



**AUDIT & RISK MANAGEMENT COMMITTEE MEETING
HELD AT THE CIVIC CENTRE – KATHERINE
& VIA ZOOM VIDEOCONFERENCING
MONDAY, 7 JUNE 2021
AGENDA**

1.		PRESENT
2.		OPENED
3.		APOLOGIES
4.		DECLARATION OF CONFLICT OF INTEREST
5.		CONFIRMATION OF PREVIOUS MINUTES
6.		BUSINESS ARISING FROM PREVIOUS MINUTES
7.		REPORT FROM OFFICER 7.1 Review timing of major financial reviews, LTFP, Annual Business Plan, Budget, quarterly results, Asset Management Plan, etc. 7.2 Review and endorse draft Annual Business Plan, Budget, AMP and LTFP (including rating strategy) prior to or after community consultation 7.3 Review format of budgetary, financial performance and management reports to Council 7.4 Review quarterly budgets and financial reports 7.5 Review cyber security systems and reporting
8.		GENERAL BUSINESS
9.		NEXT MEETING To be arranged as part of the 2021/2022 work program
10.		MEETING CLOSED



**AUDIT & RISK MANAGEMENT COMMITTEE MEETING
HELD AT THE CIVIC CENTRE – KATHERINE
12 April 2021**

MINUTES

1 PRESENT

- CHAIRPERSON : Mr Ian Swan (via zoom)
- MEMBERS : Alderman Jon Raynor
: Mr Lokesh Anand – Independent (Via Zoom)
- OFFICERS : Mr Ian Bodill, Chief Executive Officer
: Ms Rosemary Jennings, Director Community Services
: Ms Thea Griffin, Acting Director Infrastructure and Environment
: Ms Donna Jones, Finance Manager
: Mr Ireneo Lalim, Financial Accountant
: Ms Sharna Ross, Human Resources
: Mr Jherry Matahelumual, Executive Assistant/Minute Taker

2 OPENED

The meeting was opened at 10.36am

3 APOLOGIES

- Ms Claire Johansson, Chief Operations Officer (COO)

4 CONFIRMATION OF PREVIOUS MINUTES

- MOVED : Alderman Jon Raynor**
SECONDED : Mr Anand

That the minutes with new amendment of Audit and Risk Management Committee Meeting held on Friday, 13 November 2020 be confirmed as a true and accurate record.

CARRIED 3/0

5 BUSINESS ARISING

- Mr Swan requested an update on grants and support towards the Waste Management Facility. CEO Bodill informed the committee that KTC is looking preparing a plan and once finalised we will be seeking funding. Acting Director Griffin mentioned that this plan may be ready in the next quarter.

6 ITEMS FOR DISCUSSION

6.1 2020/2021 Audit and Financial Position

- Mr Anand suggested the breakdown information in the budget variance should be amended as follow:
 - Gross profit be changed to Gross Income
 - Operating Profit be changes to operating surplus



**AUDIT & RISK MANAGEMENT COMMITTEE MEETING
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12 April 2021**

MINUTES

- Move gross income under Total other income
- Mr Anand queried who owed \$114,808 over 90 days debt? Ms Jones informed the debt is in relation to the rates issue to the Department of Territory Families (owned the building and lease it to St Vincent de Paul) which have been corrected and a back pay of approximately \$45,000 from a cleaning contractor which is now in a two year repayment plan.
- Alderman Raynor queried whether we continue banking with AMP since the interest has gone down. Ms Jones responded that the comparison across all banks is low interest rates/ AMP were the highest at the time. They also limit to the actual \$\$ amount in holdings they will take from individual business and we have reached the limit.

6.2 Reserves

- Mr Anand sought more information on \$8,271,053 Capital Works in progress. Ms Donna Jones explained that Capital Works covers a few major projects that Katherine Town Council is progressing currently such as sportsground, showgrounds, hot springs (final stage works) and Town Square projects. Mr Ireneo Lalim added that the sum is the remaining funds which will be used for the completion of the projects.
- Mr Swan noted the reserves of the Katherine Town Council
- Mr Swan requested updates on the Long-Term Financial Plan (LTFP). Ms Jones explained that the LTFP is part of the 2021/2022 Municipal Plan which was endorsed by the Council for public comment in March 2021 Ordinary Council Meeting. The municipal plan's written submission will close on 21 April. All comments made will be looked at for further update and the final plan will be taken back to Council for adoption in May 2021 Ordinary Council Meeting.
- Mr Swan mentioned that he is very pleased with the Long-Term Financial Plan of the Katherine Town Council.
- Mr Swan suggested that we combine reports in 6.1 and 6.2 and include the Long-Term Financial Plan under the same resolution.

A motion was raised that Audit and Risk Management Committee receive, note and review financial position including reserves and amended Long Term Financial Plan 2020/2030 as true and accurate.

MOVED : Mr Lokesh
SECONDED : Alderman Raynor

CARRIED 3/0

6.3 Audit and Risk Management Committee Work Program

- Mr Swan suggested that item
 - 2.1 (Review and endorse draft Annual Business Plan, Budget, AMP and LTFP (including rating strategy) prior to or after community consultation) and



**AUDIT & RISK MANAGEMENT COMMITTEE MEETING
HELD AT THE CIVIC CENTRE – KATHERINE
12 April 2021**

MINUTES

- 2.2 (Review format of budgetary, financial performance and management reports provided to Council) in the Audit and Risk Management Committee Work Program should be a standard agenda item

- Alderman Raynor suggested that item 3.9 (Review cyber security systems and reporting) should be included in the June's meeting.

