.50	
Casual Hirers Liability	\$0.00	\$0.00	\$0.00	\$0.00	
LGIS Commercial Crime and Cyber Liability	\$9,850.00	\$985.00	\$10,835.00	\$8,126.25	
LGIS Management Liability* (indicative only)	\$17,920.00	\$1,792.00	\$19,712.00	\$14,784.00	Dependent on response to 2 outstanding questions
LGIS Pollution Liability	\$0.00	\$0.00	\$0.00	\$0.00	
LGIS Property	\$80,558.68	\$8,055.87	\$88,614.55	\$66,460.91	Based on a TDV of \$69,447,141
LGIS Motor Fleet	\$47,956.00	\$4,795.60	\$52,751.60	\$39,563.70	Based on TDV of \$2,397,800
LGIS Workcare	\$162,000.00	\$16,200.00	\$178,200.00		Waiting Ministerial approval
LGIS Corporate Travel	\$750.00	\$75.00	\$825.00	\$618.70	
LGIS Personal Accident	\$1,146.91	\$114.69	\$1,261.60	\$946.20	
*Total Scheme Membership	\$505,681.59	\$50,568.16	\$556,249.75	\$417,186.75	



LGISWA Scheme membership renewal acceptance

These contributions are not open ended and expire 4:00pm WST 30 September 2020.

Please sign, date and return this page as soon as possible but, no later than 12:00pm, 29 September 2020, to ensure continuance of cover from 4:00pm 30 September 2020 when the current coverage expires.

Continued membership of the LGISWA local government Self Insurance Scheme, subject to the Trust Deed and Scheme Rules provisions, is accepted.

Signed..... Printed Name

Date Local Government City of Nedlands

Payment terms – LGISWA Scheme

Payment within 30 days from invoice date however, when invoices are raised more than 14 days before inception/renewal payment is due by the inception/renewal date.

The following payment options are available::

1. **Cheque** (see bottom of your Tax Invoice for details).
2. **Direct deposit**

Account Name: LGISWA
Bank: ANZ
BSB: 016 498
Account Number: 8353 11413

NON SCHEME COVER

LGIS Insurance Broking (LGISIB)



Summary of Costs - non-scheme policies

City of Nedlands

2020 - 2021 Insurance premiums

Insurance Class	Annual Base Premiums (ex GST)	GST	Annual Total Premiums (inc GST)	30/09/20 to 30/06/21 Total Premium (inc GST)	Recommended Insurer	Comments
Contract Works	\$2,200.00	\$220.00	\$2420.00	\$1,810.03	QBE Insurance (Australia) Ltd through Victor U/writing (Building Facility)	
Uninsured Stallholders, Buskers and Performers	\$669.37	\$66.94	\$736.31	Will be annual	QBE Insurance (Australia) Ltd through Key U/writing (Marine Cargo Facility)	Minimum premium based on 63 permit holders and adjusted if numbers exceed 63
TOTAL PREMIUMS	\$2,869.37	\$286.94	\$3,156.31	\$1,810.03		

These terms are not open-ended and expire 4:00pm WST 30 September 2020.



Please sign, date and return the Summary of Costs by email as soon as possible but, in any event, no later than 12:00pm, 29 September 2020.

Signed..... Printed Name

Date Local Government City of Nedlands

DISCLOSURES

DISCLOSURES

Member Service Charter

Our members are at the heart of LGIS, it's only through working together that we can successfully protect WA local governments and their communities. The attached document, and the service promise within it, is integral to us delivering on our commitment to work together with our members.

This Member Services Charter encapsulates our promise to members to deliver high levels of services anchored in our in-depth knowledge of local government. All LGIS employees, volunteers and contractors are expected to adhere to this charter, and deliver a high level of service to our members and other stakeholders.

This document comprehensively covers our service commitment and includes key elements which all members are encouraged to be familiar with. These are:

- ✓ LGIS Financial Services Guide
- ✓ LGIS Collection Statement
- ✓ LGIS Privacy Statement

Financial Services Guide (FSG)

LGIS has an updated version of our 'LGIS-Our Commitment to You and Financial Services Guide' document which can be found at lgiswa.com.au

Most of the amendments are minor in nature, but we would like to highlight the following clauses under the heading 'Important Terms of Our Agreement with You':

- ✓ Sanctions and Embargoes- In addition to the increasing imposition of sanctions and embargoes by governments we are also encountering international banks' limited appetite for certain transactions which may not be directly caught by the sanctions and for which they may elect not to handle any monies. In this regard this section explains our approach and that the banks may also limit our ability to transact.

This FSG provides the terms under which we will provide our services to you and you agree to be bound by these terms.

General Advice Warning (GAW)

Our advice is general in respect of the retail insurance addressed in this report. To help you decide if it suits you, read the Product Disclosure Statement/s. We are happy to provide you with further information.

Product Disclosure Statement (PDS)

A PDS containing information about the retail insurance addressed in this report is attached. This will enable you to make an informed decision about acquiring that product.

Claims Made Policy

All or part of this policy is subject to claims made provision. This means that claims or possible claims must be notified to the insurer during the currency of the policy. Such a policy will not provide indemnity for claims, or possible claims, notified after the policy expires.

To protect your interests, please ensure that any claims or circumstances which you believe may give rise to a claim, and which have not been notified by you on the Proposal Form or previously notified to Insurers, are notified to your Insurer immediately or in any event prior to expiry of the current policy.

Key Underwriting Pty Ltd

This is underwritten by Key Underwriting Pty Ltd ("KEY") under an authority to bind cover on behalf of the insurer. In underwriting this insurance, KEY may delegate authority to certain employees of JLT. KEY and those employees of JLT act as agents of the insurer and not as your agent. JLT and KEY are related companies and KEY is an Authorised Representative (no. 403803) of JLT."

Validity of Quotations

Quotations in this report are subject to a validity period where indicated within the quotation/s. Where no validity date is shown, we cannot guarantee that insurers will stand by their quotation indefinitely. Therefore, we would appreciate your instructions as soon as possible, but in any case no later than expiry date of the policy/ies.

New Claims

Any quotation we have obtained on your behalf is based on the understanding that there will be no deterioration in the claims experience between the date insurers quoted their terms and the expiry date of the insurance or the date of inception of new risks.

If claims do occur during this period, insurers have the right to revise the terms quoted or even rescind their quotation.

Remuneration

As an insurance broker, there are several ways we can be paid. In general, our principal remuneration for arranging insurance on your behalf is either by way of commission paid by the Insurer and/or a fee including a service fee and an administration fee to be paid by you. The commission from insurers for arranging your insurance is a percentage of the premium paid by you before stamp duty, fire services levy, GST and any other government charges, taxes, fees or levies. It will vary depending on the insurer and the policy and we will advise you of the range of commission upon request.

Part of your insurance is being placed through another JLT office, which receives a on the transaction.

Part of your insurance is being placed through Key Underwriting Pty Ltd, a related company of JLT which receives brokerage on the transaction.

In addition to the above the Jardine Lloyd Thompson Group may receive income from insurers as follows: interest earned on insurance monies passing through our bank accounts; profit commissions or profit shares paid by insurers on specific classes of business; administrative service fees or expense reimbursements for limited specific services we provide to insurers as part of the placing or claims process. These commissions are payable under our agreement with the relevant insurers.

We will disclose any potential conflict of interest not included above which may occur and affect our relationship.

In the event of any refund premium being allowed for the cancellation or adjustment of this insurance policy, JLT reserves the right to retain all brokerage, fees and charges.

See pages 16 to 18 of the LGIS Member Service Charter for further explanation of how we are paid for the services we provide.

PAYMENT TERMS



PAYMENT TERMS

Our credit terms are as follows:

All Other Insurances

Payment within 14 days from invoice date however, when invoices are raised more than 14 days before inception/renewal payment is due by the inception/renewal date.

The following payment options are available:

1. **Cheque** (see bottom of your Tax Invoice for details).
2. **Direct deposit**

Account Name: Jardine Lloyd Thompson Pty Ltd
Bank: ANZ
BSB: 012 003 (115 Pitt Street, Sydney)
Account Number: 8372 62862

LGIS Liability

OUR REF: 002275

NOTE: Where a coverage heading incorporates provision for an amount to be inserted (e.g. Sub-Limit) but no amount is recorded, no cover is provided under this policy.

MEMBER	City of Nedlands
ABN AND ITC DETAILS	ABN: 92 614 728 214 ITC: 100.00%
BUSINESS	Local Government
PERIOD OF PROTECTION	From: 30 September 2020 at 4 PM Local Time (WA). To: 30 June 2021 at 4 PM Local Time (WA).
GEOGRAPHICAL SCOPE	This Protection Policy will apply worldwide except: <ul style="list-style-type: none"> (a) in respect of Claims made or actions instituted within the United States of America or the Dominion of Canada or any other territory coming within the jurisdiction of the Courts of the United States of American or the Dominion of Canada. (b) in respect of Claims made which are governed by the laws of the United States of American or the Dominion of Canada, whether by agreement of the insured or otherwise. (c) Liability accruing to The Member as a consequence of any indemnity, undertaking or hold harmless agreement provided to any party which indemnifies that party against awards, claims or damages or costs associated with actions in the Courts of Canada and/or the United States of America their protectorates or dependencies. <p>However, the above clauses (a) and (b) shall not apply to such Claims arising from the presence with the United States of America or the Dominion of Canada of any Member who is normally a resident in the Commonwealth of Australia and who at the time of the occurrence was in the course of the Business and who is neither a manual worker nor a supervisor of such work.</p> <p>Further, notwithstanding the aforesaid, this Policy does not apply at all to any risks located in Countries or areas on the United States State Department's list of excluded territories during the term of this Policy, as set forth in 22 C.F.R. 12b.1(d) as amended from time to time.</p>
JURISDICTIONAL SCOPE	Australia
GOVERNING LAW OF CONTRACT	Australian

INTEREST PROTECTED

P. The scheme will pay to or on behalf of The Member all sums for which The Member shall become legally liable to pay by way of compensation in respect of:

- Death or Personal Injury
- Loss or Damage to Property

happening during the Period of Protection and caused by an occurrence in connection with the Business, from:

- i. Public Liability**
- ii. Products Liability**

All as defined in the Protection Wording.

Q. Professional Indemnity (this is a Claims Made Coverage)

Any Claim or Claims first made against The Member and notified to the Scheme during the Period of Protection arising out of any negligent act, error or omission whenever or wherever the same was or may have been committed or alleged to have been committed by The Member in the conduct of The Member's Business (other than any indemnity provided by this protection under A (i) Public Liability and (ii) Products Liability).

LIMITS OF LIABILITY

Section A

Public Liability	\$600,000,000 any one occurrence
Products Liability	\$600,000,000 any one occurrence and in the aggregate any one period of protection.

Section B

Professional Indemnity	\$600,000,000 any one occurrence and in the aggregate any one period of protection.
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The arrangements for this cover are governed by, and subject to, the terms of the Trust Deed, which includes :

'Pooled Cover' (as defined in the Trust Deed) of the first \$2,000,000 in respect to each of the Limits of Protection; and

'Indemnity Cover' (as defined in the Trust Deed) arranged on behalf of the Member, of \$598,000,000 in excess of 'Pooled Cover'.

SUB LIMITS

Property in Care, Custody and Control	\$250,000
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EXCESS

Public Liability	\$Nil any One Claim arising from an Occurrence
Professional Indemnity	\$10,000 any One Claim arising from an Occurrence
Libel and Slander	\$5,000 any One Claim arising from an Occurrence
Damage to Aircraft	\$25,000 any one claim arising from an occurrence

**PROTECTION WORDING
AND CONDITIONS****1. LGIS Liability Protection Wording Version 17 dated June 2019**Endorsements**Asbestos Exclusion**

Asbestos Exclusion (3) is deleted in full and replaced as follows)

This Protection Policy does not apply to liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from any loss demand claim or suit arising out of or related in any way to asbestos or asbestos-containing materials.

The Scheme and its insurers shall have no duty of any kind with respect to any such loss demand claim or suit.

Unmanned Aerial Vehicles

Notwithstanding anything else contained in this Protection Policy, it is hereby noted and agreed that liability is afforded under this policy for third party property damage and/or third party bodily injury arising out of the operation of Unmanned Aerial Vehicle's (UAV's), subject to all other policy terms, conditions and exclusions, provided that: UAVs are used within the conditions laid down by the Australian Civil Aviation Authority

Building Works \$1,000,000
Excludes Claims arising out of the erection, demolition, alteration of and/or addition to buildings by or on behalf of The Member except such erection, demolition, alteration or addition not exceeding in cost, the sum of \$1,000,000

Coronavirus, epidemic and/or pandemic Exclusion

Regardless of any provision to the contrary, the Protection Policy excludes any liability directly or indirectly caused by or resulting from, arising out of or in connection with or attributable to:

- a) any Coronavirus including but not limited to;
 - i) COVID-19;
 - ii) Severe Acute Respiratory Syndrome (SARS); or
 - iii) MERS-CoV;
- b) any epidemic or pandemic which poses a threat to human health whether officially declared an epidemic or pandemic or not; or
- c) any mutation, variation, fear or threat of a) or b) above, or similar or equivalent in the future.

2. Scheme Rules and Trust Deed**3. Member's Certificate of Membership**

PROTECTION PROVIDER
LGIS Liability

PROPORTION
100.000%

NUMBER
002275

This must read LGIS Liability Scheme

REMARKS

Please refer to your Protection Policy document for details of Terms, Conditions and Exclusions.

Casual Hirers Liability

OUR REF: 002283

NOTE: Where a coverage heading incorporates provision for an amount to be inserted (e.g. Sub-Limit) but no amount is recorded, no cover is provided under this policy.

MEMBER	City of Nedlands
COVERING	Casual Hirers of facilities owned by the Member A Casual Hirer means any person or group of persons (not being a sporting body, club, association, corporation or incorporated body), who hires a Council facility for non-commercial or non-profit making purposes, less frequently than once per calendar month or twelve times per calendar year.
ABN AND ITC DETAILS	ABN: 92 614 728 214 ITC: 100.00%
BUSINESS	Principally Local Government Authority including the hire of facilities from The Member
PERIOD OF PROTECTION	From: 30 September 2020 at 4 PM Local Time (WA). To: 30 June 2021 at 4 PM Local Time (WA).
GEOGRAPHICAL SCOPE	Australia
JURISDICTIONAL SCOPE	Australia
GOVERNING LAW OF CONTRACT	Australian
INTEREST PROTECTED	<u>General Liability</u> Legal Liability to Third Parties for - <ul style="list-style-type: none"> ▪ death, illness or personal/bodily injury. ▪ loss or damage to property during the period of protection as a result of an occurrence happening in connection with the use of the hired facility by the Hirer.
LIMIT OF LIABILITY	<u>Section 1 – General Liability</u> \$10,000,000 any one occurrence.
DEDUCTIBLE	The Member shall bear the first \$500 of each and every Property Damage Claim or series of claims arising out of the one Occurrence. All indemnifiable liability attributable to one source or original cause shall be deemed one Occurrence for the purpose of the application of the above deductible.

PROTECTION PROVIDERSEndorsements**Asbestos Exclusion**

Asbestos Exclusion (3.11) is deleted in full and replaced as follows)

This Protection Policy does not apply to liability of whatsoever nature directly or indirectly caused by or contributed to by or arising from any loss demand claim or suit arising out of or related in any way to asbestos or asbestos-containing materials.

The Scheme and its insurers shall have no duty of any kind with respect to any such loss demand claim or suit.

General Exclusions:**Coronavirus, epidemic and/or pandemic**

Regardless of any provision to the contrary, the policy excludes any liability directly or indirectly caused by or resulting from, arising out of or in connection with or attributable to:

a) any Coronavirus including but not limited to;

i) COVID-19;

ii) Severe Acute Respiratory Syndrome (SARS); or

iii) MERS-CoV;

b) any epidemic or pandemic which poses a threat to human health whether officially declared an epidemic

or pandemic or not; or

c) any mutation, variation, fear or threat of a) or b) above,

or similar or equivalent in the future.

2. Scheme Rules and Trust Deed**3. Member's Certificate of Membership****CERTIFICATE NUMBER**

002283

REMARKS

Please refer to your protection document wording for details of Terms, Conditions and Exclusions.

LGIS Commercial Crime and Cyber Liability

OUR REF: 002279

NOTE: Where a coverage heading incorporates provision for an amount to be inserted (e.g. Sub-Limit) but no amount is recorded, no cover is provided under this policy.

MEMBER	City of Nedlands		
ABN AND ITC DETAILS	ABN	92 614 728 214	ITC 100.00%
BUSINESS	The business of the Member is principally Local Government Authority, including all associated activities incidental to or associated therewith.		
GEOGRAPHICAL LIMIT	Anywhere in the world, to the extent permitted by the local applicable law		
GOVERNING LAW OF CONTRACT	Australian		
PERIOD OF PROTECTION	From: 30 September 2020 at 4 PM Local Time (WA). To: 30 June 2021 at 4 PM Local Time (WA).		
COVERAGE SECTIONS	Coverage A: Commercial Crime Protection Coverage B: Cyber Protection		Covered Covered

COVERAGE A COMMERCIAL CRIME PROTECTION

INTEREST PROTECTED Loss sustained as a result of

- a. an internal crime
- b. an external crime
- c. a theft; or
- d. physical loss or damage

as defined in the Scheme Protection Wording.

COVERAGE SECTION LIMITS OF PROTECTION Limit any one loss, or series of related losses arising out of any one event inclusive of the Pooled Cover.

The arrangements for this cover are governed by, and subject to, the terms of the Trust Deed, which includes:

- Pooled Cover (as defined in the Trust Deed) of \$50,000 any one loss or series of related losses arising from any one event; and

- Indemnity Cover arranged on behalf of the Scheme (as defined in the Trust Deed) inclusive of the Pooled Cover \$1,000,000

SUB-LIMITS OF PROTECTION	Computer Costs Sublimit	\$250,000
	Social Engineering Fraud	\$250,000

EXTENSIONS	a. Contractual Penalties	\$500,000
	b. Interest	\$500,000
	c. Public Relations Expenses	\$100,000
	d. Outsourcing	Covered
	e. Extortion	Covered
	f. Erroneous Funds Transfer	Covered

If “Not Covered” appears against any Extension, such Extension shall be deemed to be deleted.

EXCESS	Any one loss, or series of related losses arising out of any one event	\$5,000
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DISCOVERY PERIOD	12 months
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COVERAGE B CYBER PROTECTION

COVERAGES SECTION LIMITS OF PROTECTION

Limit any one loss, or series of related losses arising out of any one event inclusive of the Pooled Cover.

The arrangements for this cover are governed by, and subject to, the terms of the Trust Deed, which includes:

- Pooled Cover (as defined in the Trust Deed) of \$5,000 any one loss and in the aggregate, any one Period of Protection across all Members of the Scheme; and

- Indemnity Cover arranged on behalf of the Scheme (as defined in the Trust Deed) inclusive of the Pooled Cover, as per the below

First Party Protection Agreements

Incident Response	Maximum Limit of Protection
Business Interruption	Maximum Limit of Protection
Data Systems recovery	Maximum Limit of Protection
Cyber Extortion	Maximum Limit of Protection

Third Party Protection Agreements

Privacy and Network Security Liability	Maximum Limit of Protection
Media Liability	Maximum Limit of Protection
Consumer Redress Fund	Maximum Limit of Protection
Payment Card Loss	\$Nil (if not compliant) Otherwise \$1,000,000
Regulatory Fines	Full protection limit

Protection Agreement Extensions

Emergency Incident response	\$25,000
Betterment Costs	\$25,000
Cyber Crime	\$25,000
Reward Expenses	\$100,000
Telecommunication Fraud	\$25,000

**COVERAGE AGGREGATE
LIMIT OF PROTECTION**

Maximum aggregate Limit of Protection any one Period of Protection (All Protection Clauses)	\$1,000,000
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EXCESS

Business Interruption	12 Hours
All other	\$5,000

RETROACTIVE DATE

30 September 2020

**PROTECTION WORDING
AND CONDITIONS**

Refer to LGISWA Cyber & Commercial Crime Liability Protection Wording for full details of Terms, Conditions and Exclusions. Protection wording reference/version number V1.20200630.11/13.ERMV2. Subject to LGISWA Trust Deed and Scheme Rules.

Endorsements

COVERAGE A: COMMERCIAL CRIME PROTECTION

Social Engineering Endorsement

By way of endorsement to the protection, the parties agree as follows (subject otherwise to all other terms, conditions, limits of protection and exclusions of the protection):

A. It is understood and agreed that there is no cover under the definition of **External Crime** for loss as a result of **Social Engineering Fraud**.

B. Clause 11. is amended by adding the following:

Social Engineering Fraud means:

- i) an act or acts by a **fake person**, acting alone or in collusion with others, of taking **your property, money or securities** with the

intention of permanently depriving **you** of its use, which is committed by means of that **fake person** deceiving an **employee** into transferring, paying or delivering that **property, money or securities**; or

- ii) a **computer crime** which involves a person other than an **employee** deceiving an **employee** into providing any security detail for operating or having access to an account held by **you** with a bank or any other financial institution.

Fake Person means a person purporting or claiming to be, or impersonating:

- i) an **employee** authorised to instruct other **employees** to transfer, pay or deliver **property, money or securities**;
- ii) a **vendor**; or
- iii) a **client**,

but who is not such **employee, vendor** or **client**.

Client means a customer of **yours** to whom goods or services are provided under written contract or for a fee.

Vendor means a person that provides, or has provided, goods or services to **you** under a legitimate pre-existing arrangement or written agreement.

C. Clause 2. **What has gone wrong?** is deleted and replaced with:

2. What has gone wrong?

You have suffered a loss because of:-

- a. an **internal crime**;
- b. an **external crime**;
- c. a **theft, physical loss or damage**; or
- d. a **social engineering fraud**.

D. Clause 3. **What does the Protection pay?** is deleted and replaced with the following:

3. What does the Protection pay?

We will pay up to the **limit of protection** for loss (as described below) which **you** suffer as a result of an act or acts described under *What has gone wrong*, but we will not pay for loss referred to under *What is not covered*.

The loss that we will pay must be direct financial loss sustained by **you** anywhere in the world in connection with a single act or series of related, continuous or repeated acts of **internal crime** committed by one or more of **your employees** or an act of **external crime**,

theft, physical loss or damage or social engineering fraud committed by persons who are not **your employees**.

The loss will include the direct financial loss sustained by a **client** which is **discovered** during the **period of protection** an **internal crime, external crime or social engineering fraud** and where **you** have responsibility for the care, custody and control of the **money, securities or property** of any **client**, unless caused by an **employee** in collusion with a **client** or any employee thereof.

The loss must be sustained prior to the end of the **period of protection** and be **discovered** by **you** prior to the end of the **period of protection** or the **discovery period**, if applicable.

In respect of a direct financial loss resulting from a **social engineering fraud**, we will pay up to the amount shown in your **Certificate of Membership** which is part of the **limit of protection** and **you** must pay the **excess** for each loss.

Cryptocurrency Exclusion (Absolute) - Applicable to all Protection Clauses

It is agreed that the Section "What is not covered?" is amended by adding the following:

We will not pay loss consisting of or which is due to:

- (m) loss of cryptocurrency or any other electronic or digital currency not authorized or adopted by a sovereign government as part of its currency.

COVERAGE B CYBER PROTECTION

CyberERMv2-000014 0319

This endorsement provides crisis response services through your election to utilise the Cyber Incident Response Team for Incident Response Expenses or Emergency Incident Response Expenses outlined in the protection wording. Any election to utilise or not utilise the services under this endorsement will not prejudice any of your rights under this Cover.

In the event of an actual or reasonably suspected Cyber Incident or Business Interruption Incident, you may either:

1. contact the Chubb Cyber Incident Response Centre through any of the following:

Chubb Cyber Alert App: download for iPhone and Android devices available on www.chubbcyberalert.com

Chubb Cyber Alert Website: www.chubbcyberalert.com

Chubb Cyber Alert Hotline: 1 800 027 428

or

2. choose and contact a Cyber Incident Response Manager from our Pre-Approved Response Manager Panel.

Solely in regards to coverage under this endorsement, the Cover is amended as follows:

Should the Member engage the Cyber Incident Response Manager, the excess for the Cyber Incident Response Manager's service shall be as per the Certificate of Membership.

Section 3 'General Definitions' is amended by adding the following definitions:

Chubb Cyber Incident Response Centre is the emergency call centre service for the purpose of contacting the Cyber Incident Response Manager.

Cyber Incident Response Manager means either the following:

1. the individual designated through the Chubb Cyber Incident Response Centre to coordinate the Cyber Incident Response Team; or
2. the individual or entity on our Pre-Approved Response Manager Panel that is chosen by you to coordinate the Cyber Incident Response Team.

Cyber Incident Response Team means the entities engaged by the Cyber Incident Response Manager to provide incident response services described in the protection wording.

A list of Cyber Incident Response Team members is available on request.

Pre-Approved Response Manager Panel means the list of firms on the pre-approved incident manager list available on request from us.

Section 5 'General Conditions' is amended as follows:

1. Subsection 5.10, Notification is amended to include the following:
 - F. If you contact the Chubb Cyber Incident Response Centre for assistance in the event of an actual or reasonably suspected Cyber Incident or a Business Interruption Incident, you will then be provided with the following two options:
 - i. Option 1: The Chubb Cyber Incident Response Centre will provide notice to us on your behalf.

You can choose to have the Chubb Cyber Incident Response Centre provide notice to us on your behalf. In order to exercise this option, you must give specific consent to the Chubb Cyber Incident Response Centre to allow them to provide notice to us on your behalf. Your notification requirements are only satisfied if you

provide specific consent to the Chubb Cyber Incident Response Centre to perform this task for you.

- ii. Option 2: The Chubb Cyber Incident Response Center will not provide notice to us on your behalf.

You are not required to give your consent to the Chubb Cyber Incident Response Centre to provide notice to us of the Cyber Incident or Business Interruption Incident, even if you elect to utilise its services. If you decide that you do not want to allow the Chubb Cyber Incident Response Centre to provide notification on your behalf, then you must provide notification to us as directed in this Section 5.10.

2. Section 5 'General Conditions' is amended to include the following additional condition:

5.24 Incident Response Clause

- A. Any Expenses incurred utilising the Cyber Incident Response Manager or Cyber Incident Response Team are part of and not in addition to, the Limit of Protection for Incident Response Expenses, as listed on the Schedule.
- B. You are under no obligation to contract for services with the Cyber Incident Response Team.
- C. We have no obligation to provide any of the services provided by the Cyber Incident Response Team.
- D. It is understood that the Cyber Incident Response Managers and Cyber Incident Response Team service providers are independent contractors, not our agents. You agree that we assume no liability arising out of any services rendered by a Cyber Incident Response Team service provider. We shall not be entitled to any rights or subject to any obligations or liabilities set forth in any agreement entered into between you and any Cyber Incident Response Team service provider. You acknowledge and are aware that the services you contract for with the Cyber Incident Response Manager and the Cyber Incident Response Team could include or entirely be services that are not covered by this Protection Wording. We shall have no duty to notify you when this is the case. You will be responsible for the costs, bills and fees associated with the retention of the Cyber Incident Response Managers and the Cyber Incident Response Team when their services are not covered under this Protection Wording.

In all other respects this coverage remains unaltered.

CYB-61-021 Not for Profit - Net Profit Amendment Endorsement

By way of endorsement to the Protection, the parties agree as follows (subject otherwise to all other terms, conditions, limits of protection and exclusions of the Protection):

It is agreed that Section 1. Protection Clauses, 1.6 Business Interruption, is amended by deleting the definition of Net Profit, in its entirety and replacing it with the following:

Net Profit means revenue that would have been earned, based upon:

- i. fees for services; and
- ii. other income sources,

minus the sum of:

- a) all expenses that would have been incurred in generating such revenue;
- b) any revenue that can reasonably be recovered, earned or otherwise recouped; and
- c) revenue that could reasonably continue to be earned by continuing all or any part of operations during the Period of Indemnity, regardless of whether all or part of such operations are actually continued,

plus a Member's continuing normal operating and payroll expenses.

In all other respects this coverage remains unaltered.

CyberERM1 – Difference in Conditions Endorsement

It is agreed that this Protection is amended as follows:

If a matter is notified during the Period of Protection, the Member specified in the Certificate of Membership, may elect to have such matter adjusted according to the terms of the cover immediately preceding this protection wording, within thirty (30) days of receipt of a coverage letter from us evaluating coverage for such matter notified under this Protection Wording.

Notwithstanding the above;

- a) the applicable Limit of Protection under this Protection shall remain the maximum aggregate protection limit irrespective of which protection terms are applied;
- b) the Member specified in the Certificate of Membership shall be liable for the Excess applicable for the most similar coverage under this protection wording; and;
- c) the provisions of this endorsement shall not apply to the extent that any endorsement to this protection wording excludes, directly or indirectly, the notified matter.

The provisions of this endorsement shall expire twelve (12) months after the inception of this cover.

IT Hardware Coverage Endorsement

It is agreed that this Policy is amended as follows:

1. The Certificate of is amended as follows: Insuring Agreement Limit of Insurance Excess

Insuring Agreement	Limit of Protection	Excess
Hardware Replacement	\$500,000	\$5,000

2. Section 2, Protection Agreement Extensions is amended to include the following additional Protection Agreement:

2.6 Hardware Replacement

Hardware Replacement Costs during the Period of Protection, arising solely and directly from a Business Interruption Incident discovered by any Control Group member during the Period of Protection

3. Section 3, General Definitions, is amended as follows:

I. to include the following additional definitions:

- Hardware means desktop computers, laptop computers, or mobile devices, including the individual piece or pieces of such computers or mobile devices, which are owned or operated by you, or which you lease for your own use from a third party.

Hardware does not include:

- a) SCADA or ICS systems;
- b) servers or network devices;
- c) telecommunications systems or equipment;
- d) equipment related to the operation, maintenance and provision of infrastructure, such as electrical equipment and water treatment or control equipment;
- e) any other critical machinery or similar equipment.

- Hardware Replacement Costs means, at the sole option of the Scheme, either:
 - A. the reasonable and necessary costs to repair, restore, or replace Hardware that has been damaged or destroyed electronically but for which there is no Property Damage, to the same or equivalent condition or functionality as existed before the Business Interruption Incident; or
 - B. the reasonable and necessary costs to update, upgrade, replace or improve Hardware that has been damaged or destroyed electronically but for which there is no Property Damage, to a

newer or improved standard, condition, functionality, or version, but only where such cost(s) are reasonably expected to be less than or equal to the cost(s) to repair, restore, or replace the same.

4. Definition 3.26 Expenses is amended to include the following:

- Expenses shall also mean Hardware Replacement Costs.

5. Section 4, General Exclusions, is amended as follows:

I. Exclusion 4.14 Wear and Tear and Governmental Authority is deleted in its entirety and replaced with the following:

4.14 Wear and Tear and Governmental Authority

Solely with respect to coverage under Protection Agreements 1.1, 1.2, 1.3 and 2.6:

- A. alleging, based upon, arising out of, or attributable to the ordinary wear and tear or gradual deterioration of a Covered Computer System, Data or Hardware, including any data processing media.
- B. for any action of a public or governmental authority, including the seizure, confiscation or destruction of a Covered Computer Systems, Data or Hardware.

II to include the following additional exclusion:

- Commercial Hardware
- alleging, based upon, arising out of, or attributable to any damage, loss or destruction of Hardware which:
 - A. is intended for sale, lease, hire, rent or loan to others by you; or
 - B. has already been sold, leased, hired, rented or lent to others by you.

In all other respects this Protection remains unaltered.

CERTIFICATE NUMBER 002279

PROTECTION		PROPORTION
Pooled Cover	LGIS Liability	100%
Indemnity Cover	Chubb Australia	70%
	Zurich Australia	30%

ISSUED BY Udam Wickremaratne, Portfolio Manager LGIS Liability

REMARKS

Subject to payment of the Contribution for the Period of Protection, the Member will be protected by the LGISWA Scheme (“Scheme”) in accordance with and subject to the terms, exclusions, limitations, extensions and conditions contained in or endorsed on or otherwise expressed in this Protection Wording and subject to the terms of the Trust Deed governing The Scheme.

LGIS Management Liability

OUR REF: 002278

NOTE: Where a coverage heading incorporates provision for an amount to be inserted (e.g. Sub-Limit) but no amount is recorded, no cover is provided under this policy.

MEMBER	City of Nedlands	
ABN AND ITC DETAILS	ABN 92 614 728 214	ITC 100.00%
BUSINESS	Local Government	
JURISDICTION	<p>Councillors' and Officers' Liability Worldwide excluding USA and Canada</p> <p>Statutory Liability Australia and New Zealand</p> <p>Employment Practices Liability Worldwide excluding USA and Canada</p> <p>Cyber Extortion Worldwide excluding USA and Canada</p>	
GEOGRAPHICAL SCOPE	<p>Councillors' and Officers' Liability Worldwide excluding USA and Canada</p> <p>Statutory Liability Australia and New Zealand</p> <p>Employment Practices Liability Worldwide excluding USA and Canada</p> <p>Cyber Extortion Worldwide excluding USA and Canada</p>	
GOVERNING LAW OF CONTRACT	Australian	
PERIOD OF PROTECTION	<p>From: 30 September 2020 at 4 PM Local Time (WA).</p> <p>To: 30 June 2021 at 4 PM Local Time (WA).</p>	
COVERAGE SECTIONS	<p>Councillors' and Officers' Liability</p> <p>Statutory Liability</p> <p>Employment Practices Liability</p> <p>Cyber Extortion</p>	<p>Covered</p> <p>Covered</p> <p>Covered</p> <p>Not Covered</p>

MAXIMUM LIMIT OF PROTECTION

The arrangements for this cover are governed by, and subject to, the terms of the Trust Deed, which includes:

- Pooled Cover (as defined in the Trust Deed) of \$5,000 any one loss and in the aggregate, any one Period of Protection across all Members of the Scheme; and

- Indemnity Cover arranged on behalf of the Scheme (as defined in the Trust Deed) inclusive of the Pooled Cover, as per the below

Sum of limits under all coverage sections \$8,000,000 in the aggregate

LIMITS OF PROTECTION

Coverage Sections

Councillors' & Officers' Liability	\$5,000,000 in the aggregate
Statutory Liability	\$2,000,000 in the aggregate
Employment Practices Liability	\$1,000,000 in the aggregate
Cyber Extortion	\$Nil in the aggregate

SUB-LIMITS OF PROTECTION

Councillors' and Officers' Liability	
Emergency Costs and Expenses	10% of limit of liability
Tax Liability	\$100,000 in the aggregate
Bail Bond Costs	10% of limit of liability
Crisis Costs	\$25,000 in the aggregate
Public Relations Expenses	\$25,000 in the aggregate
Reputation Protection Expenses	\$50,000 in the aggregate
Deprivation of Assets Expenses	\$100,000 in the aggregate
Court Attendance Costs	\$20,000 in the aggregate
Additional Excess Limit for Non-Indemnifiable Loss:	
Individual Additional Excess Limit	\$1,000,000 in the aggregate
Aggregate Excess Limit	100% of the limit of liability
Cyber Privacy & Confidentiality:	
Limit of Protection for Covered Persons	\$500,000 in the aggregate
Limit of Protection for the Member	\$50,000 in the aggregate
Statutory Liability	
Emergency Defence Costs	\$25,000 in the aggregate
Public Relations Expenses	\$50,000 in the aggregate
Employment Practices Liability	
Contractual Liability Defence Costs	\$50,000 in the aggregate

EXCESS

Councillors' and Officers' Liability	
Individual	Nil Excess
Organisation	\$5,000 for each and every claim
Legal Representation Expenses	\$5,000 for each and every claim
Statutory Liability	
Individual	\$1,000 for each and every claim
Organisation	\$2,500 for each and every claim
Employment Practices Liability	

	Each Claim	\$12,500 for each and every claim
	Cyber Extortion	
	Each Claim	\$not covered for each and every claim
CONTINUOUS COVER	Councillors' & Officers' Liability and Employment Practices Liability	30 September 2020
	Statutory Liability	30 September 2020
	Cyber Extortion	Not covered
PRIOR AND PENDING LITIGATION DATE	Councillors' & Officers' Liability and Employment Practices Liability Unlimited excluding prior and known circumstances	
	Statutory Liability 30 September 2020	
	Cyber Extortion Not covered	
ACQUISITION LIMIT	10% of Total Asset Value in the latest Annual Financial Report	
DISCOVERY PERIOD	12 months at 100% of the Annual Premium	
PROTECTION WORDING & CONDITIONS	LGISWA Management Liability Protection Wording v1.20200630/11.2016	
INSURER	PROPORTION	POLICY NUMBER
LGIS Liability	100.000%	002278
REMARKS	Please refer to your policy document for details of Terms, Conditions and Exclusions.	

LGIS Pollution Legal Liability

OUR REF: 002281

NOTE: Where a coverage heading incorporates provision for an amount to be inserted (e.g. Sub-Limit) but no amount is recorded, no cover is provided under this policy.

MEMBER	City of Nedlands
ABN AND ITC DETAILS	ABN 92 614 728 214 ITC 100.00%
GEOGRAPHICAL SCOPE	This Policy applies to loss or claims arising from Pollution Conditions or Effluent Re-Use Conditions that occur in the Commonwealth of Australia.
JURISDICTIONAL SCOPE	As per Geographical Scope
GOVERNING LAW OF CONTRACT	Australian
PERIOD OF PROTECTION	From: 30 September 2020 at 4 PM Local Time (WA). To: 30 June 2021 at 4 PM Local Time (WA).
PROTECTED PROPERTIES	Real property owned, leased, rented or occupied by the Member at the Inception Date
SPECIFIC COVERAGES	Coverages available under this policy apply to specific asset types owned, leased, rented or occupied by the Member at the Inception Date as follows:

Asset Type	Coverages
Airport	B, C, D, E, F, I
Animal Management Facility	A, B, C, D, E, F, I
Caravan Park	B, C, D, E, F, I
Depot	B, C, D, E, F, I
Fire Station	D, E, F, I
Gun Club	D, E, F, I
Healthcare Facilities	A, B, C, D, E, F, I
Landfill	D, E, F, I
Waste Transfer Station	B, C, D, E, F, I
Manufacturing Facility	B, C, D, E, F, I
Vacant Land	B,C,D,E,F,I
Waste Water Treatment Facility	B, C, D, E, F, H, I

Other Assets	G, H, I
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LIMITS OF PROTECTION

The arrangements for this cover are governed by, and subject to, the terms of the Trust Deed, which includes:

- Pooled Cover (as defined in the Trust Deed) of \$5,000 any one loss and in the aggregate, any one Period of Protection across all Members of the Scheme; and

- Indemnity Cover arranged on behalf of the Scheme (as defined in the Trust Deed) inclusive of the Pooled Cover, as per the below

1. DISCOVERY AND THIRD PARTY CLAIMS

Coverage B – On Site Clean Up of New Conditions

Any one Pollution Condition and in the aggregate any one Period of Protection \$250,000

2. THIRD PARTY CLAIMS

Coverage A – On Site Clean Up of Pre-existing Conditions

Any one Pollution Condition and in the aggregate any one Period of Protection \$5,000,000

Coverage B – On Site Clean Up of New Conditions

Any one Pollution Condition and in the aggregate any one Period of Protection \$5,000,000

Coverage C – Third Party Claims For On-Site Bodily Injury And Property Damage

Any one Pollution Condition and in the aggregate any one Period of Protection \$5,000,000

Coverage D – Third Party Claims For Off-Site Clean-Up Resulting From Pre-Existing Conditions

Any one Pollution Condition and in the aggregate any one Period of Protection \$5,000,000

Coverage E – Third Party Claims For Off-Site Clean-Up Resulting From New Conditions

Any one Pollution Condition and in the aggregate any one Period of Protection \$5,000,000

Coverage F – Third Party Claims For Off-Site Bodily Injury And Property Damage

Any one Pollution Condition and in the aggregate any one Period of Protection \$5,000,000

Coverage G – Legal Liability For Pollution Conditions

Any one Pollution Condition and in the aggregate any one Period of Protection \$5,000,000

Coverage H – Effluent Re-Use Legal Liability

Any one Pollution Condition and in the aggregate any one
Period of Protection \$5,000,000

**Coverage I - Pollution Conditions Resulting From
Transported Cargo**

Bodily Injury, Property Damage or Clean-Up Costs resulting
from a Pollution Condition caused by Transportation of Cargo.

Any one loss and or claim and in the aggregate any
one policy period – as per policy \$5,000,000

3. EMERGENCY RESPONSE COSTS

Any one Pollution Condition and in the aggregate any
one Period of Protection \$250,000

**MEMBER AGGREGATE
LIMIT OF PROTECTION**

Any one Pollution Condition and in the aggregate any one
Period of Protection \$5,000,000

further subject to Scheme Aggregate limit of protection

**SCHEME AGGREGATE
LIMIT OF PROTECTION**

Any one Pollution Condition and in the aggregate any one
Period of Protection, across all Members \$50,000,000

EXCESS

Each and every claim \$50,000

CONTINUITY DATE

30 September 2020

**PROTECTION WORDING
AND CONDITIONS**

LGISWA Pollution Legal Liability Protection Wording
V1.20200630/200520

INSURER

LGIS Liability

POLICY NUMBER

002281

REMARKS

Please refer to your policy document for details of Terms, Conditions
and Exclusions.

Please note that this policy is on a claims made basis. This
means that claims or possible claims must be notified to the insurer
during the currency of the policy. Such a policy may not provide
indemnity for claims or possible claims notified after the policy
expires.

LGIS Property

OUR REF: 002274

NOTE: Where a coverage heading incorporates provision for an amount to be inserted (e.g. Sub-Limit) but no amount is recorded, no cover is provided under this policy.

MEMBER	City of Nedlands	
MEMBERSHIP NUMBER	002274	
ABN AND ITC DETAILS	ABN: 92 614 728 214	ITC: 100.00%
BUSINESS	Local Government	
PERIOD OF PROTECTION	From: 30/09/20 at 4 PM Local Time (WA). To: 30/06/21 at 4 PM Local Time (WA).	
GEOGRAPHICAL SCOPE	Australia	
JURISDICTIONAL SCOPE	Australia	
GOVERNING LAW OF CONTRACT	Australian	
SUMMARY OF COVER	Industrial Special Risks	Covered
	Machinery Breakdown	Covered
	Electronic Equipment	Covered
	General Property	Covered
SCOPE OF COVER	<p>Section 1 – Insured risks of physical loss, destruction or damage to property not specifically excluded in the policy wording; and</p> <p>Additional Cover.</p> <p>Machinery Breakdown This Section provides protection for repair costs following Breakdown of Machinery and Pressure Equipment whilst located at the Member’s situation/s.</p> <p>Electronic Equipment Breakdown This Section provides protection for repair costs following Breakdown of Electronic Equipment whilst located at the Member’s situation/s.</p>	

General Property

This Section covers Accidental Loss or Damage to all items of portable property, such as, but not limited to mobile phones, iPads, laptop computers, survey equipment, Mayoral Chains and Medallions, sound meters, water testing kits, and cameras.

Section 2 – Resultant Consequential Loss (Business Interruption)

INTEREST PROTECTED

Section 1 - Material Loss or Damage

All real and personal property of every kind and description (except as excluded in the Protection Policy Document) belonging to the Member or for which the Member is responsible or has assumed responsibility to insure prior to the occurrence of any damage including all such property in which the Member may acquire an insurable interest during the Period of Protection.

Section 2 - Consequential Loss

- Item 1: Gross Revenue/Increase Cost of Working
- Item 2: Loss of Rent Receivable/Increase Cost of Working
- Item 3: Claims Preparation and Proving Costs
- Item 4: Additional Increased Cost of Working
- Item 5: Accounts Receivable

LIMITS OF LIABILITY

Maximum Limit of Liability shall apply to all Members on an Any One Event basis in excess of the LGIS Property Pooled Cover.

Sections 1 and 2 Combined: \$600,000,000 Any One Event

Other than:

Named Cyclone North of the 26 th parallel	\$100,000,000
Flood North of the 26 th parallel	\$100,000,000
Unnamed Direct Suppliers/Customers Premises	\$50,000,000
Acquired Properties/companies	\$5,000,000

Applicable to all Members in the Aggregate on an Any One Event basis.

The arrangements for this cover are governed by, and subject to, the terms of the Trust Deed, which includes:

‘Pooled Cover’ (as defined in the Trust Deed) of \$8,000,000 in the aggregate over all claims from Member Councils; and

‘Indemnity Cover’ (as defined in the Trust Deed) arranged on behalf of the Member, of \$600,000,000 in excess of ‘Pooled Cover’

Member Limits of Liability

Individual Limits and Sub-limits apply per member, per event as declared on that Member’s Certificate of Membership or Schedule but always limited to the Scheme Limits of Liability as shown above.

DECLARED VALUES IN ACCORDANCE WITH THE BASIS OF SETTLEMENT

Section 1 - Material Damage	\$As per Property Register
General Property	\$As per Property Register

TOTAL **\$As per Property Register**

SUB-LIMIT(S) OF LIABILITY

Unless otherwise stated below, the following sub-limits of liability will apply on a per member, per event basis for all coverages provided, and are part of, not in addition to, the above limit(s) of liability.

Section 1 - Material Loss or Damage

Accidental Damage	\$30,000,000
Rewriting of Records	\$1,000,000
Money	\$1,000,000
Personal Property (Any one employee/Councillor/ Elected Member/ Visitor)	\$10,000
Fusion	\$50,000
Clearance of Drains	\$2,000,000
Temporary Removal and Limited Transit (Land Based Only)	\$1,000,000
Landscaping/Gates and Fences	\$2,000,000
Customers Property	\$1,000,000

Action by the Sea \$5,000,000 reducing to \$2,000,000 Jetties only and \$1,000,000 Marine structures (any one protection period)

Miscellaneous Structures and Equipment (any one event \$2,000,000 or as declared by the member whichever is greater)

Further limited to the lesser limits for any one item or any one situation as listed below.

Street signs and/or parking meters and/or street lights and/or lamp posts	\$30,000
Bus shelters and/or public seating	\$40,000
Public ablution blocks	\$50,000
Signs (other than street signs)	\$10,000 per sign
Structures and/or equipment of all types at sporting grounds and/or ovals and/or parks and/or gardens and/or playgrounds and/or reserves where the total value of such items does not exceed	\$200,000
Reticulation systems including pumps (and related wiring), pipe work and sprinklers where the total asset value of such reticulation systems does not exceed	\$100,000
Statues and/or structures and/or sculptures and/or other works of art, artwork and curios and/or culture in the open air; not exceeding	\$100,000 per situation
Jetties, wharfs, and/or boat ramps where the value of assets so described does not exceed	\$50,000 per situation
Gates and/or fences and/or landscaping and/or foreshore and/or Street Furniture beautification where the value of assets does not exceed	\$100,000 per situation
Windmills and/or bore pumps and/or tanks and/or radio towers and/or solar panels where the value of assets does not exceed	\$100,000 per situation
Video surveillance cameras where the value of assets does not exceed	\$10,000 per situation
Street banners and/or Christmas decorations and/or flagpoles where the value of assets does not exceed	\$100,000 per situation
Any watercraft whilst in storage or transit including any accessories. Exclusion 3a does not apply	

provided that no cover is provided whilst any watercraft is in or on water	\$10,000
Dilapidation (\$200,000 Annual Aggregate)	\$50,000
Green Assets	\$500,000 Annual Aggregate
Greens (Aggregate \$500,000)	\$100,000
Pontoons	\$300,000
Extra Cost of Reinstatement	
Any One Event across all Situations of the Member	\$20,000,000
Removal of Debris	
Any One Event across all Situations of the Member	\$50,000,000
Architects and Professional Fees	
Any One Event across all Situations of the Member	\$50,000,000
Additional Cover	
Machinery Breakdown	
Each and every claim or series of claims arising out of the one event	\$200,000
Electronic Equipment Breakdown	
Each and every claim or series of claims arising out of the one event	\$200,000
General Property	
Non specified items maximum any one item	\$10,000

Section 2 – Business Interruption

Loss of Revenue / Loss of Rent Receivable (Per annum)	\$35,000,000
Claims Preparation Costs	\$50,000
Additional Increased Cost of Working	\$1,000,000
Accounts Receivable	\$2,000,000
Public Utilities (land based only)	\$5,000,000
Prevention of Access	\$5,000,000
Unnamed Direct Suppliers/Customers Premises (Australia)	\$2,000,000
Government Incentives unless otherwise declared under Gross Revenue	\$100,000
Fines and Penalties	\$100,000
Closure by Public Authorities	\$500,000
Notifiable Disease (Aggregate)	Not Covered
Evacuation Centre (\$150,000 Aggregate)	\$500,000

INDEMNITY PERIOD 36 Months

DEDUCTIBLE/EXCESS Individual Deductibles apply as per Member’s Certificate of Membership

Standard (Any One Loss or series of Losses arising out of Any One Event) \$5,000

Earthquake
\$20,000 or an amount equal to 1% of the total declared values at the situation where the damage occurs whichever is the lesser.

Each of the Members property(s) declared on the Property Register is to be considered a "Situation" for the operation of this deductible. In the event of an earthquake affecting multiple members "Situations" the excess will apply to each Member but not exceeding \$20,000 any one Member.