A motion was raised that the amended Audit and Risk Management Committee receive and adopt the Audit and Risk Management Committee Work Program 2021/2022.

Moved : Mr Lokesh

Seconded : Alderman Raynor

CARRIED 3/0

9 NEXT MEETING
Monday, 7 June 2021 at 10am

10 CLOSURE OF MEETING
The Meeting was closed at 11.30am

Ian Swan
CHAIR

KATHERINE TOWN COUNCIL



REPORT

NO : 7

FOLDER : P:\Corporate Services\Committee Meetings\Audit and Risk Management Committee

MEETING : AUDIT & RISK COMMITTEE MEETING – (07/06/2021)

REPORT TITLE : General Update

AUTHOR : Kerry Whiting, Director Corporate Services

ATTACHMENT/S : 1. RATING STRATEGY
2. MONTHLY FINANCIAL REPORT
3. CYBER SECURITY REPORT

PURPOSE OF REPORT

This report provides the committee an update on the following work program items that are listed for discussion;

1. Review timing of major financial reviews, LTFP, Annual Business Plan, Budget, quarterly results, Asset Management Plan, etc.
2. Review and endorse draft Annual Business Plan, Budget, AMP and LTFP (including rating strategy) prior to or after community consultation.
3. Review format of budgetary, financial performance and management reports to Council.
4. Review quarterly budgets and financial reports.
5. Review cyber security systems and reporting.

BACKGROUND

Item 1.3 of Audit Work Program - Financial Reporting

The Long Term Financial Plan (LTFP), Municipal Plan & Budget were approved by Council at its Ordinary Meeting on 25th May, 2021. As this document is quite large (over 150 pages), it is recommended committee members access the document on Council's website through the report in the May 2021 Council meeting agenda (item 13.9).

The last quarterly result (budget review) was presented to Council in 2020. Accordingly, there is no new material to present to the committee.

It is noted that Asset Management Plan reporting is not currently available and a development plan is underway to rectify this situation. A plan will be presented to Council / committee to detail the actions and timing being proposed.

Items 2.1, 2.2 & 2.4 of Audit Work Program - Budget & Financial Performance Reporting

This is largely covered in the above items, with the exception of the rating strategy and monthly financial report to Council. The rating strategy report is being presented to the June Ordinary meeting. The draft report is attached for the committee's perusal. The latest financial report to Council as at 30th April is also attached for the committee's perusal.

Item 3.9 of Audit Work Program – Internal Controls and Risk Management Systems

An update on Council's cyber security environment and the activities underway to decrease the level of risk in this area is attached.

OFFICER RECOMMENDATION

That it be recommended to the committee to:

1. Formally receive and note the general update report



Ian Bodill
CHIEF EXECUTIVE OFFICER

KATHERINE TOWN COUNCIL

REPORT



NO :
FOLDER : LOCAL GOVERNANCE / POLICY / POLICY DECISIONS TO BE ACTIONED / POLICY MANUAL UPDATES
MEETING : ORDINARY COUNCIL MEETING – 22 JUNE 2021
REPORT TITLE : KATHERINE TOWN COUNCIL RATING STRATEGY 2021/22
AUTHOR : CASEY ANDERSON, ADMINISTRATION MANAGER
ATTACHMENT/S : KATHERINE TOWN COUNCIL RATING STRATEGY POLICY

PURPOSE OF REPORT

To provide a copy of the Katherine Town Council Rating Strategy for Council's information and its consideration as to its adoption.

BACKGROUND

In order to meet Council's obligations under the *Local Government Act 2019* and the *Local Government Act (Financial Regulations)* Council has produced a rating strategy with a differential rate based on the zone type across the entire municipality and the four (4) waste service levies.

OFFICER RECOMMENDATION

That it be recommended to Council to:

1. Receive, note and adopt the attached amended policy.

Ian Bodill
CHIEF EXECUTIVE OFFICER

RATING STRATEGY



TITLE: RATING STRATEGY

ADOPTED BY: COUNCIL

RESPONSIBILITY: CHIEF EXECUTIVE OFFICER

NEXT REVIEW DATE: 24/06/2021

Version	Decision Number	Adoption Date	History
1	1	27/06/2017	DRAFT
2	2	26/06/2018	1
3	3	08/07/2019	
4	4	29/06/2020	

1. RATING STRATEGY

The Rating Strategy relates to Council ('Katherine Town Council') and, where relevant, operates in conjunction with other related financial policies and procedures.

2. COMMENCEMENT OF STRATEGY

This Strategy will commence from 24/06/2020. It replaces all other strategies, if any, relating to rates (whether written or not).

3. SCOPE

The Strategy relates to all rateable properties as defined in the *Local Government Act*.

4. DEFINITIONS

4.1 In this Strategy:

Act – refer to the *Local Government Act 2008*.

Council – refers to Katherine Town Council.

Regulations – refers to the Local Government (Accounting) Regulations.

5. PURPOSE

The purpose of the rating strategy and associated procedures is to provide considerations that include:

1. Assisting the community to better understand the relationship between Council's strategic plans for the community, its budget and the rates and charges structure.
2. Council's consideration of consistency and comparability in the imposition of rates on various sectors of the community, including but not limited to: residential, commercial, rural and agricultural.
3. Providing clear information around rate setting, thereby gaining greater community understanding of the issues.

6. PRINCIPLES

Rates are a major revenue source for the delivery of the many Council services and activities. Periodically Council will review its approach to the setting of rates, particularly as part of the annual Municipal Plan and Budget and also when reviewing the Long-Term Financial Plan.