Action by the Sea (Jetties and Marine Structures)	10% per claim or \$50,000 whichever is the greater	Any One Event
Personal Property	\$250	Any One Event
Personal Property (Bushfire Volunteers)	Nil	Any One Event
Named Cyclone	\$100,000	Any One Event
Machinery Breakdown	\$1,000	Any One Event
Electronic Breakdown	\$1,000	Any One Event
General Property	\$500	Any One Event
Public Utilities (Land Based Only)		48 hours
Prevention of Access		48 hours

Should more than one deductible/ excess appear under this Policy for any one loss or series of losses arising from the one event, such deductibles / excesses shall not be aggregated – the highest single monetary (or its monetary equivalent) level of deductibles/excess only shall apply.

PROTECTION POLICY

WORDING AND CONDITIONS

1. LGIS Protection Policy Wording V01.2017.

Endorsements

COMMUNICABLE DISEASE ENDORSEMENT

1. This Protection policy,(policy) subject to all applicable terms, conditions and exclusions, covers losses attributable to direct physical loss or physical damage occurring during the period of protection. Consequently and notwithstanding any other provision of this policy to the contrary, this policy does not cover any loss, damage, claim, cost, expense or other sum, directly or indirectly arising out of, attributable to, or occurring concurrently or in any sequence with a Communicable Disease or the fear or threat (whether actual or perceived) of a Communicable disease.

2. For the purposes of this endorsement, loss, damage, claim, cost, expense or other sum, includes, but is not limited to, any cost to clean-up, detoxify, remove, monitor or test:

2.1. for a Communicable Disease, or

2.2. any property protected hereunder that is affected by such Communicable Disease.

3. As used herein, a Communicable Disease means any disease which can be transmitted by means of any substance or agent from any organism to another organism where:

3.1. the substance or agent includes, but is not limited to, a virus, bacterium, parasite or other organism or any variation

thereof, whether deemed living or not, and

3.2. the method of transmission, whether direct or indirect, includes but is not limited to, airborne transmission, bodily fluid transmission, transmission from or to any surface or object, solid, liquid or gas or between organisms, and

3.3. the disease, substance or agent can cause or threaten damage to human health or human welfare or can cause or threaten damage to, deterioration of, loss of value of, marketability of or loss of use of property protected hereunder.

4. This endorsement applies to all protection coverage extensions, additional coverages, exceptions to any exclusion and other coverage grant(s).

All other terms, conditions and exclusions of the protection policy remain the same.

ELECTRONIC DATA ENDORSEMENT NMA 2915

ELECTRONIC DATA EXCLUSION is amended as follows;

Listed Perils: All Insured Perils As Provided in Section 1 and 2 **is deleted and replaced with Listed Perils: Fire , Explosion**

2. Members Certificate of Membership and Property Register
3. Scheme Rules and Trust Deed

LGIS Motor Fleet

OUR REF: 002276

NOTE: Where a coverage heading incorporates provision for an amount to be inserted (e.g. Sub-Limit) but no amount is recorded, no cover is provided under this policy.

MEMBER	City of Nedlands
ABN AND ITC DETAILS	ABN 92 614 728 214 ITC 100.00%
BUSINESS	Principally Local Government Authority
TERRITORIAL LIMITS	Australia
JURISDICTIONAL SCOPE	Australia
GOVERNING LAW OF CONTRACT	Australian
PERIOD OF PROTECTION	From: 30 September 2020 at 4 PM Local Time (WA). To: 30 June 2021 at 4 PM Local Time (WA).
INTEREST COVERED	All Motor Vehicles and Trailers owned, leased mortgaged under Hire Purchase Agreement, hired in or let out on hire, loaned to or by, or used or operated by the Participating Members including to the extent the Participating Member has accepted responsibility to insure. All as defined in the Scheme Protection Wording.
LIMITS OF LIABILITY	Limit any one loss, or series of related losses arising out of any one event inclusive of the Pooled Cover. The arrangements for this cover are governed by, and subject to, the terms of the Trust Deed, which includes: - Pooled Cover (as defined in the Trust Deed) of \$5,000 any one loss and in the aggregate, any one Period of Protection across all Members of the Scheme; and - Indemnity Cover arranged on behalf of the Scheme (as defined in the Trust Deed) inclusive of the Pooled Cover, as per the below

Section 1 Loss or damage to vehicles as per Interest Covered.

Following loss or damage, the maximum amount payable under this Section for a covered vehicle is:

1. the cost of repairs to the vehicle;
2. the market value of the vehicle at the time of loss; or
3. the declared value stated in the Member's Motor Vehicle and Plant Register,

whichever is the lesser.

The maximum amount payable for any one event for loss or damage to all vehicles is \$20,000,000, which is inclusive of all Additional Covers – Section 1.

Section 2 Cover for Third Party Liability

The total liability under this Section is \$35,000,000, for all claims arising from the one accident or series of accidents resulting from the one original cause, unless the vehicle is being used for transportation of dangerous goods in which case the total liability under this Section is limited to \$5,000,000 (Dangerous Goods means dangerous goods or explosives as defined in either the current Australian Code for the Transport of Dangerous Goods by Road and Rail or the current Australian Code for the Transport of Explosives by Road or Rail or the current New Zealand Land Transport Rule: Dangerous Goods Amendment 2010).

The limits include all costs and expenses for all claims arising from the one accident, or series of accidents resulting from the one original cause.

All as defined in the Scheme Protection Wording.

ADDITIONAL COVERS

Section 1

Disability Modifications (maximum per event)	\$15,000
Councillor's/Director's/Employee's Personal Property (trailers limited to \$2,000) (maximum per event)	\$10,000
Expediting Expenses (maximum per event)	\$10,000
Family Expenses (maximum per event)	\$5,000
Family Expenses (maximum per period of protection)	\$25,000
First Aid Kits (maximum per event)	\$5,000
Funeral Expenses (maximum per event)	\$20,000
Hire of vehicle following theft per event (maximum amount per vehicle \$400 per day)	\$10,000
Journey Disruption (maximum per event)	\$5,000
Replacing Lock/Keys (maximum per vehicle)	\$10,000
Loss of Use Per vehicle, Per event	\$5,000
Medical and related expenses (non-Medicare aggregate)	\$1,000
New Vehicle Replacement (maximum per vehicle)	\$1,000,000
Re-Delivery Following Theft (reasonable costs)	Included
Removal and Delivery Expenses (reasonable costs)	Included
Removal of Debris/Load (maximum per event)	\$150,000
Retrieval Costs (maximum per protection period)	\$100,000
Rewards offered following theft (maximum per event)	\$10,000
Signwriting (reasonable replacement cost)	Included

Total Loss of Encumbered Vehicles (Vehicle value \$750,000 or less), the lesser of	25% market value or 25% declared value
(Vehicle value in excess of \$750,000), the lesser of	20% market value or 20% declared value
Traffic management costs (maximum per event)	\$10,000
Two-wheel or box trailers (maximum per vehicle)	lesser of Market Value or \$5,000
Volunteer Bush Fire Brigade Members vehicles (where declared on Members Motor Vehicle and Plant Register) Maximum per event	\$1,000,000

Section 2

Non Owned Trailer Liability (maximum per event)	\$250,000
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Section 3 Additional Covers applicable to All Sections

Automatic Additions to Council fleet	\$750,000
Crash Scene/Site Management (maximum per event)	\$10,000
Crisis Coverage (maximum per event)	\$50,000
Police, Fire Brigade and other Authorities costs levied (maximum per event)	\$100,000
Psychological Counselling (maximum per event)	\$20,000
Vehicle Testing (maximum per event)	\$600,000
Volunteer Loss of No Claim Bonus/Excess	\$1,500

All as defined in the Scheme Protection Wording.

EXCESS

Basic Excess	\$2,000.00
1. Volunteer Bushfire Brigade Members Vehicles	Nil
2. Councillors Vehicles	Nil
3. Volunteers Vehicles	Nil
4. Employees Vehicles	Nil
5. Capped Excess Any One Event	\$30,000

Note

1. Excess also applies to windscreen only claims.
2. Other additional excesses may also apply as per Scheme Wording.
3. Excess applies separately to each vehicle and each claim on that vehicle.
4. Age and Inexperienced Drivers' Excess does not apply.

**SCHEME WORDING
AND CONDITIONS**

LGISWA Motor Fleet Protection wording version number V1.20200630 - PCUS-014388-2019.. except as otherwise modified by the following endorsements which are shown in full on the Endorsement Schedule:

Capped Excess Any One Event

You shall be liable for the excesses as detailed in the policy, which applies to each claim throughout the period of protection.

Should the total of all excesses paid by you arising out of any one event during the period of protection reach \$30,000, then the policy shall revert to a nil excess basis for any further claims arising out of that event.

Claims experience discount

Subject to our retaining a minimum contribution of \$15,000 and you renewing membership for a further period of twelve (12) months with us, we agree to reduce your renewal contribution for this policy by an amount calculated as follows:

70% of the <i>adjusted contribution</i>	\$
less total <i>incurred claims</i> costs for the period of protection	\$
sub-total of surplus	\$
50% of surplus	\$
subject to a maximum rebate of 10%	

“Adjusted contribution” means the contribution paid for the period of protection after application of the Declaration of vehicles clause contained in Term and Conditions applicable to All Sections.

“Incurred claims” means total claims paid by us, less any recoveries received by us, during the period of protection plus an amount for outstanding claims, including an allowance for claims incurred but not yet reported to us.

We shall also retain the right to carry out a further and final contribution adjustment dependent upon any subsequent claim movements relating to the period of protection in respect of which the initial adjustment occurred. Such adjustment is to occur within 12 months of the initial adjustment.

Councillors / Directors / Employees / Volunteers Vehicles

Section 3 – Additional cover applicable to All Parts, 1.5 ‘Councillors/directors/employee’s vehicles’ is deleted and replaced with the following:

1.5. Councillors vehicles

Your policy is extended to cover loss or damage to vehicles owned or driven by a member of the insured council or driven by another person on behalf of the member, whilst such vehicles are being used in connection with your business and including (but not limited to) attending as a member, meetings of the council or a committee of the council, or have a delegate of the council, meeting of municipal or association conferences of country or regional councils or committees of them.

However:

1.5.1 The maximum we will pay under Section 1 – Cover for Loss or damage to your councillors, directors or employees vehicles, is

\$75,000 any one loss, any one event or the sum insured specified in the schedule whichever is the greater; and

1.5.2 As far as allowed by law, this Additional Cover will only provide cover in excess of any amount for which your councillors, directors, employees are otherwise insured.

The policy will extend to the driver of the vehicle as though he/she is the insured.

The owner of a vehicle insured under this extension, shall be entitled to claim car hire costs to maximum of \$1,000 any one claim. Car hire costs may be claimed from the time the vehicle is in the custody of the repairer for the purpose of repair works or once the theft is reported to the Police, whichever is applicable, and ends as soon as the vehicle is repaired and/or replaced and/or returned to the owner.

For the purpose of this extension, nil excess applies.

Employee Indemnification Clause

Section 3 – Additional cover applicable to All Parts, 1.6 'Cover for other owners' is extended to include councillors, employees, bush fire brigade members and volunteer workers but only whilst such persons are acting within the scope of their employment or authority and using their own or their spouse's vehicle within the scope of your authority.

For the purpose of this extension, nil excess applies and such cover is not subject to Declaration of vehicles.

Declaration of Vehicles

Notwithstanding Terms and Conditions applicable to All Sections, 3.5 'Declaration of vehicles', no contribution adjustment shall occur unless either the number of vehicles or their value (as the case may be) has increased or decreased by 10% or more during the period of protection.

Fire and Theft Cover

Where your vehicle noted in the Member's Motor Vehicle and Plant Register is to be covered for fire and theft, then Section 2 – Cover for Third Party Liability is deleted and the respective vehicle is only covered for damage caused directly by fire or theft.

Special Condition to Section 2

We will not provide any cover for death or bodily injury under Section 2 of this policy unless prior to the commencement of this policy, you have provided to us the following details of any other policy covering you for legal liability for death or bodily injury (other than CTP or workers compensation insurance) which is in force as at the date of commencement of this policy or which will be brought into force during the period of protection:

Third Party Liability cover only

Where a vehicle noted in the Member's Motor Vehicle and Plant Register is to be covered for Third Party Liability, then Section 1 – Cover for Loss or Damage to your Vehicle is deleted.

Vehicle Testing

The limit of liability for cover under Section 3, 1.17 Vehicle testing is \$600,000 per event.

Where a vehicle noted in the schedule is to be covered for Third Party Liability, then Section 1 – Cover for Loss or Damage to your Vehicle is deleted.

Waiver of subrogation

We agree to waive any rights, remedies or relief to which we may become entitled by subrogation against:

- (a) any company, corporation or organisation (including their directors, officers, employees or servants):
 - (i) associated and/or related and/or affiliated companies owned or controlled by you, or
 - (ii) which is a subsidiary of yours, or
 - (iii) in which you have a financial interest, or
 - (iv) which comprise the protected under this policy;
- (b) any person and/or firm and/or company having an insurable interest herein;
- (c) any Railway Authority or Government, Semi-Government or Statutory or Municipal Authority, where required under the terms of any agreement or contract entered into by you;
- (d) any directors, officers, employees or servants, partners or individual connected herewith, at the option of you.

This protection shall not be prejudiced by you agreeing to such provision and that the indemnity and/or release given by you shall be equally binding upon us, whether such releases or agreements are given in the past, present or hereafter.

CERTIFICATE NUMBER	002276	
PROTECTION		PROPORTION
Pooled Cover	LGIS Property	100%
Indemnity Cover	Zurich Australia	100%
ISSUED BY	Udam Wickremaratne, Portfolio Manager LGIS Property	
REMARKS	Subject to payment of the Contribution for the Period of Protection, the Member will be protected by the LGISWA Scheme (“Scheme”) in accordance with and subject to the terms, exclusions, limitations, extensions and conditions contained in or endorsed on or otherwise	

LGIS WorkCare

OUR REF: 002282

NOTE: Where a coverage heading incorporates provision for an amount to be inserted (e.g. Sub-Limit) but no amount is recorded, no cover is provided under this policy.

MEMBER	City of Nedlands
ABN AND ITC DETAILS	ABN: 92 614 728 214 ITC: 100.00%
BUSINESS	The business of the Member is principally Local Government Authority, including all associated activities incidental to or associated therewith
PERIOD OF PROTECTION	From: 30 September 2020 at 4:00 PM Local Time (WA). To: 30 June 2021 at 12:00 AM Local Time (WA).
DESIGNATED STATE OR TERRITORY	Western Australia
JURISDICTIONAL SCOPE	Australia
GOVERNING LAW OF CONTRACT	Australian
COVERAGE SECTIONS	<p>A: Workers' Compensation Coverage is granted to The Member in accordance with the Workers Compensation and Injury Management Act 1981 (as amended) including unlimited common law cover.</p> <p>B: Journey Accident Cover Cover under the Protection applies whilst a Covered Person is on a Journey. Journey means a trip undertaken by a Covered Person in the course of their employment with the Member. Cover shall commence from the time the Covered Person leaves their normal place of residence and travel directly (as defined) to their normal place of employment. Cover ceases upon arrival at place of normal employment. Cover will re-commence for the return journey from the Covered Persons normal place of employment to travel directly to their normal place of residence and shall cease upon arrival at normal place of residence. A journey also extends to include cover for activities undertaken during lunchtimes and meal breaks. Travel directly means travel to and from the Covered Persons normal place of residence or normal place of employment and shall include any minor deviations or interruptions which in no way increase the risk of bodily injury that would have normally arisen had the person travelled directly without deviation or interruption.</p>

**COVERAGE SECTION
SCHEDULE OF BENEFITS/
LIMIT OF PROTECTION**

Coverage A: Workers' Compensation

in accordance with the Workers Compensation and Injury Management Act 1981 (as amended) including unlimited common law cover

Coverage B: Journey Injury Protection

Part A – Lump Sum Benefits

All employees	\$300,000
Contracted Employees	\$300,000
Directors	\$300,000
Chief Executive Officer	\$300,000

Part B Weekly Benefits

100% of weekly earnings (as defined) to a maximum of:	\$2,500
All employees	\$2,500
Contracted Employees	\$2,500
Directors	\$2,500
Chief Executive Officer	\$2,500

Benefit Period

104 weeks from the date you first become entitled to the payment of weekly compensation

**COVERAGE SECTION
AGGREGATE LIMITS
OF PROTECTION**

Coverage A: Workers' Compensation

The arrangements for this cover are governed by, and subject to, the terms of the Trust Deed, which includes:

'Pooled Cover' (as defined in the Trust Deed) of up to \$500,000 indexed any one claim/event; and

'Indemnity Cover' (as defined in the Trust Deed) arranged on behalf of the Member, of Unlimited in excess of 'Pooled cover indexed any one claim / event.

Coverage B: Journey Accident Cover

The arrangements for this cover are governed by, and subject to, the terms of the Trust Deed, which includes:

'Pooled Cover' (as defined in the Trust Deed) of up to \$5,000 any one claim and in the aggregate any on period of protection; and

'Indemnity Cover' (as defined in the Trust Deed) arranged on behalf of the Member, \$10,000,000 inclusive of 'Pooled cover any one event and in the aggregate across all Members of the Scheme.

**EXCESS PERIOD
(only applicable to
Coverage B)**

Nil days

**CONTRIBUTION
CALCULATION**

Estimated Wages

\$.....

PROTECTION WORDING

LGISWA WorkCare Protection Wording V1.20200630; and
LGISWA Trust Deed and Scheme Rules

LGIS Corporate Travel

OUR REF: 002277

NOTE: Where a coverage heading incorporates provision for an amount to be inserted (e.g. Sub-Limit) but no amount is recorded, no cover is provided under this policy.

MEMBER	City of Nedlands
ABN AND ITC DETAILS	ABN 92 614 728 214 ITC 100.00%
BUSINESS	Local Government
GEOGRAPHICAL SCOPE	Worldwide
GOVERNING LAW OF CONTRACT	Australian
PERIOD OF PROTECTION	From: 30 September 2020 at 4 PM Local Time (WA). To: 30 June 2021 at 4 PM Local Time (WA).
SCOPE OF COVER	Protection applies whilst a Covered Person is on a Journey
COVERED PERSON(S)	The Mayor, President, Chairperson, Elected Members, Councillors, Commissioners. Chief Executive Officer, Deputy Chief Executive Officer, Executives, All Other Employees of the Member Accompanying Partners/Spouses/Children of the Covered Persons Voluntary Workers Children involved in Member authorised excursions. Members of any Committees and Trusts.
JOURNEY DESCRIPTION	<i>Journey</i> means a trip authorised by and undertaken on behalf of the <i>Member</i> provided such trip involves a destination beyond fifty (50) kilometres from the covered person's normal place of residence or Member's premises. <i>A journey</i> will commence from the <i>effective date of coverage</i> or the time the <i>covered person</i> leaves their normal place of residence or Member's premises, whichever is the latter, and will continue until they return to their normal place of residence or Member's premises, whichever occurs first. The maximum duration of any trip must not exceed one hundred and eighty (180) days.
SCHEDULE OF BENEFITS	Section 1 – Personal Accident & Sickness (Events 1 to 22) Event 1- Accidental Death \$1,000,000 Event 2 - Permanent Total Disablement \$1,000,000 Events 3 - 19 - Other Permanent Disablement \$1,000,000

Event 20 - Temporary Total Disablement (Injury)	
100% of weekly income to a maximum of	\$2,500
Payable for up to 156 weeks and subject to a nil excess period	
Event 22 - Temporary Total Disablement (Sickness)	\$2,500

Accompanying Spouse/Partner

Event 1- Accidental Death	\$1,000,000
Event 2 - Permanent Total Disablement	\$1,000,000
Events 3 - 19 - Other Permanent Disablement	\$1,000,000
Event 20 - Temporary Total Disablement (Injury)	
100% of weekly income to a maximum of	\$2,500
Payable for up to 156 weeks and subject to a nil excess period	
Event 22 - Temporary Total Disablement (Sickness)	\$2,500

Accompanying Dependent Children

Event 1- Accidental Death	\$25,000
Event 2 - Permanent Total Disablement	\$1,000,000
Events 3 - 19 - Other Permanent Disablement	\$1,000,000
Event 20 - Temporary Total Disablement (Injury)	Not Covered
Event 22 - Temporary Total Disablement (Sickness)	Not Covered

NOTE; Cover is limited in respect to persons aged under 16 and over 86 – please refer to the PROTECTION WORDING AND CONDITIONS below for details.

Section 1 – Personal Accident & Sickness (Events 24 to 43)

Events 24 to 32 - Fractured Bones	\$5,000
Events 33 to 37 - Injury Resulting in Surgery	\$20,000
Events 38 to 41 - Sickness Resulting in Surgery	\$20,000
Events 42 to 43 - Injury resulting in Loss or Damage to Teeth	\$5,000

Section 2 - Overseas Medical & Evacuation

Overseas Medical & Evacuation	Unlimited
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Section 3 - Chubb Response 24/7

Chubb Response 24/7	Included
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Section 4 - Loss of Deposits, Cancellation & Curtailment

Loss of Deposits, Cancellation & Curtailment	Unlimited
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Section 5 - Luggage, Money & Portable Electronic Equipment

Deprivation of Luggage	\$3,000
Personal Luggage	\$20,000
Personal Money & Travel Documents	\$5,000
Portable Electronic Equipment	\$10,000

Section 6 - Rental Vehicle Excess

Rental Vehicle Excess	\$5,000
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Section 7 - Missed Transport Connection & Overbooked Flights

Missed Transport Connection	\$5,000
Overbooked Flights	\$5,000

Section 8 - Personal Liability & Identity Theft

Personal Liability	\$10,000,000
Identity Theft	\$20,000

Section 9 - Alternative Employee or Resumption of Assignment

Alternative Employee or Resumption of Employee	\$20,000
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Section 10 - Kidnap, Ransom, Extortion, Hijack & Detention

Kidnap, Ransom & Extortion	\$500,000
Hijack & Extortion - \$1,000 per day up to a maximum of	\$20,000

Section 11 - Extraterritorial Workers' Compensation (ETWC)

ETWC Weekly Benefit	\$1,000
ETWC Event Benefit	\$1,000,000

Section 12 - Political Unrest & Natural Disaster Evacuation

Political Unrest & Natural Disaster Evacuation	\$20,000
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Section 13 – Search & Rescue Expenses

Necessary Search and Rescue Operations	\$20,000
	per covered person and
	\$100,000 in the aggregate

Lifestyle Protection Benefits

Accidental H.I.V. Infection Benefit	\$10,000
Accommodation and Transport Expenses	\$10,000
Bed Care Benefit \$200 per day up to a maximum of	30 days
Coma Benefit \$500 per week up to a maximum of	26 weeks
Dependent Child Supplement \$10,000 per dependent child up to a maximum of	\$30,000
Domestic Help Benefit \$500/wk up to a maximum of	52 weeks
Education Fund Benefit	\$5,000
Executor Emergency Cash Advance Benefit	\$5,000
Home Burglary Excess Benefit	\$500
Independent Financial Advice Benefit	\$5,000
Keys & Locks Benefit	\$1,500
Loss of Life Benefit	\$50,000
Modification Benefit	\$15,000
Orphan Benefit \$10,000 per dependent child up to a maximum of	\$30,000
Out of Pocket Expenses	\$5,000
Premature Birth/Miscarriage Benefit	\$5,000
Rehabilitation Benefit	\$5,000
Repatriation and Funeral Expenses	\$50,000
Spouse or Accidental Death Benefit	\$25,000
Spouse or Partner Employment Training Benefit	\$10,000
Student Tutorial Benefit \$500/wk up to a maximum of	52 Weeks
Unexpired Membership Benefit	\$3,000

Corporate Protection Benefits

Chauffeur Benefit	\$3,000
Childcare Benefit	\$5,000
Corporate Image Protection	\$15,000
Replacement Staff/Recruitment Costs	\$5,000
Trauma Benefit	\$5,000
Supplementary Election Benefit	\$50,000

AGGREGATE LIMITS OF PROTECTION

The arrangements for this cover are governed by, and subject to, the terms of the Trust Deed, which includes:

- Pooled Cover (as defined in the Trust Deed) of \$5,000 any one loss and in the aggregate, any one Period of Protection across all Members of the Scheme; and

- Indemnity Cover arranged on behalf of the Scheme (as defined in the Trust Deed) inclusive of the Pooled Cover, as per the below

A. Any one Accident or Occurrence	\$10,000,000
B. Non Scheduled Air travel	
- Single Engine	\$300,000
- Multi Engine	\$300,000
- Helicopter	\$300,000
C. Kidnap-Ransom and Extortion	\$500,000
D. Extra Territorial Workers Compensation	\$5,000,000
E. Political Unrest and Natural Disasters Evacuation	\$500,000

EXCESS

Section 5 (Luggage, Money & Portable Electronic Equipment)
Portable Electronic Equipment \$250 each and every claim

PROTECTION WORDING AND CONDITIONS

LGISWA Corporate Travel Protection Wording
v1.20200630-17PDSBT01

Endorsement One

General Provision 'Age Limitations' is deleted in its entirety and replaced with:

Age Limitations

1. In respect to each Covered Person aged eighty-six (86) years or over and under ninety-one (91) years at the time of loss:
 - a) cover under Section 1, Part A, Events 2 is limited to a maximum of \$300,000 or as otherwise shown in the Certificate of Membership, whichever is the lesser; and
 - b) Section 1, Parts B and C, Events 25, 26, 27 and 28 (Weekly Benefits - Bodily Injury and Weekly Benefits - Sickness) are restricted to a maximum period of 26 weeks; and
 - c) no benefit is payable under Section 1, Personal Accident and Sickness, Additional Benefit 3, Death by Specified Causes (Specified Sickness).

This will not prejudice any entitlement to claim benefits which has arisen before a Covered Person has attained the age of eighty- six (86) years.

2. In respect to each Covered Person aged ninety-one (91) years or over at the time of loss:
 - a) cover under Section 1, Part A, Event 1 is limited to a maximum of \$25,000 or as otherwise shown in the Certificate of Membership, whichever is the lesser; and
 - b) no benefit is payable under Section 1, Part A, Events 2-19; and

- c) no benefit is payable under Section 1, Part B and C Events 25, 26, 27 and 28 (Weekly Benefits - Bodily Injury and Weekly Benefits - Sickness); and
- d) no benefit is payable under Section 1, Personal Accident and Sickness, Additional Benefit 3, Death by Specified Causes (Specified Sickness); and
- e) any loss under any Section of the Policy as a direct or indirect result of a Pre-Existing Condition(s) is excluded.

This will not prejudice any entitlement to claim benefits which has arisen before a Covered Person has attained the age of ninety-one (91) years.

3. In respect to each Dependent Child(ren) aged sixteen (16) years or under at the time of loss:

- a) cover under Section 1, Part A, Event 1, or Additional Benefit 3, Death by Specified Causes (Specified Sickness) is limited to a maximum of \$25,000; and
- b) cover under Section 1, Part A, Events 2-19 are limited to a maximum of \$250,000

Endorsement Two

Journey Definition

The Journey definition in the protection wording is deleted in its entirety and replaced with:

Journey means the journey described in the Schedule and is extended to include Incidental Private Travel, but does not include normal commuting between the Covered Person’s normal place of residence and business.

Endorsement Three

Supplementary Election Benefit

It is hereby declared and noted that should a benefit be paid under this Policy with respect to an Accidental Death or the Permanent Total Disablement of an elected member of council, We will also pay the reasonable costs incurred by the Member to conduct a supplementary election up to a maximum of \$50,000 per Event.

Endorsement Four

General exclusion 1a is deleted in respect of a Covered Person who is on a Journey to attend a meeting of the Member and engaging in aerial activities as a licenced pilot, when declared to and accepted by Us in advance. This cover only applies to Section 1, Events 1-19, and limited to \$100,000 per event and \$200,000 in any Period of Protection.

INSURER
LGIS Workcare

PROPORTION
100.000%

POLICY NUMBER
002277

REMARKS

Please refer to your policy document for details of Terms, Conditions and Exclusions.

LGIS Personal Accident

OUR REF: 002280

NOTE: Where a coverage heading incorporates provision for an amount to be inserted (e.g. Sub-Limit) but no amount is recorded, no cover is provided under this policy.

MEMBER	City of Nedlands															
ABN AND ITC DETAILS	ABN 92 614 728 214	ITC 100.00%														
BUSINESS	Local Government															
GEOGRAPHICAL SCOPE	Worldwide															
GOVERNING LAW OF CONTRACT	Australian															
PERIOD OF PROTECTION	From: 30 September 2020 at 4 PM Local Time (WA). To: 30 June 2021 at 4 PM Local Time (WA).															
SCOPE OF COVER	The Protection being provided shall only apply whilst a Covered Person is engaged in work as an elected member or voluntary worker, provided that such work is authorised by the Member, including necessary direct travel to and from such work on behalf of the Member.															
COVERED PERSON(S)	The Mayor, President, Chairperson, Elected Members, Councillors, Commissioners. Voluntary Workers Children involved in Member authorised excursions. Members of any Committees and Trusts established by the Member Other Persons where the Member is required to provide whilst such persons are engaged in any Government Labour Market, Training, Work Experience or Job Creation Projects.															
SCHEDULE OF BENEFITS	<p>Part A – Accidental Death & Disablement</p> <table border="0"> <tr> <td>Event 1 - Accidental Death</td> <td style="text-align: right;">\$500,000</td> </tr> <tr> <td>Event 2 - Permanent Total Disablement</td> <td style="text-align: right;">\$500,000</td> </tr> <tr> <td>Events 3 to 19 - Disablement</td> <td style="text-align: right;">\$500,000</td> </tr> </table> <p>Part B – Weekly Injury Benefit</p> <table border="0"> <tr> <td>Event 20 - Temporary Total Disablement</td> <td></td> </tr> <tr> <td>100% of <i>income</i> to a maximum of</td> <td style="text-align: right;">\$2,500</td> </tr> <tr> <td>Excess Period</td> <td style="text-align: right;">Nil</td> </tr> <tr> <td>Benefit Period</td> <td style="text-align: right;">104 weeks</td> </tr> </table>		Event 1 - Accidental Death	\$500,000	Event 2 - Permanent Total Disablement	\$500,000	Events 3 to 19 - Disablement	\$500,000	Event 20 - Temporary Total Disablement		100% of <i>income</i> to a maximum of	\$2,500	Excess Period	Nil	Benefit Period	104 weeks
Event 1 - Accidental Death	\$500,000															
Event 2 - Permanent Total Disablement	\$500,000															
Events 3 to 19 - Disablement	\$500,000															
Event 20 - Temporary Total Disablement																
100% of <i>income</i> to a maximum of	\$2,500															
Excess Period	Nil															
Benefit Period	104 weeks															

NOTE; Cover is limited in respect to persons aged under 16 and over 85 – please refer to the PROTECTION WORDING AND CONDITIONS below for details.

Part C – Fractured Bones

Events 22 to 30 - Fractured Bones \$5,000

Part D – Injury Resulting in Loss or Damage to Teeth

Events 31 to 32 – Injury resulting in Loss or Damage to Teeth \$5,000

Lifestyle Protection Benefits

Accidental H.I.V. Infection Benefit	\$30,000
Accommodation and Transport Expenses	\$10,000
Coma Benefit \$500 per week up to a maximum of	26 weeks
Dependent Child Supplement \$10,000 per <i>dependent child</i> up to a maximum of	\$30,000
Domestic Help Benefit \$500 per week up to a maximum of	52 weeks
Education Fund Benefit	\$5,000
Funeral Expenses Benefit	\$8,000
Independent Financial Advice Benefit	\$5,000
Modification Benefit	\$15,000
Non-Medicare Medical Expenses Benefit 100% of costs up to a maximum of	\$20,000
subject to an excess of \$25 each and every claim	
Orphan Benefit \$10,000 per <i>dependent child</i> up to a maximum of	\$30,000
Out of Pocket Expenses	\$5,000
Personal Vehicle Excess Benefit	\$1,000
Rental Vehicle Reimbursement \$500 per week up to a maximum of	\$1,000
Premature Birth/Miscarriage Benefit	\$10,000
Rehabilitation Benefit	\$5,000
Spouse or Partner Employment Training Benefit	\$10,000
Student Tutorial Benefit \$500 per week up to a maximum of	52 Weeks
Unexpired Membership Benefit	\$3,000

Corporate Protection Benefits

Chauffeur Benefit	\$3,000
Childcare Benefit	\$10,000
Corporate Image Protection	\$15,000
Visitors Benefit	\$10,000
Work Experience Benefit	\$5,000
Workplace Assault Benefit	\$5,000
Workplace Trauma Benefit	\$5,000

AGGREGATE LIMITS OF LIABILITY

The arrangements for this cover are governed by, and subject to, the terms of the Trust Deed, which includes:

- Pooled Cover (as defined in the Trust Deed) of \$5,000 any one loss and in the aggregate, any one Period of Protection across all Members of the Scheme; and

- Indemnity Cover arranged on behalf of the Scheme (as defined in the Trust Deed) inclusive of the Pooled Cover, as per the below

A.	Any one Accident or Occurrence	\$10,000,000
B.	Non-Scheduled Air Travel	
	- Single-engine	Not Covered
	- Multi-engine	Not Covered
	- Helicopter	Not Covered

PROTECTION WORDING AND CONDITIONS

LGISWA Personal Accident Protection Wording V1.20200630-16DSVW03 **including the following Endorsements:**

Endorsement One

General Provision 'Age Limitations' is deleted in its entirety and replaced with:

Age Limitations

1. In respect to each Covered Person aged eighty-six (86) years or over and under ninety-one (91) years at the time of loss:
 - a) cover under Part A, Events 2 is limited to a maximum of \$300,000 or as otherwise shown in the Certificate of Membership, whichever is the lesser; and
 - b) Events 25 or 26 (Weekly Benefits - Bodily Injury) are restricted to a maximum period of 26 weeks.

This will not prejudice any entitlement to claim benefits which has arisen before a Covered Person has attained the age of eighty- six (86) years.

2. In respect to each Covered Person aged ninety-one (91) years or over at the time of loss:
 - a) cover under Part A, Events 1 is limited to a maximum of \$25,000 or as otherwise shown in the Certificate of Membership, whichever is the lesser; and
 - b) no benefit is payable under Part A, Events 2-19; and
 - c) no benefit is payable under Part B, Events 25 or 26 (Weekly Benefits - Bodily Injury).

This will not prejudice any entitlement to claim benefits which has arisen before a Covered Person has attained the age of ninety-one (91) years.

3. In respect to each Covered Person aged sixteen (16) years or under at the time of loss:
 - a) cover under Part A, Event 1, Accidental Death is limited to a maximum of \$25,000

Endorsement Two

Supplementary Election Benefit

It is hereby declared and noted that should a benefit be paid under this Protection with respect to an Accidental Death or the Permanent Total Disablement of an elected member of council, We will also pay the reasonable costs incurred by the Member to conduct a supplementary election up to a maximum of \$50,000 per Event.



INSURER
LGIS Workcare

PROPORTION
100.000%

POLICY NUMBER
002280

REMARKS

Please refer to your policy document for details of Terms, Conditions and Exclusions.

Contract Works

OUR REF: 008410

NOTE: Where a coverage heading incorporates provision for an amount to be inserted (e.g. Sub-Limit) but no amount is recorded, no cover is provided under this policy.

INSURED	City of Nedlands including subsidiary or controlled companies now or previously existing or hereafter formed or acquired (Named Insured) and/or Contractors and/or Sub-contractors and as defined in the Policy Wording.
ABN AND ITC DETAILS	ABN 92 614 728 214 ITC 100.00%
BUSINESS/ACTIVITIES	All construction contracts arranged by the insured Local Government Authority and all associated construction activities.
TERRITORIAL LIMITS	<p>Section One - Contract Works Anywhere in the Commonwealth of Australia</p> <p>Section Two (A) - Third Party Legal Liability Anywhere in the Commonwealth of Australia and as defined in the Policy Wording</p> <p>Section Two (B) - Third Party Legal Liability – Completed Operations Anywhere in the Commonwealth of Australia</p> <p>Section Three - Plant Equipment and Tools of Trade At contract site only</p>
GOVERNING LAW OF CONTRACT	Australian
PERIOD OF INSURANCE	<p>From: 30 September 2020 at 4 PM Local Time (WA).</p> <p>To: 30 June 2021 at 4 PM Local Time (WA).</p>
SCOPE OF COVER	<p><u>Section One - Contract Works</u> Risks of physical loss of, destruction of or damage to Interest Insured not specifically excluded in the Policy Wording relating to Section One.</p> <p><u>Section Two - Third Party Legal Liability</u> All sums which the Insured shall be legally liable to pay to third parties by reason of:</p> <ul style="list-style-type: none"> - Personal Injury - Property Damage <p>as a result of an Occurrence during the Period of Insurance arising out of or in connection with or in relation to any Insured Contract.</p>

Section Three - Plant, Equipment and Tools of Trade

Risks of physical loss of, destruction of or damage to insured plant, equipment, tools & tools of trade not specifically excluded in the Policy Wording relating to Section Three.

INSURED CONTRACTS

All contracts entered into during the Period of Insurance or in progress as at the commencement of the Period of Insurance where the contract value does not exceed \$10,000,000 unless specifically agreed by Insurer(s).

But excluding high risk civil work type contracts being road contracts for motorways, freeways and highways, bridges, dams, horizontal directional drilling, high end pipelines, tunnels, mining, and wet risks being works in, on or around water such as wharves, piers, marinas, causeways, breakwaters, jetties and the like unless specifically agreed by Insurer(s).

LIMITS OF LIABILITY

Section One - Contract Works

Contract Value (Interest Insured) including Principal supplied property	\$300,000 any one Occurrence at any one Insured Contract Site
Automatic Escalation Cover	Up to 25% of contract value
Transit Cover included	Up to contract value

Extensions (Payable in addition to the above Contract Value)

Removal of Debris	20% of contract value
Consultants' Fees	20% of contract value
Expediting Expenses	10% of contract value
Mitigation Expenses	10% of contract value
Restoration Of Records	10% of contract value
Temporary Protection	10% of contract value
Existing Property of Principals	Not Insured

Maintenance/Defects Liability Period: Eighteen (18) months or any lesser period as may be specified in the Insured Contract,

Section Two (A) - Third Party Legal Liability

\$20,000,000 any one Occurrence (unlimited during the Period of Insurance in respect of Public Liability)

Section Two (B) - Third Party Legal Liability – Completed Operations

\$20,000,000 any one Occurrence and in the aggregate in respect of liability arising from the Named Insured's Completed Operations and liability arising from the Insured's Products

Costs & Expenses in addition to limits.

Section Three – Plant Equipment and Tools of Trade

Contract site only	\$25,000 – limit \$5,000 per item any one Occurrence
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DEDUCTIBLES

Section 1 – Contract Works

The Insured shall bear the first \$25,000 of any one loss or series of losses arising out of any one Occurrence from Named Cyclone's above the 26th parallel and \$10,000 below the 26th parallel.

The Insured shall bear the first \$1,000 of any one loss or series of losses arising out of any one Occurrence for all other losses.

Section Two - Third Party Legal Liability

The Insured shall bear the first \$1,000 each and every Property Damage claim or series of claims arising out of any one Occurrence.

The Insured shall bear the first \$1,000 each and every Personal Injury claim or series of claims arising out of any one Occurrence.

The Insured shall bear the first \$10,000 each and every Personal Injury claim or series of claims arising out of any one Occurrence arising out of Workers' Recourse Claims.

Section Three – Plant Equipment and Tools of Trade on site only

The Insured shall bear the first \$500 or 5% of any loss whichever is the greater any one Occurrence.

The Deductible(s) to which this Policy is subject and the manner and extent to which such Deductible(s) shall apply and/or operate are as described in the Policy Wording.

**POLICY WORDING
AND CONDITIONS**

Agreed Building Industry Annual Contract Works and Third Party Legal Liability Wording Reference Number

In the event of a declared terrorist incident within the meaning of the Terrorism Insurance Act 2003 will result in rendering any Terrorist Exclusion contained in this Policy ineffective in relation to loss or liabilities arising from such declared terrorist incident affecting eligible property located in Australia.

Endorsements

ADDITIONAL INSURANCES AVAILABLE

The following types of insurance are available to you and includes those which you may have already purchased through LGIS. It should be noted that this list does not include all types of policies available in the various insurance markets. Availability of some classes will be subject to prevailing market conditions.

As business is continually changing we recommend these areas be reviewed regularly to ensure that it is still appropriate for the Company to carry the risk.

Please indicate if you would like any additional information about any of these classes of insurance.

Class of Insurance/Risk

PROPERTY

- Fidelity Guarantee
- Fire & Extraneous Perils
- Glass Breakage
- Houseowners/Householders
- House Inspection Guarantee
- Industrial Special Risks
- Money
- Multirisk/General Property
- Strata Plan
 - Domestic
 - Commercial
- Theft
- Crop Insurance

CONSEQUENTIAL LOSS/ BUSINESS INTERRUPTION

- Advance Profits
- Consequential Loss/Business Interruption

LIABILITY

- Association Liability
- Defamation
- Directors' & Officers' Liability
- Directors' & Officers' Supplementary Legal Expenses
- Employment Practices Liability
- Public Liability
- Products Liability
- Electronics Industry Errors & Omissions
- Intellectual Property/Patent Protection/Copyright
- Management Liability
- Pollution/Environmental Impairment Liability
- Products Guarantee
- Products Recall
- Professional Indemnity
- Retroactive Liability
- Statutory Liability (Fines & Penalties)
- Superannuation Fund Trustees' Liability
- Umbrella Liability
- Warranty Indemnity

MOTOR

- Own Damage
- Third Party Property Damage
- Compulsory Third Party (CTP)

WORKERS' COMPENSATION

- Australian Capital Territory
- Extraterritorial
- New South Wales
- Northern Territory
- Queensland
- South Australia
- Tasmania
- Victoria
- Western Australia
- Work Cover Top-Up (NSW)
- Personal Injury (DIC) Liability (NZ.)

ENGINEERING

- Boiler & Pressure Vessel Explosion
- Boiler & Pressure Vessel Explosion
 - Business Interruption
 - Deterioration of Stock
- Machinery Breakdown
- Machinery Breakdown
 - Business Interruption
 - Deterioration of Stock

COMPUTER

- Computer Crime
- Computer & Electronic Equipment Breakdown
- Cyber Liability

MARINE

- Carriers' Liability
- Charterers' Liability
- Hull
- Owner Liabilities
- Non-Owner Liabilities
- Pleasure Craft
- Transit/Cargo
 - Inland
 - Overseas
- Protection & Indemnity
- Profits
- Strikes

CONSTRUCTION

- Bonds
- Performance Bonds
- Construction
 - Property
 - Liability
- Contract Penalties/Liquidated Damages
- Profits

AVIATION

- Hull
- Hull
 - Owner Liabilities
 - Non-Owner Liabilities
- Airport Owners/Hangar Keepers

EMPLOYEE BENEFITS

- Corporate Travel
- Disability
- Health Benefit Plans
- Journey Injury
 - (non-Workers' Compensation)
- Keyperson
- Life Assurance
- Loss of Licence
- Personal Accident/Sickness
- Salary Continuance
- Superannuation
 - Plans Management
 - Consulting Advice Only
- Trauma
- Voluntary Group Accident Schemes

MERGERS & ACQUISITIONS

- Mergers & Acquisitions Insurance

MISCELLANEOUS

- Bankers' Blanket
- Bonds
 - (Non-Construction)
 - Customs & Payment
 - Liquidator & Bankruptcy
- Cancellation/Abandonment
- Confiscation & Expropriation
- Credit
- Export Credit
- Extended Warranty
- Extortion
 - Kidnap & Ransom
 - Malicious Product Tamper
- Forged Share Transfer
- Jewellers' Block
- Livestock/Bloodstock/Farm Pack
- Loss of Licence
- Pluvius
- Political Risks (Assets & Contracts)
- Strikes - Non-Marine
- Taxation Audit

CLASSES OF INSURANCE DESCRIBED

The following is a brief summary of the protection typically provided under various classes of insurance.

Accounts Receivable

Insureds' inability to collect outstanding debts due to loss of records, resulting from an insured peril or circumstance, e.g. fire, theft.

Advance Profits

Provides indemnity for loss of anticipated gross profit due to delays on projects such as new premises, major extensions to existing premises or installation of new plant following loss or damage to property caused by an insured peril or circumstance under the Material Damage policy, e.g. Fire, Industrial Special Risks, Contract Works or Marine.

Association Liability

Provides indemnity to those who hold positions on Management Committees of organisations which are incorporated under the Association Incorporation Act against negligent acts, errors or omissions.

The type of claim made may include defamation, discrimination and unfair dismissal of an employee, breach of contract, wrongful dismissal of club member, action alleging incorrect payment of poker machine jackpot.

Aviation

Hull - Physical loss of or damage to the hull of an aircraft and aircraft spare parts and equipment.

Liability - Legal liability to third parties including passengers for accidental bodily injury to and/or property damage arising out of the ownership or operation of an aircraft.

Airport Owners/Hanger Keepers - Legal liability arising out of bodily injury to and/or property damage of third parties arising out of the ownership or operation of an airport, etc.

Boiler and Pressure Vessel Explosion

This policy provides indemnity following sudden and unforeseen damage to boilers and pressure vessels whilst working or at rest or being dismantled, moved or re-erected for the purpose of cleaning, inspection, repair or installation at another position. Additional cover can be arranged for damage to surrounding plant and to protect your liability to third parties incurring injury or property damage as a result of boiler/pressure vessel explosion.

Bonds

Alternatives to bank guarantees. Apply to many and varied circumstances, e.g. contract bonding, customs and liquidators.

Cancellation/Abandonment

Cover is provided for loss of income, additional expenses or specified expenses incurred due to occurrences such as adverse weather conditions or non appearance of performers.

Carriers' Liability

Carriers' legal liability for loss of or damage to customers' goods and/or merchandise in transit.

Charterers' Liability

This insurance indemnifies the charterer for his contractual liability under a charter party agreement in respect of loss of or damage to the vessel and/or its cargo and/or liabilities to other third parties.

Computer

This insurance provides a wider cover for computers and electrical equipment than Fire, Burglary or Industrial Special Risks policies. Indemnity can be provided for accidental damage and breakdown including business interruption and reinstatement of data resulting from damage to the equipment.

Computer Crime

Covers loss resulting from fraud by persons other than the Insured's employees through the Insured's computer systems.

Consequential Loss/Business Interruption

Provides indemnity for loss of gross profit/income following loss or damage to property caused by an insured peril or circumstance under the material damage policy, e.g. Fire, Industrial Special Risks, Boiler/Pressure Vessel Explosion and Engineering Policies.

Construction Risks

Provides indemnity for accidental physical loss or damage to buildings and other works during construction, renovation or extension. Demolition costs, tools and equipment used at the contract site and professional fees can be included. The policy can include indemnity for liabilities to third parties for personal injury and property damage.

Contract Penalties/Liquidated Damages

Insures contractor/developer for penalties/liquidated damages agreed under contract for failure to complete the works/project by the required time. The indemnity offered requires the happening of an intervening event which subsequently causes the delay. The intervening event can be limited to loss or damage to site works or be extended to include strikes, force majeure, ground conditions, etc.

Corporate Travel

Insures all nominated personnel travelling on behalf of the Insured organisation. Cover can be selected for a range of exposures such as personal accident, medical expenses, additional expenses, personal liability, baggage and personal effects, travel documents, money, loss of deposits and kidnap and ransom.

Credit

Provides indemnity for financial loss due to insolvency of customers to whom goods have been sold and delivered or for whom work has been undertaken on normal credit terms.

Crop

Covers standing crops for the loss of the estimated yield caused by fire or hail.

Cyber Liability

Provides coverage for exposures associated with data security and privacy breach costs. Exposures can be direct loss (first party) which reimburses the insured company for certain costs incurred directly resulting from a privacy breach or violation, (such as those to retain an accountant, legal, public relations consultant) or legal liability (third party) compensation to a third party affected by the privacy breach that traditional insurance policies do not adequately cover.

Councillors' and Officers' Liability

Provides cover for individual councillors and officers of the Council, in respect of claims made and notified to the scheme during the period of protection for losses and expenses incurred in defence of claims for any alleged wrongful acts arising out of their official capacities. Will also reimburse the company for any liability it has to indemnify its councillors and officers for such losses.

Disability

Offers protection for part of income in the event of accident or illness on an individual policy basis. Choice of benefit periods is combined with a range of excess or waiting periods to suit specific needs. The policies are generally guaranteed renewable which means that irrespective of size and frequency of claims, renewal must be offered.

Electronics Industry Errors & Omissions

Claims made liability cover for negligent act, error or omission in respect of:

- The performance of or failure to perform “electronic data processing” or “other computer services” for others.
- The failure of the insured’s “software products” to perform the function or serve the purpose intended.

Employment Practices Liability

Indemnifies the Council and individual employees for damages and legal costs incurred in defending claims by employees with respect to breach of contract of employment and other employment related claims. This cover is an extension to the Councillors' and Officers' Liability protection.

Export Credit

Covers loss caused by failure of exporter to obtain payment for shipments due either to insolvency of the overseas buyer or political influences.

Extortion

Covers the cost of money paid following receipt of a threat to kill or injure insured person or threat to destroy the Insured's property. Cover can be extended to include kidnap and ransom.

Fidelity Guarantee/Crime

Covers losses resulting from misappropriation or embezzlement of money or goods by employees.

Fire and Extraneous Perils

Covers loss or damage to property caused by fire. Additional perils can be included, e.g. explosion, storm, tempest, rain water and flood.