There are four main ways that Council raises money to provide infrastructure and services to the community:

- Rates and Charges
- Fees and Charges
- Grants and Subsidies
- Developer contributions and infrastructure charges levied on land being developed to pay for roads and pathways and public recreation.

Council will endeavour to ensure that future rate increases will be both reasonable and consistent across all land types. Council will also continue to actively seek alternate funding sources in an effort to reduce the impact of the rate burden on the community.

Each year Council seeks to raise an amount in general rate revenue that will provide a level of funding to enable Council to meet all of its operating expenses (including depreciation) and to make a significant contribution towards the capital works program.

The Act allows for Council to raise revenue to be spent for the purposes of its operations. Part 11.5 of the Act describes the requirements for the setting of rates. Council is able to raise revenue through a general rate, which applies to all rateable properties. Council may adopt one of three methodologies which include:

1. A fixed amount for each allotment; or
2. An amount (a valuation-based charge) calculated as a proportion of the assessed value of each allotment; or
3. A combination of a fixed charge and a valuation-based charge.

Council is currently using the valuation-based charge. However, under the Act, Council may base the methodology on a specified minimum and the valuation-based charge and state: 'whichever is the greater'. The valuation-based methodology allows Council to take into account the locality of a property and the accessibility to facilities and services.

Council considers the impact of rate increases on residential, commercial, general and light industry, organised recreation, rural and agricultural zones as well as other zones within the municipality. It takes into account the goals set in the Municipal Plan, comments received from the community and the current economic conditions.

Council's rate setting and charges structure are based on the following principles, where applicable:

- **Equity** – Derived from an appropriate balance of the principals of user pays versus capacity to pay.
- **Effectiveness/Efficiency** – defined as meeting the financial, social economic, environmental or other corporate objectives of Council as stated in the Long-Term Financial Plan.
- **Simplicity** – to ensure widespread community or stakeholder understanding and to minimise perceived inequities and hidden costs.
- **Sustainability** – revenue decisions support the financial strategies for the delivery of infrastructure and services identified in Council's Municipal Plan.

Therefore, changes in the valuation of different types of properties and the equity balance of the distribution of the rate burden are reflected in the Council decision to set a differential general rate based on the zone types across the entire municipality.

Katherine Town Council carries out the following processes in order to help determine what level of rates should be charged:

- evaluate and determine the range of services it needs to support the community as a whole; for example, waste management and local roads;
- decide how much money is needed to fund services and infrastructure;
- establish how much funding it can expect to receive from the Federal and Territory governments and other income sources;
- determine how much money is required from rates and charges to cover the balance of expenditures; and
- decide on the best mix of rates and charges to provide services to the community.

Katherine Town Council must level a general or differential general rate on all rateable land. Council sets a rate to be levied equally on the unimproved capital value of the land and is expressed as a number of cents per dollar of valuation or a fixed minimum rate, whichever is the greater. The unimproved capital value that Council uses in this calculation is provided by the Department of Infrastructure Planning & Logistics. The fixed minimum rate component of individual properties will continue to provide approximately 30% of the total rate revenue and the remaining 70% is provided through the differential rates in the dollar.

In recognition of the variation in the level of services provided or available to occupiers of the different zones throughout Council's municipality, a differential rating factor has been applied. In setting the variable rate, Council is mindful to apply consistency across all properties and to ensure that the rate burden does not shift significantly from one zone to another.

Council applies the following differential rating strategies across the entire municipality, according to principal use of the land:

- The assumption that residential properties represent the majority number of properties.
- Acknowledgement that businesses can generate a greater relative consumption of Council's infrastructure and services, therefore being a greater draw on Council's resources.
- Acknowledgement that land owned by community groups and sporting associations are often eligible to receive rate concessions from Council.
- Acknowledgement of the economic and social importance of primary production to the municipality and therefore to support its long-term viability.

Council has four waste collection levies for properties within the municipality.

1. A number of rural properties receive a discounted charge where their property is outside the weekly kerbside collection service area;
2. A number of residential properties receive a discounted charge where the land is certified as vacant and does not require a weekly kerbside collection service;
3. All other properties receive a full charge where the property receives a weekly kerbside collection service; and
4. An additional charge per annum, per additional garbage bin as per written request from a person liable to a charge in respect of a residential dwelling in conjunction with charge for the weekly kerbside collection service referred to in point 3.

Any surplus revenue over expense is kept in a dedicated reserve account for future replacement or upgrades of the Waste Management Facility.

7. CONSEQUENCES OF BREACHING THE RATING STRATEGY

Any breach of the Strategy for employees may result in disciplinary action, including, but not limited to, issue of a warning, demotion, suspension or termination of employment and Elected Members disciplinary action in accordance with the *Local Government Act*.

8. KATHERINE TOWN COUNCIL CONTACT

Any questions about this Policy should be directed to Chief Executive Officer 8972 5500.

VARIATIONS

Katherine Town Council reserves the right to vary, replace or terminate this Strategy from time to time.

ASSOCIATED DOCUMENTS

- Employee and Elected Members - Code of Conduct
- Instrument of Delegations Manual
- *Local Government Act 2008*
- Local Government (Accounting) Regulations
- Multiple Dwelling Policy
- Rates Concession Policy

POLICY VERSION AND REVISION INFORMATION

Policy Authorised by: Ian Bodill	Original issue: 27/06/2017
Title: Chief Executive Officer	
Policy Maintained by: Rosemary Jennings	Current version: 4
Title: Executive Manager – Community Services	
Review date: 24/06/2021	

KATHERINE TOWN COUNCIL

DECLARATION OF RATES AND CHARGES FOR 2021/2022

1. Basis of Assessed Value

Pursuant to section 227(1) of the *Local Government Act 2019* (the **Act**), Council adopts the unimproved capital value (as it appears on the valuation roll prepared by the Valuer-General under the *Valuation of Land Act 1963*) as the basis of the assessed value of allotments in the Katherine municipality.

2. General Rate – Declaration

Council declares that in respect to the financial year ending 30 June 2022 Council intends to raise \$7,884,577.80 in rates for general purposes which will be raised by the application of differential valuation-based amounts (**differential rates**) with differential minimum amounts (**minimum amounts**) being payable in application of each of those differential rates.

3. Basis of Rate Calculation

Council hereby declares the following differential rates and minimum amounts payable in the application of those differential rates for the financial year ending 30 June 2022:

- a) In respect of the allotments of rateable land set out in the differential rates schedule (the schedule) below rates are calculated by multiplying the applicable differential rate, as specified in the schedule below, by the assessed value of each allotment of rateable land within those parts of the municipality being the different planning zones described alongside the applicable rate in the schedule below with a minimum amount payable in the application of that rate being \$1,274.27 multiplied by the greater of:
 - i) the number of separate residential parts or units that are adapted for separate occupation or use pursuant to section 226(5) of the Act on each such allotment of rateable land; and
 - ii) the number 1.

DIFFERENTIAL RATE	ZONES ACCORDING TO NT PLANNING SCHEME
0.01679160	Low Density Residential (LR)
0.01581607	Low-Medium Density Residential (LMR)
0.01572421	Medium Density Residential (MR)
0.01737290	Specific Use 1 (SK1)

0.00236278	Agriculture (A)
0.00483665	Water Management (WM)
0.00341401	Rural (R)
0.00626842	Rural Living (RL)
0.02641046	Community Living, Community Purpose (CL, CP)
0.02670087	Specific Use 2, Specific Use 3 (SK2, SK3)
0.02916792	Central Business 1 (CB1)
0.02155519	Central Business 2 (CB2)
0.02935652	Central Business 3 (CB3)
0.02280092	Commercial (C)
0.04300110	Service Commercial (SC)
0.25485455	Future Development (FD)
0.15289452	Railway (RW)
0.02668240	Caravan Parks (CV)
0.03140270	Tourist Commercial (TC)
0.01713244	Light Industry (LI)
0.01607557	General Industry (GI)
0.01075158	Organised Recreation (OR)

- b) In respect of rateable land within that those parts of the municipality known as Binjari Community and RAAF Base Tindal, rates will be raised by application of a differential rate of 0.00000001 multiplied by the minimum amount payable in the application of that rate being \$1,274.27 multiplied by the greater of:
- the number of separate residential parts or units that are adapted for separate occupation or use pursuant to section 226(5) of the Act on each such allotment of rateable land; and
 - the number one (1).
- c) In respect of rateable land within that part of the municipality over which there is a pastoral lease as defined in the *Pastoral Land Act 1992*, rates will be raised by the application of a differential rate of 0.000306 multiplied by the assessed value of the land within each such pastoral lease with a minimum amount payable in the application of that rate being \$376.45.
- d) In respect of rateable land within that part of the municipality that is subject to a mining tenement, rates will be raised by the application of a differential rate of 0.003475 multiplied by the assessed value with a minimum amount payable in the application of that rate being \$890.96 and on the basis that:

- i) contiguous tenements or reasonably adjacent tenements held by the same person are to be rated as if they were a single tenement; and
- ii) if the owner of the mining tenement is also the owner of another interest in land (the **other interest**) then:
 - a) if the rate calculated in accordance with this paragraph (d) is less than or equal to the rate payable for the other interest - no rate is payable for the mining tenement; or
 - b) if the rate calculated in accordance with this paragraph d) (**amount A**) is greater than the rate payable for the other interest (**amount B**) - the rate payable for the mining tenement is the difference between amount A and amount B.
- e) In respect of all other rateable land within the municipality (including allotments not covered by the NT Planning Scheme), rates will be raised by application of a differential rate of 0.00212454 multiplied by the assessed value of each allotment of rateable land within that part of the municipality with a minimum amount payable in the application of that rate being \$1,274.27 multiplied by the greater of:
 - i) the number of separate residential parts or units that are adapted for separate occupation or use pursuant to section 226(5) of the Act on each such allotment of rateable land; and
 - ii) the number one (1).

4. Waste Management Charges

Pursuant to section 239 of the Act, Council declares the following charges for the purpose of enabling or assisting Council to meet the cost of garbage collection and the waste disposal service it provides for the benefit of residential land within the municipality and the occupiers of such land.

Council intends to raise \$1,364,447.44 by these charges.

For the purpose of this paragraph:

- “Residential dwelling” means dwelling house, flat or other substantially self-contained residential unit or building on residential land used or capable of being used for residential purposes and includes a unit within the meaning of the *Unit Titles Act 1975* and the *Unit Titles Schemes Act 2009*.
- “Residential land” means land used or capable of being used for residential purposes.

The following charges are declared:

- a) A charge of \$375.83 per annum per residential dwelling in respect of the waste management service provided for the benefit of, or which Council is willing and able to provide for the benefit of, each residential dwelling within the municipality other than residential dwellings described in paragraphs b) and c).