General and Products Liability

Covers the legal liability to pay compensation in respect of personal injury or property damage caused by an occurrence in connection with the business.

Glass Breakage

Provides cover for damage to fixed glass for the replacement value. Cover can be provided for additional items, e.g. sign writing, ornamentation and frames.

Health Benefit Plans

Private health cover is provided under individual or group plans and benefits vary depending on the plan selected. The benefits provided include hospital, medical gap, ambulance, dental and optical costs.

Houseowners/Householders

Provides cover for buildings and contents of dwellings and specified items of value such as jewellery and works of art against various risks of loss or damage, e.g. fire and theft. Indemnity can include owner, occupier and personal liability.

Industrial Special Risks

In addition to providing cover for loss from fire and extraneous perils, this policy also provides cover for additional events resulting in physical loss or damage to all real and personal property, e.g. theft, breakage of glass, accidental damage.

Intellectual Property

Provides indemnity for the payment of legal fees and ancillary expenses for litigation to enforce the insured's claim to rights in relation to infringement of intellectual property rights or to defend claims against the insured alleging infringement of intellectual property owned by an unassociated person or entity.

Journey Injury - Non-Workers' Compensation

Following the restriction in cover provided by Workers' Compensation Schemes for employees injured whilst on their way to and from work in some States, this class of insurance was developed to provide cover for journey injuries which have been excluded. The policy provides protection for nominated persons and selected benefits.

Keyperson

Can best be likened to a Loss of Profits policy with the essential difference being the insurance of a life as opposed to material assets.

The cover is designed for the benefit of the company - to provide an injection of funds when the key individual dies or is totally and permanently disabled.

Kidnap and Ransom

Deals with the demands of the kidnapper and covers the cost of ransom money paid for the release of the kidnapped person. Cover can be extended to include extortion.

Life

Provides cover in the event of death as a consequence of an accident or illness. This can be achieved by simple Term insurance where risk protection only is provided. Alternatively, the policy can be a Whole of Life contract incorporating both protection and cash value elements.

Livestock

Covers the cost of animals in the event of death from accident, illness or disease occurring and advised during the period of insurance. Various extensions are available, e.g. infertility and unborn foals.

Machinery Breakdown

Indemnity is provided for repair costs following breakdown of plant and machinery. Cover provided can be extended to include loss of gross profit and deterioration of stock.

Malicious Product Tamper

This class of insurance covers costs and loss of income where products are withdrawn, destroyed, etc. because products are actually or alleged to be contaminated or maliciously altered so as to render the product unfit or dangerous for use. Cover can be extended to include kidnap, ransom and extortion.

Marine

Hull - Physical loss of or damage to hull, machinery, etc. of a vessel caused by specified perils such as fire, explosion and perils of the sea.

Liability (Protection and Indemnity) - Legal liability arising out of the ownership of a vessel for loss of or damage to third party property and/or loss of life, bodily injury to third parties.

Pleasure Craft - Policy covers loss of or damage to the hull and equipment including legal liability arising out of the ownership or operation of pleasure craft.

Marine Cargo - Physical loss of or damage to goods being transported locally or internationally by sea/air/road/rail.

Money

Covers loss of money and/or negotiable securities including loss of the safe or container in which the money and negotiable securities were contained whilst in premises. This cover can be extended to include transit risks.

Motor Vehicle

Own Damage - Covers loss or damage to the insured vehicle resulting from destruction, theft or accidental damage.

Third Party Property - Provides indemnity for compensation payable to third parties for loss or damage to property resulting from the use of the insured vehicle.

CTP - Compulsory third party personal injury cover is normally required when vehicles are registered. This policy insures the owner or driver of the vehicle at fault in an accident against claims for personal injury sustained by other parties.

Cover provided is governed by various Australian States'/Territories' legislation.

Multi Risks/General Property

Cover is tailored to provide protection against specified losses for the interest insured, e.g. fire, theft and transit for trade samples.

Personal Accident/Sickness

Insures loss of income and selected benefits resulting from death by accident or permanent/temporary disability caused by an accident or illness.

Pluvius

Policy insures expenses/earnings for events affected by bad weather, e.g. fetes. Cover is based on rainfall, recorded by the official reader, reaching a selected number of millimetres during a nominated period.

Political Risks (Assets And Contracts)

Covers against expropriation of assets by an overseas government and/or loss flowing from frustration of licence or contract.

Pollution/Environmental Impairment Liability

Indemnifies the Insured for claims made and notified during the policy period in respect of legal liability for personal injury or property damage caused by pollution including legal costs and the costs of removing, rendering harmless or cleaning up any substance which has caused or would cause environmental damage.

Professional Indemnity

Provides indemnity for claims made and notified to the insurer during the period of insurance resulting from breach of professional duty by the Insured or his employees.

Rural Properties

Under these combined policies the scope of cover can include the following:

- Domestic buildings, contents, specified items and owner, occupier and personal liability.
- Farm buildings and contents, farm improvements.
- Farm machinery, theft of nominated machinery and specified items.
- Machinery breakdown.
- Stocks of hay.
- Fencing, livestock and loss of agistment income.
- General liability arising out of business activities.

Salary Continuance

Provides cover for part payment of salary until normal retirement age for employees who are disabled as a consequence of accident or illness which prevents their returning to work.

Statutory Liability (Fines & Penalties)

Covers fines and penalties imposed on directors, officers, employees or the company, which arise from inadvertence. The policy also covers the cost of defending proceedings which seek to impose fines and penalties. All D&O policies exclude cover for these liabilities.

Theft

Covers loss by theft or attempted theft consequent upon forcible and violent entry of the premises. Cover can also be arranged to include theft without forcible entry.

Trauma

Unlike Life insurance which pays out on the death of the insured, this cover will pay on the diagnosis of a major, specified trauma such as heart attack, cancer, stroke, etc. The sum insured is payable in lump sum form to ease the financial burden which a critical illness can impose. Can be issued as 'stand alone' or incorporated in a life cover.

Umbrella Liability

Provides cover in excess of your standard liability policies and also provides blanket cover for some areas excluded by standard liability policies but subject to a substantial deductible, e.g. \$10,000.

Voluntary Group Accident Schemes

Personal Accident cover on a group basis designed to provide individual employees with financial protection with premiums spread throughout the year by means of a payroll deduction scheme.

Work Cover Top-Up (NSW)

Provides 100% additional cover for death, permanent injury and weekly benefits for nominated workers' - subject to the maximum provisions of the Workers' Compensation Act.

Workers' Compensation

Covers the Legal liability of the Insured to pay compensation to employees in terms of Workers' Compensation legislation applicable to the states or territories in which employees are present.

The employee's normal State of domicile must be within Australia and current Workers' Compensation insurance must be maintained for each State or territory involved.

Cover provided is normally limited to:

- Workers' engaged in specific capacities of employment;
- Diseases and injuries insured by the State of domicile policy;
- A nominated length of time when worker must return to State of domicile;
- An overall limit of indemnity.

The website <http://www.hwca.org.au/> - "Heads of Workers' Compensation Authorities (HWCA)" ("Initiatives/Reports/Comparison Report") provides you with key information applicable to each jurisdiction.

Extraterritorial - Provides cover for the difference, if any, between Workers' Compensation benefits payable anywhere outside the employee's State of domicile and benefits payable within the State of domicile.

Workplace Violence

This policy responds to workplace violence resulting from any intentional and unlawful act or threat of force involving the use of a lethal weapon which has or could result in injury or death of employees or guests.

The policy can be arranged to cover various areas including loss of business income, consultants costs and death benefits.

Important Information

MUTUAL SCHEME

LGISWA is a Mutual Risk Product as defined by ASIC that is neither authorised under, nor subject to, the provisions of the Insurance Act 1973. LGISWA is not a product regulated by APRA.

LGISWA estimates its future liabilities based upon procedures which are supported by both independent legal and actuarial experts. LGISWA also maintains specific financial provisions for late reported claims (IBNR) and future claim developments plus a prudential risk margin. These provisions are amounts in addition to specific claim estimates.

The LGISWA Board has established financial targets to ensure that adequate financial resources are available to discharge future liabilities and make future payments. This is achieved via a combination of financial management strategies which may include purchasing reinsurance, developing risk margins and retaining surplus funds. The Scheme Board reviews the operating financial statements at regular intervals and an independent audit occurs annually with its findings reported to the Members.

The Trust Deed is the primary document which governs the operation of the Mutual Scheme. By its acceptance of an offer of membership (or renewal membership) a member agrees that at all times while it remains a member of the Scheme it will be bound by the Trust Deed and Scheme Rules and perform the obligations of a Member accordingly, each Scheme Fund are issued as a guide as to the terms under which claim will be considered and settled. A copy of the Trust Deed, Scheme Rules and Protection Policies are available on the website at www.lgiswa.com.au.

DUTY OF DISCLOSURE

Before you enter into an insurance contract, you have a duty of disclosure under the Insurance Contracts Act 1984. You have a duty to tell us anything that you know, or could reasonably be expected to know, may affect the insurer's decision to insure you and on what terms. You have this duty until the insurer agrees to insure you. You have the same duty before you renew, extend, vary or reinstate an insurance contract.

If we ask you questions that are relevant to the insurer's decision to insure you and on what terms, you must tell us anything that you know and that a reasonable person in the circumstances would include in answering the questions.

Also, we may give you a copy of anything you have previously told us and ask you to tell us if it has changed. If we do this, you must tell us about any change or tell us that there is no change. If you do not tell us about a change to something you have previously told us, you will be taken to have told us that there is no change.

You do not need to tell us anything that reduces the risk insured, is common knowledge, the insurer knows or should know as an insurer or the insurer waives your duty to tell them about.

If you do not tell us something

If you do not tell us anything you are required to, the insurer may cancel your contract or reduce the amount it will pay you if you make a claim, or both. If your failure to tell us is fraudulent, the insurer may refuse to pay a claim and treat the contract as if it never existed.

CHANGE OF RISK OR CIRCUMSTANCES

Please tell us about any changes to your circumstances or business, such as any alteration of risk, location changes, new or changed business activities, as they could affect your insurances.

AVERAGE CLAUSE – UNDER INSURANCE

Home buildings and contents, fire, business interruption, industrial special risks, LGIS Property and other policies often contain an average clause. This means that you should insure for full value which may be replacement, indemnity or market value depending on the type of insurance cover arranged. If you are under insured your claim may be reduced in proportion to the amount of under-insurance.

UNREPORTED LOSSES

Please let us know whether there are any losses which have occurred that have not been reported to us/insurers, whether you intend making a claim or not.

CLAIMS MADE POLICY

All or part of this policy is subject to a claims made provision. This means that claims or possible claims, must be notified to the insurer during the currency of the policy. Such a policy will not provide indemnity for claims, or possible claims, notified after the policy expires.

NEW CLAIMS

Any Scheme Membership Contribution assessment is based on the understanding that there will be no deterioration in the claims experience (or change in the risk information) between the date the Scheme provides its terms and the inception date of the cover. If claims do occur during this period, LGISWA has the right to revise the terms quoted or even withdraw their offer of renewed membership.

HOLD HARMLESS AGREEMENTS, CONTRACTING OUT, REMOVAL OF SUBROGATION RIGHTS

You may prejudice your rights to a claim if, without prior agreement from your insurer, you make any agreement that could prevent the insurer from recovering the loss from a third party. These 'hold harmless' clauses are often found in leases, licences and contracts for maintenance, supply, construction and repair.

INSURING THE INTEREST OF OTHER PARTIES

If you require the interest of another party to be covered by the policy, you MUST request this. Most policies will attempt to exclude indemnity to other parties (e.g. mortgagees, lessors, principals etc.) unless their interest is expressly noted on the policy.

SEVERAL LIABILITY

Where your policy cover is provided by more than one insurer it is important to note that each insurer is only responsible to the extent of their individual subscription and there is no obligation for that insurer to make up the shortfall of any other subscribing insurer in a claim or return premium payment.

CONFIRMATION OF TRANSACTION

You may contact us by telephone or in writing to confirm any transaction under your insurance policies or LGISWA Scheme membership, such as renewals and endorsements. If necessary, we will obtain the information for you from the Scheme or insurer.

COOLING OFF PERIOD FOR RETAIL CLIENTS

If you are a retail client as defined in the Corporations Act 2001 as amended (the 'Act'), you may be entitled to a minimum 14 day cooling-off period during which you may return the insurance policy and receive a refund of the insurance premium paid (less amounts lawfully deducted), subject to the requirements of the Act and the terms and conditions of your policy.

This does not affect any other cancellation rights you may have under your policy.

Please check your policy and schedule upon receipt to be sure you have the cover you require. If the cover does not meet your needs, please contact your LGIS Account Manager for advice as to your rights.

REFUND of CONTRIBUTIONS

In the event of any refund contribution being allowed for the cancellation or adjustment of this policy, we reserve the right to retain all charges.

RECEIVING INFORMATION ABOUT OTHER PRODUCTS AND SERVICES

We may, from time to time, offer you information about products and services which may be of interest to you. Please notify us if you do not wish to receive such additional information.

BINDING AUTHORITY

This insurance is underwritten by Key Underwriting Pty Ltd (KEY) under an authority to bind cover on behalf of the insurer. In underwriting this insurance, KEY may delegate authority to certain employees of JLT. KEY and those employees of JLT act as agents of the insurer and not as your agent. JLT and KEY are related companies and KEY is an Authorised Representative (no. 403803) of JLT.

PRIVACY POLICY

Jardine Lloyd Thompson (ABN 69 009 098 864) as the managing body for LGIS is committed to the protection of your privacy and is bound by the Australian Privacy Principles for the handling of your information. Our Privacy Policy can be examined by accessing our website www.lgiswa.com.au or by obtaining a copy from your LGIS Account Manager or the JLT Privacy Officer (at Jardine Lloyd Thompson Pty Ltd., 66 Clarence Street, Sydney, NSW, 2000: or on telephone number (02) 9290 8000).

SERVICE DIFFICULTIES

We would like to know if you are not satisfied with our services. If you have any difficulties please contact your LGIS Account Manager or our Complaints Manager. JLT subscribes to the Australian Financial Complaints Authority (AFCA) (1800 931 678), which is a free consumer service, and the General Insurance Broker's Code of Practice. Additional information is available from your LGIS Account Manager.

IF THERE IS ANY PART OF THE ABOVE THAT YOU DO NOT UNDERSTAND OR YOU REQUIRE FURTHER EXPLANATION, PLEASE CONTACT US IMMEDIATELY.

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8.3 Internal Auditor Status Update

Committee	5 October 2020
Applicant	City of Nedlands
Employee Disclosure under section 5.70 Local Government Act 1995	No officer involved in the preparation of this report had any interest which required it to be declared in accordance with the provisions of the Local Government Act (1995).
Director	Lorraine Driscoll – Director Corporate & Strategy
Attachments	1. Audit & Risk Committee Agenda Paper – Memorandum from Moore Australia; 2. Request for Quotation Review of Risk, Internal Control Systems and Legislative Compliance; and 3. Transparency Report: Current Status of WA Health’s Covid-19 Response Preparedness.
Confidential Attachments	Nil.

Regulation 11(da) – Not Applicable – Recommendation Adopted

Moved – Mr Setchell
Seconded – Councillor Senathirajah

That the Recommendation to Committee be adopted.
(Printed below for ease of reference)

CARRIED UNANIMOUSLY 5/-

Committee Recommendation / Recommendation to Committee

The Audit & Risk Committee Notes:

1. the status update of Moore Australia detailed below ;
2. quote for the Review of Risk, Internal Control systems and Legislative Compliance (attachment 1); and
3. the transparency Report: Current Status of WA Health’s Covid-19 Response Preparedness (attachment 2).

Executive Summary

The objective of this report is to deliver the Risk and Audit Committee with background information on the updated status from the firm who carries out our internal audits, Moore Australia.

Discussion/Overview

Moore Australia are the City's Internal Auditors, whose role is to better prepare the City and address issues as they are identified.

Draft Payroll Report

The draft Internal Audit Report Payroll Report was provided to Management on 25 August 2020. We are awaiting comments to be provided to finalise this report. It is planned to present it at the next Audit and Risk Committee meeting after the report has been finalised.

Strategic Internal Audit Plan

A draft Strategic Internal Audit Plan is being prepared for the years ending 30 June 2021 to 2023. The audit topic of revenue has been agreed with Management. Moore Australia are currently liaising with Management to determine additional proposed audit topics.

Regulation 17 Proposal

Moore Australia has prepared a revised Regulation 17 proposal for the City of Nedlands. Moore Australia are committed to the same fee that was proposed to the City of Nedlands in September 2019. Please refer to Appendix 1.

Internal Audit Team

Anne Cheng has resigned from Moore Australia. Michelle Shafizadeh and Duy Vo will be the main contact for the internal audit for the City of Nedlands.

Internal Audit Recommendations

Further internal audit recommendations have not been verified since our last Audit and Risk Committee attendance. These will be performed in October 2020.

Strategic Implications

How well does it fit with our strategic direction?

This course of action will keep the city in the best position regarding our readiness for any audits.

Who benefits?

This service has enabled to the City to provide a better outcome to the city and the community, providing continuing audit support and services.

Does it involve a tolerable risk?

All services have a level of risk due to change. To mitigate that risk the city engaged Moore Australia to carry out internal audits in preparation of external audits. This engagement strategy has been put in place to maximize the service and to keep abreast with our position to all our audits.

Do we have the information we need?

Yes, we have regular meeting at which we plan on going areas of concern regarding audit issues as they arise.

Budget/Financial Implications

Can we afford it?

Yes, we can afford the services as this is a budgeted item.

How does the option impact upon rates?

Nil.

Audit and Risk Committee Agenda Paper

Subject	Internal Audit
Prepared	25 September 2020
Attendance	Director Assurance Advisory - Michelle Shafizadeh Associate Director - Duy Vo

1. Purpose

To provide an update on the status of the internal audit to the Audit and Risk Committee.

2. Status Update

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3. Publications

Moore Australia are aware that the WA Auditor General has tabled a report in Parliament entitled [Transparency Report: Current Status of WA Health's COVID-19 Response Preparedness](#) on 24 September 2020. This may be of interest to the Audit and Risk Committee as you continue to consider the current and future risks to the City of Nedlands of COVID-19.

4. Questions

Michelle Shafizadeh and Duy Vo are available to answer any questions that you may have at the meeting.

Request for Quotation Review of Risk, Internal Control Systems and Legislative Compliance

City of Nedlands

September 2020



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WHY APPOINT MOORE AUSTRALIA

With local government experience spanning over three decades at all levels of our firm, we have the most collective years of experience in local government in WA.

This proposal will outline the following reasons why you should appoint Moore Australia:



AN EXPERIENCED TEAM

We have proposed an expert team that will provide the City of Nedlands (the City) with a quality and value for money review. Our key team includes:

- Engagement Director, Michelle Shafizadeh was recently an Executive Member at the Office of the Auditor General (OAG) leading the Technical and Audit Quality team. Michelle has been involved in financial, performance, compliance, and information systems audits. She was also previously responsible for writing the OAG Better Practice Guide Public Sector Audit Committees which was published by the Auditor General in June 2020. Michelle will provide the City with insights, knowledge, and expertise from her OAG experience. She has significant experience in governance, risk management, financial audit, and internal audit.
- With 17 years' experience working in WA local government, Tanya Browning brings her practical knowledge of a range of local government finance, administration, governance and compliance disciplines. Tanya will perform the onsite component for this engagement.
- Russell Barnes is a dedicated Local Government Advisory Services Director with over 13 years of local government strategic planning, audit and technical accounting experience. Russell is available to assist the team, if required. Details of our proposed team are found on page 14.



RELEVANT EXPERIENCE

Moore Australia are the demonstrated experts in local government. When you select Moore Australia as your service provider, you will have access to a team with the most collective years of local government experience in Western Australia.

We have a dedicated specialist team servicing local government clients. They understand the political, economic, and social sensitivities of the local government sector. Details of the range of services which Moore Australia has been providing to local government are found on page 7.

We have a demonstrated understanding of your requirements as we act as auditors for a range of local governments. Details of our experience are found on page 8.



THE RIGHT REPUTATION

Tradition and integrity combined with thoughtful innovation means Moore Australia will reflect and support the reputation and credibility of the City. Our clients are the best source of referrals and we can seek referee statements from them if you require. Details of Referees are found on page 12.



THE RIGHT PRICE

We have an excellent track record of delivering high quality and value for money services to local government. We are sensible in calculating our proposed fee, to ensure both the City and Moore Australia receive value from the relationship. We believe that we have proposed a value for money service for the City. Details of our fee proposal are found on page 6.

DEMONSTRATE UNDERSTANDING AND RESOURCES

CEO REVIEWS

In order to assist the CEO to meet their obligations under Regulation 17 of the Local Government (Audit) Regulations 1996 we would undertake the review to meet the reporting requirements the CEO has under legislation.

Onsite fieldwork for the review would be undertaken in one site visit to minimise disruption of City staff. The Audit Regulation 17 review will focus on the overall systems and procedures in relations to risk management, internal controls and legislative compliance. form the overall System and Procedure Review in accordance with Audit Regulation 17(3). A report will be prepared for the CEO to detail the results of the review to the local government as required by legislation.

The services provided in terms of this review comprise an advisory engagement, which is not subject to assurance or other standards issued by the Australian Auditing and Assurance Standard Board and, consequently no opinions or conclusions are intended to convey assurance, either expressed or implied.

Proposed methodology for the review are provided on the following pages.

Should we be invited to perform this engagement, it would be subject to an engagement agreement detailing the scope and reporting format.

DEMONSTRATE UNDERSTANDING AND RESOURCES

SYSTEMS AND PROCEDURES REVIEW

Objective and Scope

Our review aims to provide the basis for a report by the CEO on the appropriateness and effectiveness of the City's risk management, internal controls and legislative compliance systems and procedures as required by **Audit Regulation 17**. The results of the review are to be reported by the CEO to the Audit Committee. The Audit Committee is required to review the CEO's report and then report to the Council. The report from the Audit Committee to the Council is required to have attached a copy of the CEO's report to the Audit Committee.

Procedures

Our procedures would encompass the following services:

- A review of the risk management systems policies, procedures and plans in place at the City
- Evaluate the non-financial/operational internal control systems and procedures at the City
- Assess systems and procedures for maintaining legislative compliance
- Prepare a report of matters identified during the review to assist the Chief Executive Officer to assess the appropriateness and effectiveness of the relevant systems and procedures in accordance with Local Government Audit Regulation 17.

To undertake these procedures, we would apply the following methodology:

- Conduct onsite interviews with key personnel involved in risk management, financial management and ensuring City adherence to legislative compliance;
- Identify the extent of commitment and mandate to Risk Management principles (using AS/NZS ISO 31000:2018 as the framework) within the overall risk management framework;
- Review each component (risk management, legislative compliance and internal controls) after considering the overall risk environment, governance structure and internal control environment;
- Assess the gaps (if any) between the current processes and the expected risk management, internal controls and legislative compliance systems and procedures and recommend suggested improvements;
- Report on the appropriateness and the effectiveness of current systems and procedures; and
- References to adherence will be tested on a limited sample basis.

The review will be a high level review given the scale, variety and breadth of non-financial activities and will consider as a minimum the issues identified by the Department of Local Government, Sport and Cultural Industries in Appendix 3 to Local Government Operational Guideline Number 09 – Audit in Local Government.

Reporting

We view the review as more than a compliance exercise and seek to identify sound practices and confirm their effectiveness as well as offer practical assistance to rectify any weaknesses identified.

The primary focus of this component of the review report is to provide an assessment of the appropriateness and effectiveness of risk management, internal controls and legislative compliance for the CEO, our systems and procedures review report will provide an assessment for each of the three elements and identify any opportunities for improvement noted during the course of our review.

FEE SCHEDULE

Our indicative fee estimate for undertaking the engagement is in accordance with our understanding of the scope of service is outlined below.

	Fee Estimate (excl of GST) \$
Audit Regulation 17 Review	18,000

FEE ASSUMPTIONS AND INCLUSIONS

In the preparation of our fee estimate, we have made the following assumptions:

- The City of Nedlands will permit access to source information relevant to undertaking the review in a timely manner.
- Based on the review being undertaken during one onsite visit.
- Excludes Goods and Services Tax; travel, accommodation and out of pocket expenses which will be charged if incurred in accordance with our Staff Travel Policy.
- For any additional work, we would agree terms of reference with you and provide an estimate of our fees in advance.
- Our fee estimate is valid for 60 days from the date of our response. Billing for our services would be made upon completion of our engagement in accordance with our normal business terms and conditions.

PROJECT SCHEDULE

The proposed project schedule will be agreed with the City and all timelines will be met.

INSURANCE COVERAGE

Our insurance coverage is set out below.