The waste management service shall consist of:

- i) a kerbside collection service of one (1) garbage collection service per week, collecting waste contained in a maximum of one 240 litre mobile garbage bin per garbage collection visit; and
 - ii) unlimited access by the occupiers of residential dwellings within the municipality to Council's Waste Management Facility (Dump) solely for the deposit of waste generated from such residential land, excluding items declared as pay per disposal in Council's Fees & Charges Structure 2021/22.
- b) A charge of \$133.35 per allotment of land in respect of the waste management service provided for the benefit of residential land within the municipality, being residential land:
- i) on which Council is advised in writing by the landowner and it is confirmed that there is no residential dwelling; and
 - ii) to which Council is willing and able to provide a weekly kerbside collection service; and
 - iii) on which no commercial enterprise is conducted.

The waste management service for such allotments shall consist of unlimited access to Council's Waste Management Facility (Dump) solely for the deposit of waste generated from such residential land, excluding items declared as pay per disposal in Council's Fees & Charges Structure 2021/22

- c) A charge of \$133.35 per allotment of land in respect of the waste management service provided for the benefit of residential land within the municipality and the occupiers of such land being residential land:
- i) to which Council is either not willing or not able to provide a weekly kerbside collection service; and
 - ii) on which no commercial enterprise is conducted.

The waste management service for such allotments shall consist of unlimited access to Council's Waste Management Facility (Dump) solely for the deposit of waste generated from such residential land, excluding items declared as pay per disposal in Council's Fees & Charges Structure 2021/22.

- d) Where, in response to a written request from a person liable to a charge in respect of a residential dwelling, Council approves the request and provides an additional service in the form of the weekly kerbside collection of waste in one or more additional 240 litre mobile garbage bins, a charge of \$375.83 per annum, per additional garbage bin shall apply to that residential dwelling.

The additional waste management service shall consist of the provision and collection of waste in the number of additional 240 litre mobile garbage bins approved by Council in response to such written request, which charge shall be levied and paid in conjunction with the charge for the weekly kerbside collection service referred to paragraph a).

5. Payment of Rates & Charges

That, pursuant to section 244 of the Act, Council determines that rates and charges for the year 1 July 2021 to 30 June 2022 inclusive, shall be due and payable by four approximately equal instalments on the following dates, namely:

First Instalment - 30 September 2021

Second Instalment - 30 November 2021

Third Instalment - 31 January 2022

Fourth Instalment - 31 March 2022

- a) Payment of all or any remaining instalments may be made on or before the due date of the next instalment. Instalments falling due on a weekend or public holiday may be paid by the following business day, without incurring any penalty.
- b) In accordance with section 243 of the Act, Council determines that the benefit to be given for the prompt payment of rates and charges and to encourage the early payment for the financial year ending 30 June 2022 shall be the conduct of an 'Early Bird Draw' whereby Council will offer a monetary prize to one (1) eligible ratepayer selected from the draw in an amount being the lesser of the current year's rates and \$700 subject to the following conditions:
 - i) That the total amount of all rates and charges levied for the financial year ending 30 June 2022 in respect of any parcel of rateable land owned by the winning ratepayer, together with arrears (if any) must have been paid in full on or before the 30 September 2021.
 - ii) The payment will not extend to any part of the waste management charge.
 - iii) All Government agencies, Council Councillors and Council employees are excluded from the draw.
 - iv) The winning ratepayer shall be notified by post.

6. Interest and Penalty for Late Payment

That pursuant to section 245 of the Act, Council determines that the relevant interest rate which accrues on overdue rates and charges will be 9% per annum.

7. Recovery of Outstanding Rates & Charges

Pursuant to section 254 a ratepayer who fails to pay rates and charges on the due date for payment may face legal action for recovery of the principal amount of the rates and charges, interest accrued on the late payment and costs reasonably incurred by Council in recovering or attempting to recover rates and charges. Under section 258 of the Act, if rates and charges have been in arrears for at least three (3) years, and an Overriding Statutory Charge securing liability for the rates and charges has been registered for at least six (6) months, Council may sell the land.



CERTIFICATION OF ASSESSMENT RECORD

SECTION 24 – Local Government (Accounting) Regulations

Formatted: Highlight

I, Ian Bodill, Chief Executive Office of Katherine Town Council certify to Council that to the best of my knowledge, information and belief, the assessment record is a comprehensive record of all rateable land within the Municipality of Katherine.

Ian Bodill
CHIEF EXECUTIVE OFFICER

Date

KATHERINE TOWN COUNCIL



REPORT

NO	:	
FOLDER	:	LOCAL GOVERNANCE/ORDINARY COUNCIL MEETING/REPORTS TO COUNCIL/FINANCIAL REPORT
MEETING	:	ORDINARY COUNCIL MEETING – 25 TH MAY 2021
REPORT TITLE	:	MONTHLY FINANCIAL REPORT – APRIL 2021
AUTHOR	:	DONNA JONES – FINANCE MANAGER
ATTACHMENT/S	:	1. FINANCIAL REPORT EXECUTIVE SUMMARY 2. STATEMENT OF BUDGET COMPARISON 3. CASH AND INVESTMENT REPORT

PURPOSE OF REPORT

To receive and note the monthly financial report prepared by the Corporate Services Team.

BACKGROUND

The Local Government (Accounting) Regulations 18 states:

- (1) *The CEO must, in each month, lay before a meeting of the council a report, in a form approved by the council, setting out:*
 - (a) *the actual income and expenditure of the council for the period from the commencement of the financial year up to the end of the previous month;*
- (2) *The report must include:*
 - (a) *details of all cash and investments held by the council (including money held in trust);*
 - (b) *a statement on the debts owed to the council including the aggregate amount owed under each category with a general indication of the age of the debts; and*
 - (c) *other information required by the council.*
- (3) *If a council does not hold a meeting in a particular month, the report is to be laid before the council committee performing the council's financial functions for the particular month.*

To Note:

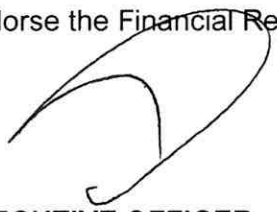
Aged Receivables are now only being reported for previous three years, even though Council will retain these debtors on our system for future reference.

Weighbridge accounts have not been processed for the end of April and will reflect in the May reports.

OFFICER RECOMMENDATION

That it be recommended to Council to:

1. Endorse the Financial Report for the month of April 2021.

A handwritten signature in black ink, appearing to be 'Ian Bodill', written over the first item of the list.

Ian Bodill
CHIEF EXECUTIVE OFFICER

Budget Variance
Katherine Town Council
For the month ended 30 April 2021

	April Actual	April Budget	YTD Actual	YTD Budget	Var %	Full Budget
Income						
Net Gain/Loss Assets - Gross sales revenue of asset	\$23,000	\$0	\$35,000	\$0	7%	\$0
Operating grants	\$147,352	\$183,423	\$1,507,288	\$1,507,288	-100%	\$1,471,790
Other Income	\$0	\$15,608	\$0	\$156,080	-16%	\$187,298
Other Revenue	\$32,860	\$26,750	\$367,418	\$436,817	-2%	\$508,317
Rates	-\$61,151	\$0	\$8,684,003	\$8,833,347	9%	\$8,833,347
Statutory charges	\$1,421	\$1,600	\$52,571	\$48,206	-11%	\$51,106
User Charges	\$69,148	\$126,276	\$1,116,654	\$1,261,349	-3%	\$1,513,465
Total Income	\$212,630	\$353,657	\$11,762,935	\$12,141,589	-3%	\$12,565,323
Gross Profit	\$212,630	\$353,657	\$11,762,935	\$12,141,589	-3%	\$12,565,323
Plus Other Income						
Grant - Binjari Services - Operational NT - Dept Local Gov, Housing & Comm Dev	-\$461	\$0	\$138,639	\$0	0%	\$0
Grant - Jerry the Junk Man - Special Purpose NT - Dept Environ Natural Resources	\$0	\$0	\$45,144	\$45,144	0%	\$45,144
Grant - RCR - Australia Day Grant - Special Purpose Grant	\$0	\$0	\$4,000	\$0	0%	\$0
Grant - SCALE - Special Purpose - NT - Dept Local Gov, Housing & Comm Dev	\$0	\$0	\$25,192	\$17,883	41%	\$17,883
Grant - School Holiday Program - Special Purpose NT - Chief Minister	\$0	\$0	\$1,000	\$0	-43%	\$0
Grant - Seniors Morning Tea - Special Purpose - NT - Territory Families	\$0	\$0	\$40,000	\$70,000	-43%	\$70,000
Operating Grants and Subsidies	\$0	\$0	\$296,872	\$133,027	123%	\$133,027
Total Other Income	-\$461	\$0	\$296,872	\$133,027	123%	\$133,027
Less Operating Expenses						
C Closure of waste management facility	\$0.00	\$0.00	\$65,000.00	\$0	0%	\$0
C Waste Transfer Station New/Modification of existing WMF	\$0	\$0	\$27,409	\$0	0%	\$0
Elected Members	\$16,765	\$20,677	\$162,578	\$206,770	-21%	\$248,124
Employee Costs	\$365,200	\$396,347	\$3,695,780	\$4,722,233	-22%	\$5,704,405
Materials and Services	\$282,383	\$440,581	\$3,665,319	\$5,382,218	-32%	\$6,235,765
Other Expenses	\$0	\$71,650	\$0	\$716,500	-100%	\$859,781
Total Operating Expenses	\$664,349	\$929,255	\$7,616,086	\$11,027,721	-31%	\$13,048,075
Operating Profit	-\$452,180	-\$575,598	\$4,443,721	\$1,246,895	256%	-\$349,725
Non-operating Income						
C CBD Transfer from restricted capital reserves to grant capital budget	\$0	\$0	\$2,871,928	\$2,796,365	3%	\$2,796,365
C Grant for oval - Dept Tourism, Sport and Culture	\$0	\$0	\$133,668	\$133,668	0%	\$133,668
C Showgrounds Transfer from restricted capital reserves to capital grant budget	\$0	\$0	\$1,200,266	\$1,200,265	0%	\$1,200,265
C Sportsgrounds Transfer from restricted capital grants reserve to grant capital budget	\$0	\$0	\$4,258,491	\$4,258,491	0%	\$4,258,491
Grants Commonwealth Capital - Other	\$0	\$0	\$1,637,409	\$1,493,085	10%	\$2,993,085
Grants Commonwealth Capital - Roads to Recovery	\$0	\$0	\$593,963	\$495,053	20%	\$556,363
NT Financial Assistance Grant Roads - Other	\$0	\$0	\$183,930	\$238,698	-23%	\$318,266
O SCALE GRANT	\$0	\$0	\$2,269,777	\$609,834	272%	\$609,834
Total Non-operating Income	\$0	\$0	\$13,149,433	\$11,225,459	17%	\$12,866,337
Non-operating Expenses						
MS - Streetlights repairs	\$51,168	\$0	\$51,168	\$0	4%	\$0
O SCALE funding	\$0	\$0	\$636,177	\$609,834	-4%	\$609,834
O Tyre fire remediation works at the showgrounds	\$0	\$0	\$4,994	\$250,000	-98%	\$250,000
O Waste facility site investigations	\$0	\$0	\$1,500	\$250,000	-99%	\$250,000