Type	Insurer – Broker	Policy No	Value (\$)	Expiry Date
Public Liability	Insurance Australia Limited	15T7035943	\$20M	30/06/2021
Professional Indemnity	Insurance Australia Limited	C6MIS1849648	\$15M	30/06/2021
Workers Compensation	CGU Workers Compensation	O/15-6547	\$50M	30/06/2021



RELEVANT EXPERIENCE

Moore Australia has significant experience in performing financial audit, internal audit, investigations, and reviews required by legislation for a large amount of local governments in WA. This demonstrates we have significant experience in local government and are well placed to perform your reviews.

LOCAL GOVERNMENT SYSTEM AND PROCEDURE REVIEWS

Over the course of the past 4 years we have conducted over 30 System and Procedure Reviews to assist CEO's meet the requirements of Local Government (Audit) Regulation 17 for the following local governments, with a number currently undertaking the second review:

Shire of Ashburton	Shire of Exmouth	Shire of Northampton
Town of Bassendean	Shire of Halls Creek	Town of Port Hedland
Shire of Broome	Shire of Katanning	Shire of Serpentine-Jarrahdale
Shire of Capel	Shire of Kellerberrin	Shire of Shark Bay
Shire of Christmas Island	City of Kwinana	Shire of Three Springs
Shire of Coolgardie	Shire of Laverton	Town of Victoria Park
Shire of Coorow	City of Mandurah	Shire of Victoria Plains
Shire of Denmark	Shire of Morawa	Shire of Wiluna
Shire of Dundas	Shire of Nannup	Shire of Wyndham-East Kimberley
Shire of East Pilbara	Shire of Narrogin	Shire of York

During this time, we have developed a unique methodology in relation to these reviews based on our extensive local government knowledge and experience.

LOCAL GOVERNMENT FINANCIAL MANAGEMENT REVIEWS

We have provided detailed Financial Management Review services to the majority of our clients and other local governments state-wide for over 20 years. In all, since the year 2000, we have performed approximately 200 Financial Management Reviews to various local governments in both the metropolitan and regional areas.

Financial Management Reviews undertaken since the beginning of 2016 number fifty-two (52) and are as follows:

City of Albany	Shire of Derby-West Kimberley	Shire of Narrogin
City of Armadale	Shire of Dumbleyung	Shire of Northam
Shire of Ashburton	Shire of Dundas	Shire of Northampton
Shire of Brookton	Shire of East Pilbara	City of Perth
Shire of Broome	City of Fremantle	Shire of Quairading
Shire of Capel	Shire of Halls Creek	Shire of Serpentine-Jarrahdale
Shire of Chapman Valley	City of Kalgoorlie – Boulder	Shire of Shark Bay
Shire of Chittering	Shire of Katanning	City of Stirling
Shire of Carnarvon	Shire of Kellerberrin	Shire of Three Springs
Shire of Christmas Island	City of Kwinana	Town of Victoria Park
Town of Claremont	Shire of Lake Grace	City of Wanneroo
Shire of Cocos (Keeling) Islands	City of Melville	Shire of Westonia
City of Cockburn	Shire of Morawa	Shire of Wongan Ballidu
Shire of Coolgardie	Shire of Mount Marshall	Shire of Woodanilling
Shire of Coorow	Shire of Mukinbudin	Shire of Wyndham East Kimberley
Shire of Corrigin	Shire of Mundaring	Shire of Yilgarn
Town of Cottesloe	Shire of Nannup	Shire of York
Shire of Denmark		

RELEVANT EXPERIENCE

LOCAL GOVERNMENT EXTERNAL FINANCIAL AUDIT SERVICES

For the year ended 30 June 2020, we are the incumbent auditors of thirty-six (36) local governments throughout Western Australia (and the firm has had a significant local government client base dating back to 1994).

Office of Auditor General – Contractor

City of Albany	Shire of Coorow	Shire of Mundaring
Shire of Augusta-Margaret River	Shire of Corrigin	Shire of Narembeen
Shire of Broome	City of Fremantle	Shire of Northam
Shire of Carnarvon	Shire of Halls Creek	Shire of Serpentine-Jarrahdale
Shire of Chapman Valley	Shire of Irwin	Shire of Shark Bay
Shire of Chittering	Shire of Katanning	City of Subiaco
Shire of Christmas Island	City of Kwinana	Shire of Trayning
Town of Claremont	Shire of Mukinbudin	Shire of Upper Gascoyne
Shire of Coolgardie	Shire of Mt Marshall	City of Vincent

Appointed Auditor

Shire of East Pilbara	Shire of Plantagenet	Shire of Wongan-Ballidu
Shire of Gingin	Shire of Quairading	Shire of Wyndham-East Kimberley
Shire of Ngaanyatjarraku	Shire of Toodyay	Shire of Yilgarn

INTERNAL AUDIT EXPERIENCE

Moore Australia recent internal audit experience is detailed below:

City of Albany	Internal Audit – 2013 to 2016
Town of Bassendean	Internal Audit – 2013 to present
	End to End Review of Procurement Processes 2017
	Other Special Investigations/Reviews
City of Bayswater	Receipting Systems and Processes 2015
	Cash Handling Procedures 2015
City of Belmont	End-to-end review of Procurement Procedures 2018
City of Cockburn	Activity Based Costing Review
	Fuel Management Process
City of Coolgardie	Procurement Processes Review
City of Exmouth	Review of Expenditure and Procurement
City of Joondalup	City Festivals
	Payment Process Review
City of Melville	Procurement Process Review
City of Nedlands	Internal Audit – 2018 to 2020
City of Northam	Procurement Process Review
Town of Port Hedland	Tender probity reviews 2010 and 2011
	Selected Procurement Events Review 2016
City of Rockingham	Metering of Utilities Usage 2008
City of Stirling	Asset Management Review 2008, 2012 & 2016
City of Vincent	Internal Audit – 2013 to 2017
Shire of Wiluna	Review of Expenditure and Procurement processes
Shire of Wyndham-East Kimberley	Key Transaction Cycles Process Review 2015

RELEVANT EXPERIENCE

LOCAL GOVERNMENT ADVISORY SERVICES

Indirect Tax Service

In 1999, we developed an indirect tax support service to assist local government with the implementation of GST, and the firm has a dedicated tax task force to assist Councils in the complex areas of GST and FBT.

Remote Accounting Services

Since November 1999, we have provided a remote accounting service to a number of non-audit regional remote local governments. This service includes the provision of a full general ledger, monthly and quarterly accounts, principal activity plan, budget, annuals, and general accounting assistance. The service has also developed its own suite of software.

Consulting Advice

We have also provided other services to local government in the following areas:

- Asset Management Plans
- Budget preparation and presentation in Statutory format
- Corporate Business Plans
- Fair Value implementation
- Financial Report preparation
- Infrastructure Assets advice
- Long Term Financial Plans
- Ratio Interpretation Assistance
- Statutory Compliance Audits
- Strategic Plans
- Workforce Plans

Financial Changes

Over the course of the past several years, due to our industry knowledge and practical involvement, we were best placed to advise our clients with respect to the many financial changes. These included the changes emanating from Financial Management Regulations 16 (Reserves vested in Council requiring recognition), 17A (mandating of Fair Value) and 50 (Ratios). We believe this was very evident during the years ended 30 June 2013, 2014, 2015 and 2016 particularly with respect to Fair Value. The trend has continued post implementation, as clients deal with the ongoing effects these changes have had. This includes managing depreciation on considerably higher asset values, interpreting ratios and the new requirements associated with Audit Regulation 17.

Local Government Professionals Australia

We are a subscriber member of LG Professionals Australia (LG Professionals) and an active participant in Institute events. In 2014, we became a Foundation Partner of LG Professionals having previously been a Principal Partner since the beginning of 2008, and a major sponsor of the annual conference since 2000 as well as other regional conferences and sporting events.

OTHER RELEVANT EXPERIENCE

PRIVATE SECTOR FINANCIAL AUDIT EXPERIENCE

The firm is highly regarded as a global second-tier multidisciplinary firm capable of providing high quality, cost effective services which combine the expertise and experience of the larger firms, with a more personalised partner-client relationship, not readily available to medium sized clients from the largest firms.

Separate to our local government experience, we have a significant number of audit engagements in the following categories:

- Listed entities
- Other public entities
- Large private companies
- Foreign owned companies
- Indigenous organisations
- Significant not-for-profit organisations

Our base of audit clients and our experience in commercial enterprises give us exposure to contemporary approaches in:

- Management processes
- Internal controls, including general computer controls and application controls
- Evaluation and reliance on internal audit functions
- Governance frameworks
- Data collection
- Key financial transaction cycles and systems
- Business risks
- Infrastructure asset recording and management
- Labour force management.

We offer the benefit of this exposure in our audit of systems and policies and deliver these benefits as part of our core service.

STATE GOVERNMENT INTERNAL AUDIT EXPERIENCE

We are the current internal auditors for the following State Government entities:

- Department of the Registrar, WA Industrial Relations Commission
- South Metropolitan TAFE
- Southern Ports Authority

REFEREES

Services provided	Audit Regulation 17
Date started/completed	September – October 2018
Client / Contractor	City of Kwinana
Contact Name including position	Michelle Bell, Director of City Legal
Telephone	9439 0218
Email Address	Michelle.bell@kwinana.wa.gov.au

Services provided	Audit Regulation 17
Date started/completed	May 2019
Client / Contractor	Town of Bassendean
Contact Name including position	Peta Mabbs, Chief Executive Officer
Telephone	9377 8000
Email Address	pmabbs@bassendean.wa.gov.au

Services provided	Internal Audit Contractor
Date started/completed	2017 to 2020
Client / Contractor	City of Nedlands
Contact Name including position	Lorraine Driscoll, Director Corporate & Strategy
Telephone	(08) 9273 3500
Email Address	ldriscoll@nedlands.wa.gov.au

Services provided	Financial Management Review
Date started/completed	July 2018
Client / Contractor	City of Stirling
Contact Name including position	Ingrid Hawkins, Director Corporate Services
Telephone	9205 8596
Email Address	Ingrid.hawkins@stirling.wa.gov.au

Services provided	Internal Audit – Procurement Process Review
Date started/completed	November to December 2018
Client / Contractor	City of Belmont
Contact Name including position	John Christie, CEO
Telephone	(08) 9477 7201
Email Address	john.christie@belmont.wa.gov.au

KEY PERSONNEL

THE RIGHT PEOPLE

Moore Australia is a people-focused multi-disciplinary professional services firm and client relationships are partner-led. Each member of the core team will have sufficient knowledge of the City to provide you with the support you require.

Our philosophy when working with you will be to ensure that your needs are our priority, and this principle forms the basis of our relationship.

Including Directors (which currently number 15 providing professional services), we have a team of 34 experienced full-time audit and 30 experienced full-time tax professionals. In addition, we have a dedicated Local Government Advisory division which adds further industry experience. We are adequately resourced to meet and cater for your needs.

Michelle Shafizadeh, our Assurance Advisory Director will be the lead relationship Director and will provide general oversight over the engagement. Michelle has over 27 years of audit and technical accounting and audit experience from the private and public sector. This will be invaluable to the City and ensure an efficient and effective service. As mentioned previously, Michelle's previous role was as an Executive at the Office of the Auditor General where she led the Technical and Audit Quality team. She understands state and local government and the legislative compliance, economic, political, and social sensitivities. She will bring state and local government insight, knowledge, and experience to the City.

Tanya Browning has 17 years' experience working in WA local government, Tanya brings her practical knowledge of a range of local government finance, administration, governance, and compliance disciplines. Tanya will assist with the compliance aspects for this engagement.

Russell Barnes will be available as a second partner for the engagement, if required. Russell is the Director of Local Government Advisory and has more than 13 years of providing audit and advisory services to local government in Western Australia and over 14 years in senior management roles in commerce.

Upon confirmation of the appointment, our key resources will be made available as agreed for the duration of the contract.

CONTINGENCY MEASURES

Where required in the remote likelihood that the proposed resources are unavailable, we have 7 other audit directors and 4 other senior audit staff that can perform the engagement.



KEY PERSONNEL



Michelle Shafizadeh, Assurance Advisory Director

michelle.shafizadeh@moore-australia.com.au

Michelle has over 27 years within a public sector audit office and large mid-tier firms, bringing a wealth of knowledge and experience. Michelle has extensive experience in governance, risk management, accounting, audit, and financial reporting advice, writing better practice guides and policies and performing quality assurance activities and legislative compliance reviews. She also has experience in the development of audit methodologies for financial, performance, KPI, controls and information systems audit for private and sector audit offices.

Michelle's extensive experience, industry knowledge and professional network benefits her role as lead Director for Assurance Advisory, which focuses on providing the new Assurance Advisory service within state government, local government, and private sectors.

Moore Australia

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Physical Address:

2 The Esplanade
Perth

Assurance Advisory service offering:

- Internal, external, compliance, KPI, controls and performance audits
- Governance, risk management, legislative compliance, internal control and policy development advice and reviews
- Pre-review prior to review by ASIC, Parliament, Auditor General, regulators and other third parties
- Assistance with implementation of external audit, regulator, third party reviewer recommendations
- Quality review of audit practice management, governance practices and audit engagement files within private and public sector audit offices
- Quality review of audit and investigation files within the private and public sector
- Development, maintenance and implementation of audit methodologies and software
- Better practice reviews
- Audit and risk committee advice and support
- Fraud, corruption and misconduct reviews and training workshops

Areas of expertise:

- Probity audit and 30 July 2020 advisory
- Fraud, corruption and misconduct
- Audit and assurance
- Investigative audits
- Financial reporting and disclosures
- Internal audit
- Compliance audit
- Performance audit
- Business and financial system reviews
- Process improvement and trouble shooting
- Better practice and quality assurance reviews

Industry specialisations:

- State Government
- Local Government
- Not-for-profit

Qualifications:

- Bachelor of Business
- Chartered Accountant (Fellow)
- ASIC Registered Company Auditor
- CPA (Fellow)
- Governance Institute of Australia (Fellow)
- Australian Institute of Management (Fellow)
- Australian Institute of Company Directors (Graduate)
- Institute of Internal Auditors Australia (Associate Member)
- Institute of Public Administration Australia (Member)

KEY PERSONNEL



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Russell Barnes, Local Government Advisory Services Director

russell.barnes@moore-australia.com.au

Russell's extensive experience includes more than 13 years of providing audit and advisory services to local government in Western Australia and over 14 years in senior management roles in commerce.

With strong analytical skills, Russell specialises in integrated planning and reporting and system review engagements. Russell developed much of the firm's methodology with respect to business planning, financial reporting, long term financial planning, risk management, asset management and Audit Regulation 17 engagement reviews.

Russell is responsible for all the firms Integrated Planning and Reporting engagements and strategic planning services to local government. Having been involved in all previous community engagement and Elected Members Workshops for Strategic Community Planning and Corporate Business Planning over the last 9 years, Russell has a deep understanding of local government needs.

Areas of expertise

- Strategic planning
- Asset management
- Long term financial planning
- Strategic community planning
- Workforce planning
- Governance and risk management
- Local government finance
- Financial reporting and disclosures
- Commercial advisory

Industry specialisations:

- State Government
- Local Government
- Not-for-profit
- Private and public sector

Qualifications:

- Bachelor of Commerce
- Graduate Diploma in Computer Studies
- Member of LG Professionals WA
- CAANZ Affiliate member

KEY PERSONNEL



Tanya Browning, Manager, Local Government Advisory Services

tanya.browning@moore-australia.com.au

Tanya has 19 years of experience as an officer and consultant in the local government sector, specialising in local government finance, governance, and statutory compliance. She has primarily worked in rural and remote local governments, as well as being actively involved in broader industry activity through her role as Director on the board of LG Professionals WA since 2010.

As a local government specialist, Tanya's qualifications include Public Sector Management, Infrastructure Asset Management and Project Management, and she has been the recipient of a number of industry awards during her career, acknowledging her professional contribution and service to the local government sector.

With wide ranging experience across a range of local government finance, administration, governance, and compliance roles, Tanya has a solid background and understanding of local government.

Moore Australia

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WA, 6000

Local Government Advisory service offering:

- Strategic integrated planning, corporate planning, long term financial and asset management planning, governance, risk management, legislative compliance, internal control and policy development advice and reviews

Areas of expertise

- Strategic planning
- Asset management
- Long term financial planning
- Governance and risk management
- Local government finance

Industry specialisations:

- Local Government

Qualifications:

- Graduate Certificate Public Sector Management
- Graduate Certificate Infrastructure Asset Management
- Diploma of Project Management
- Fellow of LG Professionals WA
- Governance Institute of Australia (Associate Member)

ORGANISATIONAL PROFILE

BACKGROUND TO MOORE GLOBAL

Moore Global Network Limited is a leading global accounting and consulting group, with a network of 255 independent firms and 579 offices across 114 countries. Founded in London in 1907, our success stems from our niche industry focus, enabling us to provide an innovative and personal service to our clients. Our policy is to be regarded by clients as the first port of call for all their business and personal finance decisions.

The Moore Global Network Limited philosophy is to cater for our clients' needs wherever required, but not to grow for the sake of size alone. As a result, our client-orientated culture has developed over a number of years, which ensures that we are able to provide a highly personalised service.

MOORE AUSTRALIA

Our Australian network of independent firms of business advisors and chartered accountants operates across 14 office locations nationally and enables us to share expertise, knowledge and best practice to ensure our clients receive the best advice and highest quality of service wherever they do business in Australia. Our expertise covers a broad range of services which include: Audit & Assurance, Business Advisory, Corporate Finance, Corporate Bookkeeping, Risk Advisory, Data Analytics, Local Government Services, Taxation, and Wealth Management. We work with our clients to help them meet the challenges they face every day, aspiring to be their first choice for all of their business and financial needs.

There is significant interaction and co-operation between the firms in terms of servicing mutual clients, training, and technical support.

MOORE AUSTRALIA (WA)

Moore Australia (WA) is a Western Australia founded Chartered Accounting firm with over 40 years' experience providing professional services and advice of the highest calibre to clients. The firm is an affiliated member of Moore Australia and internationally and are ranked in the Top 10 firms in Perth, Australia, and 11th worldwide.

Established in 1977, the firm has grown to its present size of 15 partners and 87 staff. The six main divisions within the firm are Audit, Assurance Advisory, Corporate Finance, Local Government, Business Advice and Taxation Advisory. The revenue of the firm is approximately \$16 million per annum with nearly \$7 million of this derived from audit and related services.

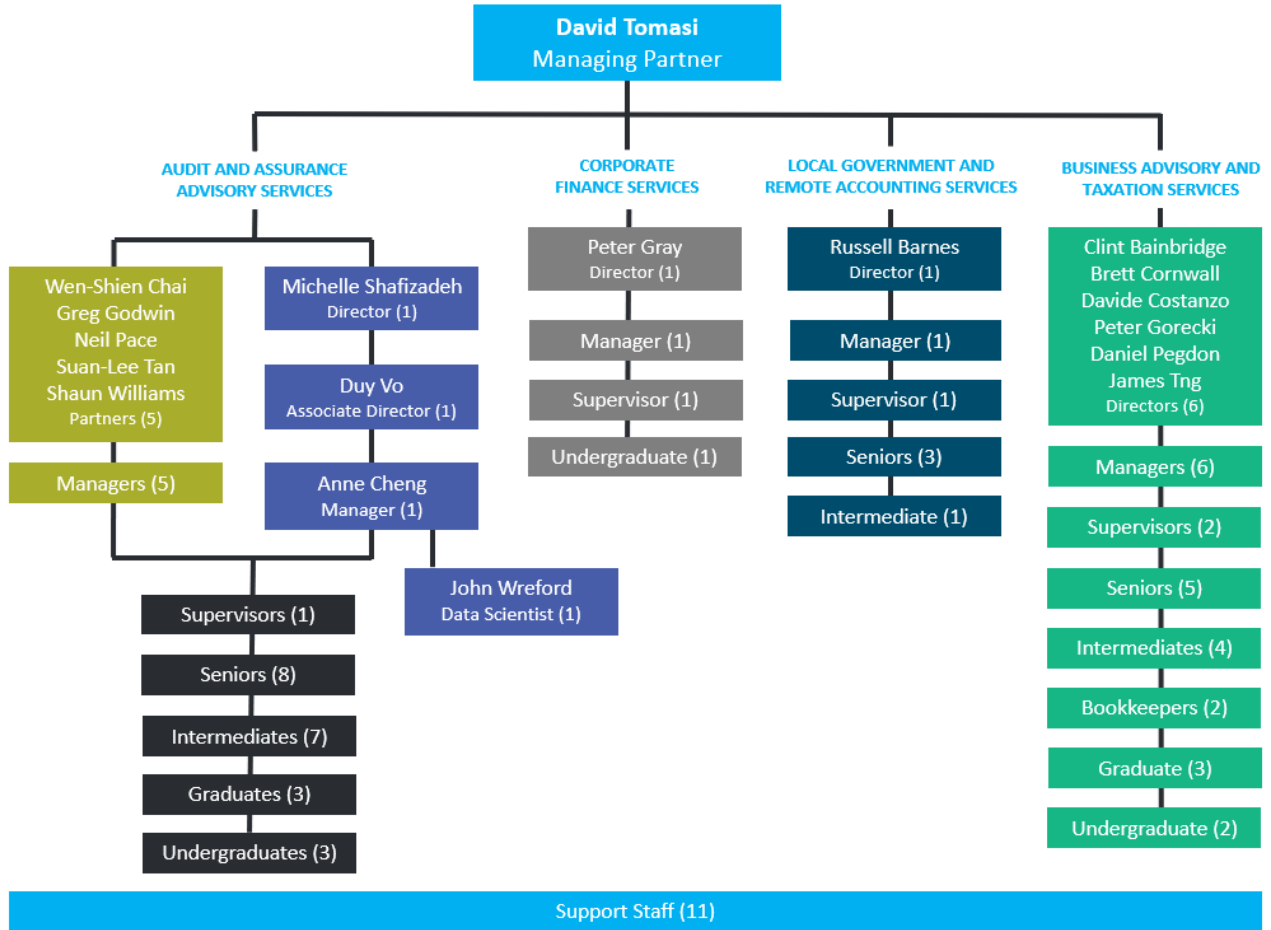
Through its interstate and international affiliation with Moore Australia, the firm can draw on the resources and skills of our affiliated offices. This ensures that a continual flow of the latest technical and professional information is made available to us and our clients. In addition, as a member of Moore Australia, we are subject to peer practice reviews which ensure compliance with quality control standards.

The firm is highly regarded as a mid-tier firm capable of providing high quality, cost effective services which combine the expertise and experience of the larger firms, with a more personalised partner-client relationship, not readily available to medium sized clients from the largest firms.

ORANISATIONAL PROFILE

ORGANISATION CHART

The Moore Australia (WA) organisational profile is set out below



OTHER CLIENT BENEFITS

Moore Australia is a multi-disciplinary professional services firm and there are many services that you may wish to consider using, leveraging from our significant private and public sector experience. Our insight into Government makes us more than accountants. We go beyond compliance and provide you with relevant and practical advice to improve the City operations. We partner with you so that you have peace of mind and time to focus on the future. We have experience you can trust.

As a valued Moore Australia client, the City will receive additional benefits. Some of these benefits are outlined below:

- Moore Australia Client Newsletters which identify thought leadership and matters that may be of interest to the City.
- Invitations to financial reporting seminars identifying changes to accounting and financial reporting standards issued by the Australian Accounting Standards Board and regulators.
- Invitations to taxation seminars identifying direct and indirect taxation changes.



OTHER SERVICES

We can also provide the following services on a fee for service basis:

- **Audit & Risk Management Committee Advisory.** We can perform the role of Audit and Risk Committee Secretariat and prepare the meeting agendas, meeting papers and minutes of meetings. We can review the structure of your Audit and Risk Management Committee, Audit and Risk Management Committee Charter, Internal Audit Charter and assess the effectiveness of your Audit and Risk Management Committee. We can assist you to source independent members and perform their induction.
- **Risk Management Advisory.** We can review your Risk Management Framework including Risk Registers, Risk Management Policies and Procedures, Fraud and Corruption Control Plan and assess the effectiveness and maturity of your governance framework.
- **Internal Audit.** We can prepare your strategic and annual internal audit plan, perform your internal audit program, monitor the status of internal audit recommendations and report to your Audit and Risk Management Committee.
- **Forensic.** Our forensic specialists are distinguished by their technical expertise, knowledge, commercial acumen, and proven track record. We evaluate and present our findings in a clear and concise manner for a financial claim, prosecution, or assessment of associated risks in the fraud environment.
- **Corporate Taxation, Business Advisory and Corporate Finance Advice and Support.** Tax is constantly in the spotlight – the focus of government policy and stakeholder scrutiny. As a taxpayer, you face increased compliance requirements triggering a greater need for robust controls to manage tax risks. Your tax function also needs to understand the variety of incentives available nationally and internationally, using informed data to support business-wide decision making.

MORE THAN JUST AUDIT

Our goal is to add commercial value through all of our services - and that includes audit.