Capital Works																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																				
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CASH AND INVESTMENTS 30 April 2021

GENERAL FUND

Commonwealth Bank

Balance as per bank statement, 30th April
 Plus net outstanding deposits/(withdrawals)
 Adjusted cash at bank balance, 30 April 2021

\$

2,399,833
 7,500
2,407,333

EFTPOS terminals for 305

INVESTMENTS

FINANCIAL INSTITUTION	PRINCIPAL \$	INTEREST		EFFECTIVE DATE	MATURITY DATE	FINANCIAL INSTITUTION TOTALS \$	FINANCIAL INSTITUTION %
		RATE %					
AMP	1,036,639	0.50		on call	on call		
AMP	2,135,026	0.60		16-Mar-21	14-Jul-21		
AMP	1,103,890	0.50		on call	on call		
AMP	3,542,111	0.60		16-Mar-21	14-Jul-21		
AMP	1,076,259	0.39		12-Jan-21	12-Jul-21	8,893,926	45.44%
Commonwealth Bank	576,942	0.20		on call	on call		
Commonwealth Bank	337,977	0.20		on call	on call	914,919	4.67%
National Bank	3,812,056	0.25		19-Apr-21	19-Jul-21		
National Bank	2,481,758	0.33		19-Jan-21	18-Jun-21	6,293,814	32.15%
Westpac Bank	898,272	0.27		9-Dec-20	9-May-21		
Westpac Bank	2,573,033	0.35		14-Dec-20	14-Jul-21	3,471,305	17.73%
Total Investments						19,573,964	100.00%
Total Funds						21,981,297	

Internally Restricted Funds

	\$
WMF Renewal Reserve	6,462,862
Capital Renewal Reserve	4,987,647
Contingency reserve	1,000,000
Municipal election reserve	100,000
Emungalan Road Bridge	700,000
Council motion reserve	600,515
Provision for Employees	650,581
My Katherine discounts	25,000
Hotsprings Revitalisation	265,680
	<hr/>
	14,792,285
	<hr/>
Unrestricted funds	5,964,602
Unexpended capital grants	1,224,410
	<hr/>
	\$ 21,981,297
	<hr/>

Financial Report Executive Summary

The following is a summary of the key issues and developments year to date.



On track



Monitoring



Items to note

Summary



The overall operating result to date has remained constant. Forecast income to expenditure for the financial year is reviewed monthly.



Cash Position- continues to be monitored weekly along with review of investments.



Outstanding Debtors work continues to reduce the arrears on rates and accounts



Outstanding Debtors - arrear debts for previous three years only reported on Regulatory Infringements going forward on this report.

The table below shows the amount of debtors outstanding for the current and previous month.

Debtors Analysis

The table below shows the amount of debtors outstanding for the current and previous month. Debtors have shown an overall decrease across all categories. **Please note** that Infringement (Animal, Parking and Litter/Camping) debts are only reported now for previous three years

	Mar-21	Apr-21
Rates debtors	1,336,092	1,117,580
Sundry debtors	161,063	76,736
Weighbridge debtors	90,057	94,164
Infringement - Animal	9,370	9,117
Infringement - Parking	3,549	2,918
Infringement - Litter/Camping	268	268
Total outstanding	1,600,399	1,300,783

Rates Debtors Analysis

Final installment of 2020/2021 rates has now passed and action continues with follow up of rates in arrears and repayments plan established for residents to assist in repaying outstanding debt. Rates for 2020/2021 year are continuing to be repaid by Direct Debits for customers who establish these over 12 month period which will see rates balance continue to reduce over next two months.

Sundry Debtors Age Analysis

The table below compares age analysis of current, 30 days, 60 days and 90 days for the month of April 2021.

	Mar-21	Apr-21
Current	30,502	22,820
Over 30 days	22,082	3,097
Over 60 days	2,341	9,994
Over 90 days	106,138	40,825
Total	161,063	76,736

Correction of duplicated invoice in >90 days has resulted in this reduction of long term debt. (duplicate was held in rates and is still outstanding). Overall our outstanding debts are continuing to reduce and will be monitored on going.

Weighbridge Debtors Age Analysis

The table below compares age analysis of current, 30 days, 60 days and 90 days for the month of April 2021.

	Mar-21	Apr-21
Current	54,861	41,033
Over 30 days	19,863	30,020
Over 60 days	306	7,402
Over 90 days	15,026	15,708
Total	90,057	94,164

Final two weeks weighbridge accounts for April have not been issued when this report was run due staffing. These will reflect in the May report once processed.

DEBTORS REPORT

30 April 2021

Category	Current \$	30+ days \$	60+ days \$	90+ days \$	TOTAL \$
Sundry	\$ 22,820	\$ 3,097	\$ 9,994	\$ 40,825	\$ 76,736
Weighbridge	\$ 41,033	\$ 30,020	\$ 7,402	\$ 15,708	\$ 94,164
Total	\$ 63,854	\$ 33,117	\$ 17,395	\$ 56,533	\$ 170,900

Infringements	Current \$	30+ days \$	60+ days \$	90+ days \$	TOTAL \$
Animal	\$ -	\$ 420.00	\$ 135.00	\$ 8,562	\$ 9,117
Parking	\$ -	\$ -	\$ -	\$ 2,918	\$ 2,918
Litter	\$ -	\$ -	\$ -	\$ 268	\$ 268
Camping	\$ -	\$ -	\$ -	\$ -	\$ -
Total				\$ 12,303	\$ 12,303

	Current \$	Arrears incl interest & legal fees \$	TOTAL \$
Rates	\$ 449,593	667,987	\$ 1,117,580
Grand Total			<u>\$ 1,300,783</u>

This report is to provide a summary of the current security measures in place to protect Katherine Town Council (KTC) from Cyber Security threats.