Our specialist team of tax professionals provides the strategic and technical support you require to meet your tax challenges and achieve your goals.

- **Accounting or financial reporting position papers or advice.** Moore can provide advice to your Finance team on the application of current or changes to Australian Accounting Standards. This can be charged on a fixed fee or hourly rate.
- **Subscription to the Moore Australia National Accounting Network.** This subscription service provides members unlimited technical accounting advice when you need it the most. Members have direct access to David Holland, our National Head of Technical Accounting, to personally discuss any questions or issues you may have. The Network provides additional support to your in-house accounting team, or those who do but need additional assistance understanding technical accounting changes. This is \$2,000 per annum and conditions apply.
- **In-house technical training** workshop can be provided to your staff on topics such as accounting, financial reporting, and taxation.
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Western Australian Auditor General's Report



Transparency Report: Current Status of WA Health's COVID-19 Response Preparedness

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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.

WESTERN AUSTRALIAN AUDITOR GENERAL'S REPORT

**Transparency Report: Current Status of
WA Health's COVID-19 Response
Preparedness**



**THE PRESIDENT
LEGISLATIVE COUNCIL**

**THE SPEAKER
LEGISLATIVE ASSEMBLY**

**TRANSPARENCY REPORT: CURRENT STATUS OF WA HEALTH'S COVID-19
RESPONSE PREPAREDNESS**

This report has been prepared for submission to Parliament under the provisions of section 25 of the *Auditor General Act 2006*.

The objective of this transparency review was to provide information to Parliament and the public over the status of WA Health's COVID-19 response preparedness.

I wish to acknowledge the entities' staff for their cooperation with this transparency review.

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

CAROLINE SPENCER
AUDITOR GENERAL
24 September 2020

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Auditor General's overview

This report provides transparency on the Western Australian health system's current state of preparedness in a number of areas for COVID-19 viral outbreaks. As a limited assurance review, it provides Parliament and the public with information from WA Health about its key plans and actions that have informed the State's overall response to the pandemic.



When the COVID-19 pandemic struck in the early months of this year, health systems around Australia, and many internationally, experienced shortages of essential supplies due to increased usage, stockpiling and global supply chain disruption. Personal protective equipment (PPE), ventilators and trained intensive care staff were the 3 areas particularly identified by Australian governments as critical for preparing health systems for community outbreaks of the disease on our shores.

While there was much panic and uncertainty about the disease in the early days of 2020, much has now been learned. There is now reliable information on the characteristics of patients most likely to experience severe illness and the proportion that may succumb to the virus. Much more has also been learned about the most effective clinical treatment protocols to reduce disease severity for those who do become ill. This can inform how we most effectively target our resources and support. In addition, on a community-wide scale, citizens have arguably become more hygiene-aware and hygiene-capable than at any other time in human history.

Here within Western Australia, in response to the pandemic, we have been in a rolling State of Emergency and under public health directions since mid-March 2020, with our interstate and international borders currently closed. Social distancing measures – including unprecedented restrictions on gatherings and movement of citizens across intrastate borders, cancellation of elective surgeries and forced closures of business and community facilities – were progressively enacted, and then mostly eased, over recent months. The stated aim of the response measures was to slow the spread of the disease and give the WA health system time to prepare in the 3 stated areas, while allowing the health system to manage the ongoing case load – that is, to 'flatten the curve'. Measures enacted to date have resulted in there not being any community transmission of COVID-19 in WA since mid-April 2020.

Current Status

Reassuringly, WA Health considers that it is now well prepared for a potential outbreak of COVID-19. The information presented in this report shows that surge planning and preparations have been made in the 3 key areas of PPE, ventilated bed capacity and staffing. In recent times, WA Health has also made good progress on developing outbreak plans and working more closely with various sectors, including aged care. An increased focus on testing and contact tracing capability is also evident in the information presented in this report.

Recommendations for optimised response and maintaining public trust

The COVID-19 pandemic has placed substantial pressure on the social contract between governments and communities around the world. Governments are requiring the public to make significant personal sacrifices. In this context, it is vitally important for the people of WA – and the strength of our overall community well-being and trust in the public sector – that WA's health planning and response measures are transparent, proportionate and well-informed by the latest global data on disease prevalence and severity, and the most up-to-date clinical treatment methods.

WA Health can support continued community confidence in public health measures by providing regular, up-to-date and evidence-based information to Parliament and the public on these matters. This will allow more expansive deliberations on their appropriateness, and due consideration of ongoing costs, risks and benefits of various support and response options.

As we move forward during these challenging times, it is important that as a community we manage for the virus as we now know it to be, and not for the virus that was feared in the earliest days of COVID-19's emergence. Future health responses should recognise our improved health and hygiene capability, and that we are no longer facing critical PPE shortages for our health workers.

Future OAG audits and reviews

The elements of health preparedness outlined in this report are not the full sum of activities underway in WA Health or throughout the community to prepare for and manage our society in response to the global pandemic. There have been many other measures with financial and human impact that warrant examination.

My Office will conduct audits and reviews of further aspects of the response and recovery measures, including advice to support decision-making around the expenditure of public money and implementation activities undertaken in the name of this virus. The work of my Office will provide transparency and assurance to support accountability of the public sector.

Much has and will continue to be learned by our community from this pandemic response, and many of those lessons will extend well beyond the public health sphere. There will no doubt be opportunities to strengthen our public infrastructure and institutions for the benefit of the community.

I thank the staff at WA Health – in the State Health Incident Coordination Centre and across Health entities - for their cooperation and assistance during this review. My team encountered many dedicated staff who are working hard with the aim of looking after the health of our community in the current environment, and in the event of infectious disease outbreaks.

Executive summary

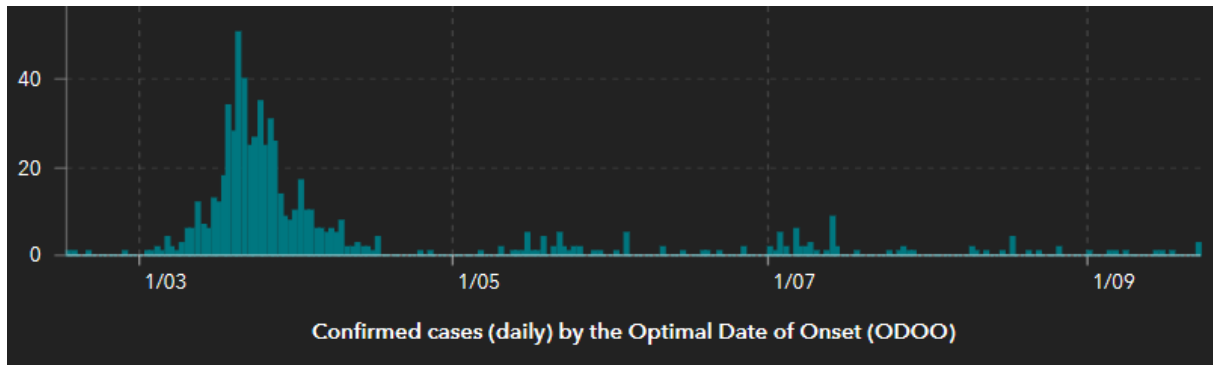
Introduction

The objective of this report is to provide transparency to Parliament and the public on the current status of key areas of WA Health's¹ preparedness for a COVID-19 outbreak.

Under the *Emergency Management Act 2005* and the *Public Health Act 2016*, the Department of Health (Department) is responsible for the planning, management and ongoing preparedness for Western Australia's (WA) response to matters related to public health, including COVID-19 outbreaks.

Background

WA recorded its first case of COVID-19 on 16 February 2020. At the date of this report, WA has had more than 660 confirmed cases, with 9 deaths. New cases peaked at 51 on 20 March, and the 'first wave' of the pandemic was controlled by mid-April (Figure 1). The vast majority of cases were from returned overseas travellers, and the last known case of community transmission was on 11 April 2020. The Department provides daily updates of COVID-19 information on its website (Appendix 1).



Source: Department of Health

Figure 1: Daily number of confirmed COVID-19 cases in WA, at 23 September 2020

The State Government's reliance on expert advice from WA Health in implementing a range of restrictions has been well publicised.

On 15 March 2020, in response to the pandemic, the State Government declared a State of Emergency under the *Emergency Management Act 2005*. A declaration of a Public Health State of Emergency, under the *Public Health Act 2016*, followed on 16 March 2020.

Later in March, the State Government announced a \$15 million procurement of beds, ventilators and other clinical equipment. The procurement was part of a program to increase capacity across the public and private hospital systems to respond to the pandemic.

In April 2020, the State Government announced a plan to increase ventilated bed capacity from 111 to over 600, in the event of a surge in COVID-19 infections.² The plan involved a phased approach to make the beds available, using equipment obtained following the March

¹ WA Health consists of the Department of Health, Child and Adolescent Health Service, North Metropolitan Health Service, South Metropolitan Health Service, East Metropolitan Health Service, WA Country Health Service, Health Support Services, PathWest and the Quadriplegic Centre.

² Minister for Health 19 April 2020 *Media release: WA Launches new plan for 600+ beds*

announcement. The plan, along with other initiatives at the time, aimed to increase WA Health's capacity and preparedness in the following key areas:

- ventilated bed capacity
- essential supplies including personal protective equipment (PPE)
- staff recruitment and training
- COVID-19 infection testing and contact tracing
- residential aged care and other vulnerable sector health response plans.

This report presents the current status of WA Health's capacity and preparedness in the above key areas.

Conclusion

WA Health has stated that it is well prepared for a potential outbreak of COVID-19. In compiling this transparency report, nothing has come to our attention to indicate that, in all material respects, the following status updates provided to us from WA Health as to COVID-19 response preparedness are incorrect.

WA Health has:

- developed surge plans for key areas, including ventilated beds and pathology services
- procured additional ventilators
- worked proactively with a range of sectors, including aged care to develop and test outbreak plans, and continues to review these
- identified essential supplies, including PPE, and is working to acquire more than 40 weeks of stock
- established a recruitment pool of skilled staff across a range of critical areas
- put testing and contact tracing systems in place.

WA Health has based its COVID-19 preparedness plans on an epidemiological model that uses Australian data up to mid-May 2020 to predict hospitalisation, ICU and ventilation rates. As knowledge of the disease evolves, new information on best practice treatment protocols, and other risk factors relevant to the WA population, will become available. In staying abreast of this information, including from international jurisdictions, WA Health can best inform its preparedness plans and provision of advice to State Government.

Our procedures were performed as a limited assurance engagement, in accordance with the Standard on Assurance Engagements ASAE 3500 Performance Engagements, and vary in nature, timing and extent from an audit. As such, the level of assurance provided in this report is substantially lower than for an audit.

Additionally, this report does not provide assurance as to the effectiveness, efficiency or compliance of the planning and actions undertaken by WA Health. These and other aspects of the pandemic response may be the subject of future performance audits by the Office of the Auditor General.

Findings

The Department has planned for increased use of equipment and facilities during a surge in cases

The Department, through its State Health Incident Coordination Centre (SHICC), developed plans to increase vital WA Health resources during a surge. This includes plans for:

- ventilated bed availability
- general bed use
- emergency departments
- radiology
- pathology
- mental health
- Intensive Care Unit (ICU) workforce availability.

The SHICC, formed as part of the State Health Emergency Response Plan, is responsible for the strategic coordination of WA Health's response. The SHICC reports through the Chief Health Officer to the State Emergency Coordination Group, and the State Disaster Council (Appendix 2).

Plans for resource availability increases are staged in line with rises in the number of active cases. The surge plans are underpinned by a model based on May 2020 national data for rates of hospitalisation, intensive care use, and ventilation. The modelling predicts for every 100 people infected:

- 13% will require hospitalisation
- 2.5% will be admitted to the ICU
- 0.7% will require ventilation.³

WA Health has a baseline of 111 ventilated beds with capacity to expand to 647

The Department advised us that in the early stages of the pandemic its focus was on sourcing as many ventilators as possible, to avoid the shortages seen in Spain and Italy. Following consultation and assessment across the private and public health systems, on 26 June 2020 it approved a *COVID-19 Ventilated Bed Capacity Framework (ICU surge)* that includes a 5-step approach to increase the number of COVID-19 suitable ventilated beds from a baseline of 111 to 647 (Figures 2 and 3).

The approach requires reconfiguring space and equipment in public hospitals and accessing private hospitals as demand on ICU rises.

Steps are triggered by rises in the number of active cases, with each step only utilising 90% of available ICU beds. The plan adopts a conservative approach, assuming all ICU admissions will require a ventilator. Based on the current ICU modelling, with 647 ventilated

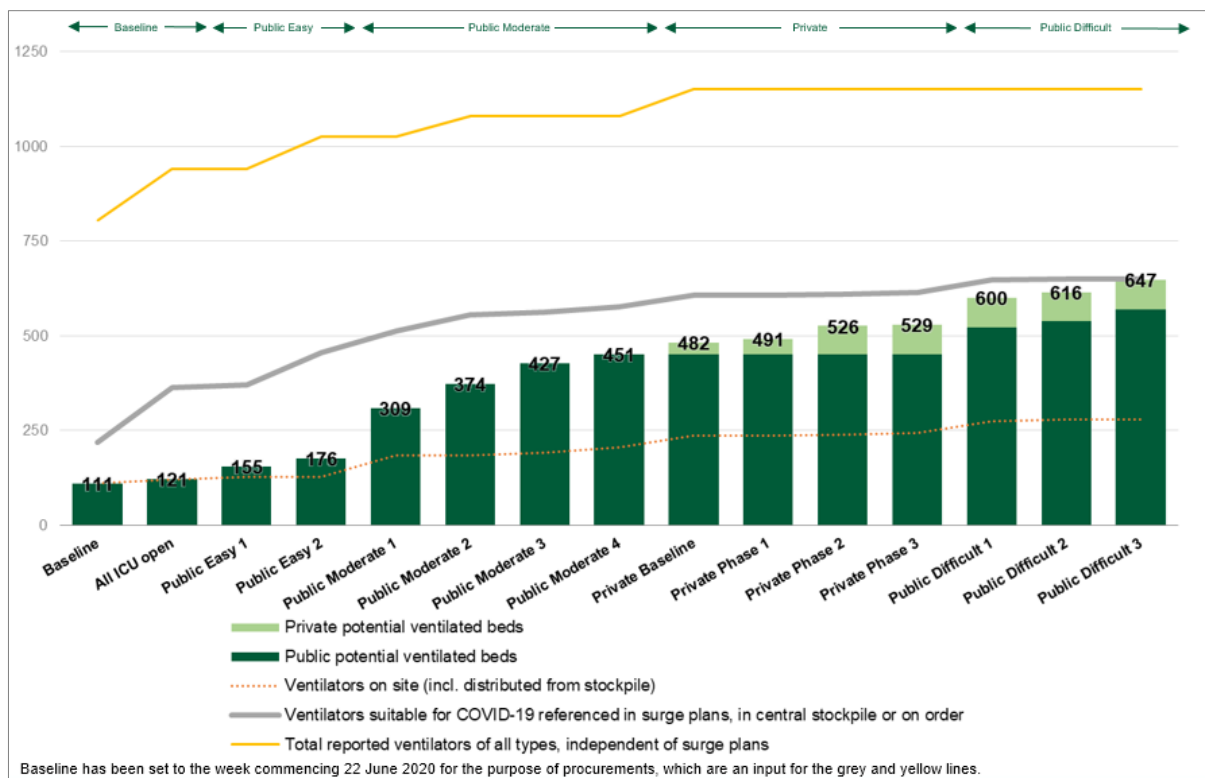
³ Communicable Disease Intelligence 2020 COVID-19, Australia: *Epidemiology Report 16: Reporting period ending 23:59 AEDT 17 May 2020*; 44

beds, we calculate that WA Health has enough capacity to manage an outbreak of over 25,800 active infections.

Step	Overview
Baseline – (111 beds)	At the end of March there were 111 operational ventilated beds in public hospital ICUs across WA
Step 1 – ICU (121 beds)	All existing ventilated beds in public hospital ICUs are opened
Step 2 – Public Easy and Moderate (451 beds)	Enact easy and moderate phases of surge plans for public sites, in line with site surge phasing
Step 3 – Private (529 beds)	Private hospital capacity is used
Step 4 – Public Difficult (647 beds)	Enact difficult phases of surge plans for public sites

Source: OAG using Department of Health information

Figure 2: WA Health Ventilated Bed Capacity Framework, surge steps



Source: Department of Health

Figure 3: WA Health Ventilated Bed Capacity Framework surge capacity

In creating the *COVID-19 Ventilated Bed Capacity Framework (ICU surge)*, the response team:

- compiled information from existing individual hospital surge capacity plans
- considered which areas could be efficiently reconfigured for ventilated bed use, and how many additional ventilators would be required
- verified information with public and private hospitals', chief executives and key technicians.

According to the framework, as of 26 June 2020 WA Health had:

- 121 ventilators in hospitals (111 baseline, and a further 10 ready to go in ICUs)
- 33 ventilators in stock
- 304 ventilators on order
- 49 ventilators sourced via partnership with a not-for-profit organisation (Figure 4).

Health Service Provider	Site	Baseline	Additional ventilators added				Total
			Step 1	Step 2	Step 3	Step 4	
Child and Adolescent Health Service	Perth Children's Hospital	8	0	12	0	22	42
East Metropolitan Health Service	Armadale Kalamunda Group	5	0	0	0	0	5
	Royal Perth Hospital	20	0	0	0	0	20
	St John of God Midland Public hospital	5	0	7	0	0	12
North Metropolitan Health Service	Joondalup Health Campus	9	0	3	0	0	12
	Sir Charles Gairdner Hospital	23	0	0	0	0	23
South Metropolitan Health Service	Fiona Stanley Hospital	30	10	45	0	0	85
	Rockingham General Hospital	6	0	3	0	0	9
WA Country Health Service	Albany	0	0	3	0	3	6
	Broome	0	0	2	0	2	4
	Bunbury	5	0	3	0	0	8
	Geraldton	0	0	2	0	4	6
	Hedland	0	0	1	0	2	3
	Kalgoorlie	0	0	2	0	3	5
	Karratha	0	0	1	0	1	2
	WACHS Other	0	0	0	0	0	0
Total in hospitals		111	10	84	0	37	242
Private		0	0	0	38	0	38
Disaster Preparedness and Management Unit Warehouse stockpile (including Royal Perth Hospital)		33	0	0	0	0	36
Procurement		40	135	129	0	0	304
Sourced via not-for-profit		49	0	0	0	0	31
Total		236	145	213	38	37	651

Source: Department of Health

Figure 4: Summary by hospital of COVID-19 ventilators in WA Health June 2020*

* These figures have not been verified by OAG, but our general observations during key site visits have not raised any particular concerns that would cause us to doubt the overall reliability of the information provided.

The Department advised us that since June a number of procured ventilators have been delivered. At 16 September 2020, WA Health had 273 ventilators in stock, with 90 still on order.

Stock levels have increased, and plans are in place for the ongoing supply of essential items, including PPE

The Department has identified 11 items that are key in responding to a COVID-19 outbreak. It aims to maintain 40 weeks of supply for these items. This is a substantial increase from its business as usual target of 3 to 5 weeks.

The pandemic has severely disrupted global supply chains. To ensure flexible supply chains, and delivery of quality supplies, the Department has:

- confirmed contracts with additional suppliers and explored alternative options
- partnered with the Department of Jobs, Tourism, Science and Innovation to facilitate direct delivery from overseas manufacturing hubs in China
- engaged an independent auditor to conduct pre-production and packing inspections in China and Malaysia.

The Department told us that since 28 March 2020, WA Health executives were provided with a weekly summary of stock levels, including an assessment of confidence in the supply chain. This was made available on WA Health’s intranet from 3 April 2020, and from 1 June 2020 published on WA Health’s external facing webpage.

At 8 September 2020, 5 of the 11 items had 40 or more weeks of supply in stock (Figure 5), based on the average weekly usage over the last 21 days. There were at least 18 weeks of stock for the remaining items, and the Department had placed orders, or was in the process of sourcing suppliers, to increase those stock levels to at least 40 weeks.

Covid Category High	Stock on hand	Issued last 7 days	Avg Weekly Issued last 21 days	% increase in issued (weekly last 21 days compared to 2019 avg)	Weeks of Supply (on avg weekly issued last 21 days)	Highest Issued Weekly Avg 21 Days	Weeks of Supply (Highest Issued)	Forward Supply Risk (Placed Orders)
Face Shields	300,015	8,773	4,450	346%	67.4	9,163	32.7	230,400
Gloves Examination	29,784,492	1,670,610	1,584,973	24%	18.8	1,837,627	16.2	63,315,800
Gloves Surgeons	304,550	24,250	24,967	22%	12.2	24,967	12.2	116,590
Gowns Isolation	923,609	50,206	50,042	44%	18.5	81,923	11.3	2,215,950
Gowns Surgical	81,040	4,932	5,869	26%	13.8	6,268	12.9	169,140
Hand Sanitiser	120,809	2,039	1,656	67%	72.9	3,426	35.3	27,006
Mask Surgical Level 2	1,568,180	51,200	48,317	369%	32.5	51,270	30.6	111,500
Mask Surgical Level 3	1,196,087	48,665	31,610	8%	37.8	91,738	13.0	1,146,300
Masks N95 Regular (Inc. Substitution)	1,172,741	10,636	7,416	-7%	158.1	22,760	51.5	432,050
Masks N95 Small (Inc. Substitution)	102,180	1,000	1,283	52%	79.6	5,549	18.4	210,000
Safety Glasses	116,629	1,663	1,400	398%	83.3	3,989	29.2	
Swabs	438,909	10,644	14,078	603%	31.2	15,093	29.1	102,000
Wipes Disinfecting	9,986,003	444,310	372,367	1926%	26.8	461,271	21.6	10,416,945

Notes:

- Data contained within this report is rapidly evolving due to increase in demand and global supply chain disruptions.
- Issued last 7 days did not always meet volume ordered / requested by users.
- Weeks of Supply (Highest Issued Weekly) is a measure to identify stock run down estimates during high demand periods and relevant weeks of supply holdings.

Weeks of Supply Red = < 8 weeks = Short Supply Amber = 8-16 Weeks = Risk of Supply Green = > 16 Weeks = Limited Risk to supply
Placed Orders Red = Low confidence/assurance in supply continuity Amber = Medium confidence/assurance in supply continuity Green = High confidence/assurance in supply continuity

Source: Department of Health

Figure 5: Weekly key COVID-19 supplies update, at 8 September 2020

Note 1: The Department does not consider surgical gowns and gloves key supplies for a COVID-19 outbreak. However, they are monitored in the supply update as they are essential for business as usual practice, and are likely to be affected by supply chain disruptions.

Note 2: Individual figures have not been verified by the OAG at 8 September 2020, but significantly increased stock levels were observed on a sample basis as part of the 30 June financial audit stocktake procedures and accord with the trend observed in the Department’s weekly reports.

The Department has developed a framework for the distribution of PPE in case of a COVID-19 outbreak. This framework takes a risk-based approach, and allows the Department to address PPE requests from across the public sector based upon 4 criteria:

- likelihood of exposure
- consequence of exposure
- consequence of service not being provided
- PPE item's effectiveness.

Guidance on infection prevention and PPE use was also developed by the Department for professional first responders (for example, WA Police Force) and workers in community settings (such as community service workers).

The Department has multiple storage facilities, to respond quickly to an outbreak

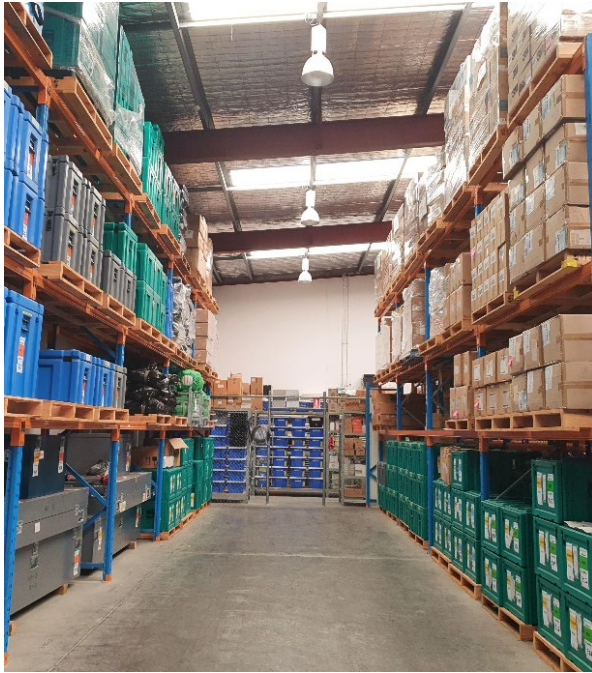
COVID-19 stocks are held in multiple facilities including:

- the State Distribution Centre – stores the majority of PPE stock
- the Disaster Preparedness and Management Unit Warehouse – stores emergency equipment, and acts as a secondary storage facility for PPE (Figure 6)
- regional distribution centres – 7 across the state⁴, each storing 2 to 4 weeks of PPE.

To allow quick distribution of PPE for staff in case of an outbreak, the Department told us it holds at its head office:

- a small quantity of PPE for immediate/urgent deployment
- 15-20 'Go Bags', each containing 3-7 days of PPE for WA Health and first responders (Figure 7)
- 5 'Go Boxes', each containing 20 sets of PPE for distribution to WA Health and other key first responders.

⁴ WA Country Health Service operates these centres in Kalgoorlie, Albany, Bunbury, Broome, Geraldton, Port Hedland and Northam.



Source: Department of Health

Figure 6: Stores at the Disaster Preparedness and Management Unit warehouse



Source: OAG

Figure 7: 'Go bags' held at the Department's head office, ready for quick deployment

A pool of staff with relevant skills has been established

The Department identified that WA Health would need additional clinical, pathology and allied health staff during a surge in cases. This includes staff such as medical scientists, radiologists, nurses, doctors, psychologists, pharmacists, social workers, and technicians.

To meet this need the Department ran a recruitment process in March 2020 and received 8,218 applicants (Figure 8). The Department informed us that by 30 July 2020, all applications had been processed, with:

- 50 applicants appointed to positions
- 4,691 applicants placed in a pool of which 2,542 have completed pre-employment screenings, including relevant identification checks, integrity checks and confirmation of registration with the Australian Health Practitioner Regulation Agency if applicable
- 635 applications withdrawn by the applicant
- 2,892 applications deemed by the Department as unsuccessful.

	Apps received	Apps processed	Appointed to pool	Appointed from pool	Remaining in pool	In pool with complete pre-employment screenings
PathWest	1,968	1,886	771	30	741	580
Clinical – metropolitan	3,680	3,364	2,396	18	2,378	1,134
Clinical – regional	1,075	967	538	1	537	227

	Apps received	Apps processed	Appointed to pool	Appointed from pool	Remaining in pool	In pool with complete pre-employment screenings
Allied Health – metropolitan	1,240	1,137	817	1	816	509
Allied Health – regional	255	229	169	0	169	92
Total	8,218	7,583	4,691	50	4,641	2,542

Source: OAG using Department of Health data

Figure 8: Summary of COVID-19 recruitment pool*

* Figures have not been verified by the OAG

The Department is confident pathology services can support WA Health

The Department has developed a *COVID-19 Public Pathology Capacity Framework (Pathology surge)* to ensure the medical laboratories operated by PathWest can support WA Health during a rise in COVID-19 cases. The framework plans for a surge increase from 3,679 to 5,639 beds in use across WA Health. It anticipates that this would increase PathWest's workload by 38%, which can be met with current levels of equipment, and a minor increase in staff.

The turnaround time for tests is a critical factor in controlling a possible outbreak. PathWest is confident it can conduct tests within 24 hours. WA has 4 automated analysers to test for COVID-19. The pathology framework outlines a 10 stage approach to increasing daily testing, from 750 tests to 8,750 tests. PathWest is confident it can ramp up to 8,750 tests per day by increasing the time the analysers run. To do this, it has identified the need to train 24 new staff.

There are also 65 blood gas analysers across WA Health, which are required to monitor patients in ventilated beds. Based on their model of 1 analyser for every 20 ventilated beds, PathWest is confident this number can accommodate the anticipated increase in ventilated ICU beds in WA owned and managed public hospitals, provided some analysers can be moved between facilities.

We note that the pathology framework only estimates pathology services for patients in ICU beds in WA owned and managed public hospitals (up to a maximum of 499 beds). It does not estimate pathology services for patients in ICU beds in privately owned and privately managed hospitals (for example, Joondalup Heath Campus), even though these hospitals are included in the *COVID-19 Ventilated Bed Capacity Framework*. The Department advised us that the overall capacity of private pathology providers has been verified, and it is in the process of agreeing the role of private providers in the State's overall pathology surge plan.

Contact tracing abilities are designed to manage during an outbreak

The Department told us that it has a robust, scalable and efficient contact tracing system. The system's focus is to isolate cases of COVID-19, and quarantine their potential contacts, as quickly as possible.

The contact tracing system includes a tracing team of about 50 staff, primarily nurses and other health professionals, and an automated information system. The contact tracing team monitors COVID-19 cases in isolation, and actively traces and monitors their contacts. The Department has planned to increase the number of contact tracing staff up to 1,000 if

needed. It told us 400 people are being offered casual contracts and training. An expression of interest is also being completed, as well as discussions with suitable organisations, to meet the 1,000 target.

The Department advised that a database for cases and contacts was set up from late January 2020, that automated monitoring of cases and contacts via text messages. From 8 April 2020, a bespoke system called PHOCUS was put in place which provided increased functionality, including:

- streamlining the allocation of work, to speed up the contact tracing process
- sending daily text messages to all individuals in isolation and quarantine, to remind them of safety protocols and to check for symptoms
- generating links between COVID-19 cases, allowing the contact tracing team to identify areas that may be clusters of infection
- providing the Department with a live update of cases being monitored.

Outbreak response plans for high risk settings are in place

The Department has developed a State-level, integrated outbreak plan and COVID-19 outbreak response plans for the following high risk settings:

- residential aged care facilities (RACF)
- remote Aboriginal communities
- prisons
- hospitals
- school and child care services (including boarding schools)
- mining and offshore facilities
- commercial vessels
- congregate living.

The Department advised us that it developed the plans in consultation with relevant industry and government stakeholders.

The Department defines a COVID-19 outbreak in metropolitan or regional areas as ‘...two or more cases (who don’t reside in the same household), among a specific group of people, confirmed by laboratory testing’.⁵

However, the Department recognises that a single confirmed case of COVID-19 may be sufficient to trigger an outbreak response in certain settings or communities. For example, where it will be difficult to manage or contain an outbreak because of a high risk of rapid spread, or where there is a high risk of serious illness if people are infected.

RACFs have been prioritised for outbreak planning

The Department developed a RACF outbreak plan in consultation with the aged care sector. The plan was completed in July 2020 and updated in August 2020. The Department tested the outbreak plans with 17 representatives from 6 RACFs on 12 August 2020, running

⁵ Department of Health, 2020, *COVID 19: WA Integrated Outbreak Containment and Response Plan*, pp. 4–5.

through scenarios, and incorporated lessons identified in the updated plan. The Department intends to review the plan each month.

The plan includes a phased response:

- Phase 1 - outbreak prevention and preparedness
- Phase 2 - outbreak standby and monitoring
- Phases 3 and 4 - outbreak response⁶
- Phase 5 - outbreak recovery.

The Deputy Chief Health Officer (Public Health) activates the outbreak response (Phases 3 and 4) upon receiving notification of a positive COVID-19 result, and the definition of an outbreak being met.⁷ The RACF is responsible for leading and managing the response, which is overseen by the Department, the Commonwealth Department of Health, and the Aged Care Quality and Safety Commission.

The Public Health Emergency Operation Centre in the Department will establish a RACF Outbreak Management Team to support the RACF in controlling an outbreak. The team is required to meet daily, and includes the management of the RACF, the State Manager of the Commonwealth Department of Health, and clinical and public health representatives from the Department.

The RACF Plan states that in the event that a resident tests positive for COVID-19 treatment in place is preferred over admission to hospital. The Department considers that acute hospitals are not well equipped or suited for treating elderly COVID-19 patients and that treating residents within the RACF results in better care and health outcomes.

RACF residents that test positive will be transferred to hospital if there is a clinical need. This may be a collaborative decision between the Department's geriatrician, the resident's general practitioner and their family. The Department will also take into account the specific environment of a RACF. For example, the ability to isolate COVID-19 positive residents, in deciding whether to transfer them to hospital.

The Department has deliberately not established precise triggers for some decisions. For example, for when:

- an Aged Care Response Centre will be established if outbreaks occur across multiple RACFs and across multiple sites
- the Department will take over the health response within a RACF.

The Department considers that loosely defined triggers provide WA Health with flexibility to consider other priorities in the community depending upon how the outbreak is evolving.

The Department has assessed RACFs preparedness and developed training

The Commonwealth Aged Care Safety and Quality Commission provided information to the Department on RACF preparedness. The Department used this information, and information from their own interactions with RACFs, to inform preparedness and training activities for the sector.

⁶ The Department has combined Phase 3 and 4 to reflect the rapid escalation that would be required from initial action (Phase 3) to targeted action (Phase 4) once an outbreak is detected.

⁷ The RACF Plan applies the definition used by the Communicable Diseases Network Australia. CDNA has defined a COVID-19 outbreak in a RACF as 'a single confirmed case of COVID-19 in a resident, staff member or frequent attendee of a RACF.' Source: *CDNA National Guidelines for Public Health Units*, version 2.11 published 22 May 2020, section 6.

The Department has prepared [guidelines](#)⁸ and an [information pack](#)⁹ for RACFs, which are available on its website. The Department advised us that it is in the process of conducting face-to-face training on infection control with about 27 facilities that it judged needed the most support, and has developed a training package to roll out to the rest of the sector through on-line materials and train-the-trainer.

Public reports indicate that poor use of PPE contributed to outbreaks in RACFs in other jurisdictions.¹⁰ The Minister for Health and the Director General of the Department held an open-forum meeting with the aged care sector in August 2020. The forum highlighted that RACFs were having difficulties accessing PPE. In response, the Department told us it was in the process of making 20 sets of PPE available to each RACF in WA for aged care worker training purposes.

Governance arrangements for outbreak response in RACFs

The Commonwealth Government is responsible for funding and regulating RACFs in Australia. RACFs are responsible for outbreak management, including infection control, in their facilities, with the WA Government responsible for public health across WA.

In this context, National Cabinet has committed to actions and joint Commonwealth-State plans will be developed. Key elements of which include:

- an audit of the State's aged care emergency response capabilities
- undertaking face-to-face infection control training with RACFs
- preparing for the establishment of coordination centres.

⁸<https://ww2.health.wa.gov.au/-/media/Files/Corporate/general-documents/Infectious-diseases/PDF/Coronavirus/COVID-19-Guidelines-for-the-Western-Australian-Residential-Aged-Care-Sector.pdf>

⁹<https://ww2.health.wa.gov.au/-/media/Corp/Documents/Health-for/Infectious-disease/COVID19/COVID19-Residential-Aged-Care-Info-Pack.docx>

¹⁰ Gilbert, L. and Lilly, A., 2020, *Newmarch House COVID-19 Outbreak: Independent Review Final Report*, pp. 23-24.

Recommendations

1. The Department of Health should:

- a. make sure its preparedness plans and other public health responses are proportionate to health risks identified by up-to-date information about COVID-19, including hospital and ICU admission rates, best practice treatment protocols, and other known risk factors relevant to the WA population

Department response: Response preparedness for COVID-19 is broader than hospitalisation and ICU admission rates. There is a significant focus on this in the report; however there are also prevention and public health interventions ahead of acute healthcare service provision which are arguably just as relevant for WA.

Risk profiling and modelling from the beginning of the COVID-19 response in WA indicated extreme ratings with severe consequences.

The Department believes and continues to believe its response is proportionate, based on Chief Health Officer advice.

- b. enhance transparency, particularly while in the State of Emergency, through regular provision of information to Parliament and the public about what advice and other sources it uses to prepare and update surge and outbreak plans which inform its public health response options

Department response: A response needs to be proportionate and relevant to the health risks of the population. Other situational factors need to be considered in responses.

The Minister for Health may wish to consider additional reporting to Parliament.

- c. ensure its surge planning for the delivery of pathology services covers all potential ICU beds in public and private hospitals listed in its *Ventilated Bed Capacity Framework*

Department response: Private pathology providers have confirmed their capacity to provide COVID-19 testing and pathology services to hospitals they are contracted to and that are included in the *Ventilated Bed Capacity Framework*.

- d. document how it will maintain quick turnaround of COVID-19 test results in the event of a surge in cases.

Department response: An overall COVID-19 testing surge plan is currently well in development which will aim to assure a 24 hour turnaround time, including the role and capacity of public and private pathology providers.

PathWest has confirmed the *Public Pathology Capacity Framework* was developed with the intent to maintain a 24 hour turnaround time to result.

Review focus and scope

This limited assurance review forms part of our increased focus on the State's COVID-19 response.

The objective of this first transparency review was to provide information to Parliament and the public over the status of WA Health's COVID-19 response preparedness. We focused on determining the current status of each of the following areas identified as important for health system preparedness since the start of the pandemic:

- ventilated bed capacity
- essential supplies (including PPE)
- staff recruitment and training
- COVID-19 infection testing and contact tracing
- residential aged care and other vulnerable sector health response plans.

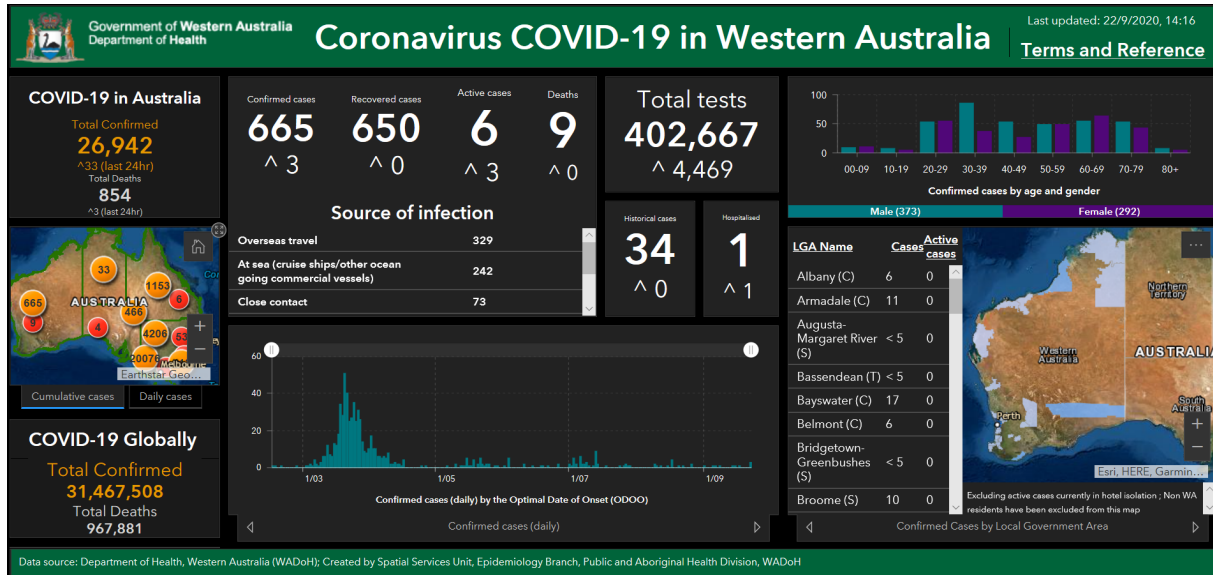
In conducting the review we:

- reviewed COVID-19 surge and outbreak plans
- analysed the data inputs used to generate surge plans
- interviewed key staff from the Department of Health, including members of the Public Health Emergency Operations Centre, and the State Health Incident Coordination Centre
- met with COVID-19 planning teams and other staff at Fiona Stanley Hospital and Royal Perth Hospital
- drew on the work undertaken as part of our recent financial audit cycle of health entities.

This was a limited assurance direct engagement, conducted under Section 18 of the *Auditor General Act 2006*, in accordance with the Standard on Assurance Engagements ASAE 3500 *Performance Engagements* issued by the Australian Auditing and Assurance Standards Board. We complied with the independence and other ethical requirements relating to assurance engagements. The approximate cost of undertaking the limited assurance review was \$108,500.

Appendix 1: COVID-19 public information

The Department publishes daily statistics on cases of COVID-19 in WA, through a dashboard and a daily media statement. The dashboard includes statistics on the total number of cases, number of historical cases, sources of infection, and the number of tests conducted in WA. It also presents the number of cases and deaths for Australia and globally (see [Department of Health website](#)).



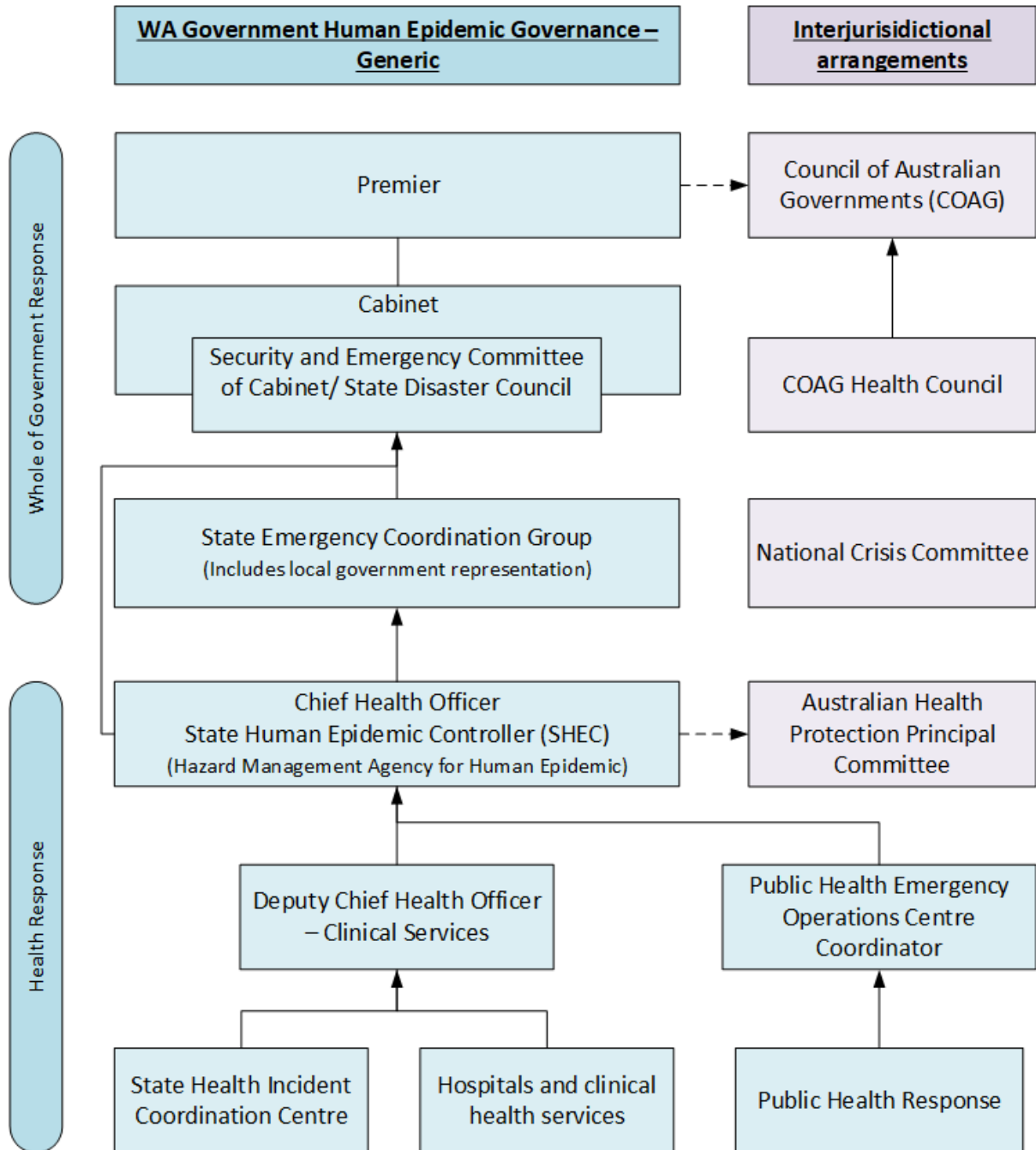
Source: [Department of Health website](#)

COVID-19 daily snapshot, at 23 September 2020

The dashboard allows the public to see the number of WA cases broken down by gender and age, geographic area, and source of infection. Infection sources are divided into 5 categories: overseas travel, interstate travel, at sea (cruise ship/other ocean going commercial vessels), close contact and unknown source. The current reporting does not distinguish between sources of close contact (for example, hospitals, workplaces, general community).

The Department has also published daily media statements on COVID-19 cases since March 2020. The media statements provide information on the number of new cases overnight, their age and gender, infection source, and health status (for example, hospitalisations). The media statements provide some descriptive information, such as whether the cases are a family group, and if relevant, from where travellers had returned.

Appendix 2: Western Australian governance arrangements and interaction with the Australian Government



Auditor General's 2020-21 reports

Number	Title	Date tabled
4	Managing the Impact of Plant and Animal Pests: Follow-up	31 August 2020
3	Waste Management – Service Delivery	20 August 2020
2	Opinion on Ministerial Notification – Agriculture Digital Connectivity Report	30 July 2020
1	Working with Children Checks – Managing Compliance	15 July 2020

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Western Australia

8.4 2019/20 Year end Results

Committee	5 October 2020
Owner	City of Nedlands
Employee Disclosure under section 5.70 Local Government Act 1995	Nil.
Director	Lorraine Driscoll – Director Corporate & Strategy
Attachments	Nil.
Confidential Attachments	Nil.

Lorraine Driscoll, Director Corporate & Strategy provided an update during the meeting of the draft 2019/20 results and matters relating to Accounting Standards. Also advised that the Draft Statements had been submitted on 30th September as required and that the City had not yet received the Management Letter.

9. Urgent Business Approved By the Presiding Member or By Decision

Nil.

10. Confidential Items

The Committee did not vote to go behind closed doors.

10.1 Business Platform (Finance) and Outsourced Payroll Services

Committee	5 October 2020
Applicant	City of Nedlands
Employee Disclosure under section 5.70 Local Government Act 1995	Nil.
Director	Lorraine Driscoll – Director Corporate & Strategy
Attachments	Nil.
Confidential Attachments	Nil.

Regulation 11(da) – Not Applicable – Recommendation Adopted.

Moved – Councillor Senathirajah
 Seconded – Mr Setchell

That the Recommendation to Committee be adopted.
 (Printed below for ease of reference)

CARRIED UNANIMOUSLY 5/-

Committee Recommendation / Recommendation to Committee

The Committee notes that Administration will be carrying out the following process:

1. Initiate market research under the WALGA panel of suppliers of these services ;
2. Preparation of Tender documentation for the business platform (Finance);
3. Preparation of Tender Documentation for outsourced payroll services;
4. Submission to the WALGA Panel (Business Platform) and a Request for Tender to the open market (Payroll Services);
5. Evaluate Respondents; and
6. Submit recommendations to CEO/ Council.

Post meeting update; The City will be exempt from the requirement to go to tender should it identify an appropriate supplier from its market research of members of the WALGA panel.

Discussion/Overview

The City's business platform is out of date and not meeting the it's needs. The 2020/21 budget included funds for a replacement finance system. It is intended to go to market to obtain a new service for the next 5-7 years. To do this the City is investigating options and seeking a solution to meet it's needs now and into the future. Based on what is found a request for quote (RFQ) to the WALGA preferred suppliers of financial systems.

Once an evaluation of all respondents is complete, a recommendation will be provided to the CEO followed by Council. Upon acceptance a contract will be entered into for a period of 5-7 years and it is hoped to have the solution implemented by the new financial year.

Regarding the payroll function the City is seeking to tender to the open market for outsourcing of these services. Upon receipt of the tender respondents an evaluation will then be carried out and a recommendation to the CEO followed by Council.

Outsourcing of payroll aligns with the CEO's Key Results Area for reducing employee numbers and costs.

Strategic Implications

How well does it fit with our strategic direction?

This course of action will enable the City to obtain the best solution from the selection that is on offer under the WALGA Panel and open market. It is hoped that it will provide a better outcome to the activities around the business, finance and pay. Improving efficiency and productivity.

Who benefits?

The new platform will enable to the City to provide a better outcome to the community, providing a more up to date platform to carryout our work.

Does it involve a tolerable risk?

All new systems have a level of risk due to change. This is tolerable and to mitigate any risk we intend to utilize out staff in the implementation. Increasing the City's understanding of the solution while backfilling with contractors in day to day work. There will be a period of parallel running to ensure all systems are working as expected before then going live in the new financial year.

Do we have the information we need?

The City has been carrying out investigations around the different solutions available guided by a Manager Business Systems in place to better position the City to understand the technical aspects of adoption of new solutions.

Budget/Financial Implications

Can we afford it?

There is an approved budget to obtain and implement the proposed solutions. On appointment of the contract there will be a need for to Council to allocate an annual budget to maintain the service over a period of the contract. It is likely that the solution will be provided as a service, Platform as a Service (PaaS).

11. Date of next meeting

The next meeting of the Audit & Risk Committee will be held on 9 November 2020 at 5.30 pm.

Declaration of Closure

There being no further business, the Presiding Member declared the meeting closed at 6.29 pm.