Council has applied the following recommendations:

1. Implemented Backups for Microsoft 365 and OneDrive accounts.
2. Termination process, archiving and storing of old user data.
3. Firewalls for the future state Azure and Microsoft 365 environment.

Council will be implementing the additional recommendations as part of Council's standard processes, whilst working with Emerge IT Solutions to complete a Business Impact Analysis.

At present, Council is applying for Cyber liability cover through Council's insurers. Cyber liability insurance is designed to help protect the organisation from claims and support Council's profitability in the event of a Cyber breach or attack. Costs associated with defending a Cyber claim will also be covered.

In addition to the Cyber liability insurance, Council met with Cyber CX and Emerge IT Solutions to discuss the risks associated around Cyber security and the services they have in place to mitigate potential threats in Local Government. As a result, of the meeting with Cyber CX and Emerge IT Solutions, Council has engaged Phriendly Phishing services.

Phriendly Phishing is an Australian based company which provides awareness and phishing simulation training solutions that teach employees how to identify and respond to common, costly, and difficult security threats such as:

- Phishing
- Spear-phishing
- Ransomware
- Malware and Scams

The 24-month subscription includes baseline testing, S.C.A.M, security awareness training, active reinforcement phishing campaigns, a reporting portal, S.C.A.M reporter Outlook Add-in. The subscription will also include six (6) training modules covering real life hacking techniques with additional courses.

Council aims to invest in employee training, identify security training and best practices, ensure Cyber security awareness as a priority and train employees to recognise phishing and social engineering attacks.

Council will assess the network user's awareness around Cyber security and how they identify potential threats. Council will then facilitate an in-house training schedule whilst simultaneously deploying phishing emails throughout the organisation for a period of twelve (12) months.

An evaluation of the user's baseline will then be reassessed, to find out if the training and phishing campaign outcomes were achieved. There is potential to continue to utilise these services and adopt phishing simulation training schedules as a standard process.

ATTACHMENTS

REPORT - CYBER SECURITY – 2 SEPTEMBER 2020

Presented at the previous Audit and Risk Committee Meeting – 7 September 2020.



eMerge IT Solutions Pty Ltd

ACN 606 238 340 ABN 38 606 238 340
Phone (08) 89728888 Fax (08) 89728899
Email: info@emergeits.com.au

TO: KATHERINE TOWN COUNCIL – Administration Manager

FROM: EMERGE IT SOLUTIONS – Operations Director

SUBJECT: Cyber Security Report

DATE: 2nd September 2020

Introduction:

This report is to provide a summary of the current security measures in place to protect Katherine Town Council (KTC) from Cyber Security threats in relation to the IT infrastructure and systems for which eMerge IT Solutions has visibility.

We acknowledge at this point that KTC have third party systems in place that we do not have complete visibility of, such as CouncilWise, and therefore cannot encompass these items in this report.

At this point, KTC are entering into an upgrade path, which is to be approved, that will ultimately decommission the data centre servers and migrate all files and functions to Microsoft 365 and Azure, therefore this report excellent timing to outline the security measures currently in place and those that are recommended for the future state environment.

Cyber Security Elements:

We consider the elements of good cyber security policy are, in order of least cost/most benefit to most cost:

- Complex password policy
- User administration – Ensure users/groups maintained accurately so that business information is not compromised from unauthorised access
- User termination – ensure user account access is disabled immediately the user finishes their employment. A decision then must be made on what happens to their emails and files under their own profiles, whether to move elsewhere, delete or retain long-term, which has an ongoing license cost. Position based user accounts with a personal email alias are much easier for the business to administer and retain information under the relevant positions.
- Multi Factor Authentication
- Reputable brand of Anti Virus
- An enhanced End Point Detection and Response which will provide recovery position and instantly cut threats from the network
- Email scanning inwards and outwards
- Border security – firewalls
- Backups - No matter how well cyber security is managed, the potential is always present for any business to be compromised by a new threat, or by complacency from existing threats. Backups and Disaster Recovery processes are necessary in order to recover from an incursion, if and when it occurs. (Please refer to the example Business Impact Analysis later in this document)

- Backups for Microsoft 365 email and OneDrive accounts greater than standard period
- SD WAN – Software Defined WAN that essentially is a secure software environment that wraps together all on premise and cloud-based application used by the business into a protected network.

Cyber Status of KTC in regard to Cyber Security Elements:

- Complex passwords
 - KTC currently use a complex password policy
 - Passwords are synchronized between Active Directory (server) and Office 365
 - Password changes are forced at regular intervals every 42, however, some users also have “password to never expire” at the moment
- User administration – Ensure users/groups maintained
 - We consider that the user accounts are reasonably well maintained
 - We recommend that a user account audit be undertaken every three months
 - We recommend that a standard notification form be developed for user additions, changes and deletions, authorised by the appropriate position desired by KTC
- User termination – ensure accounts are disabled immediately the incumbent completes employment, decide on what happens to emails and files under their individual profiles, move elsewhere, delete or long-term retention which has an ongoing license cost
 - We recommend the user termination process include advice as to how to handle old user data
- Multi Factor Authentication
 - This has recently been implemented for Microsoft 365 account access
- Reputable brand of Anti Virus
 - This is currently in place with KTC currently using Solar Winds N-Central AV Defender which is remotely deployed via our Remote Management Agent
- An enhanced End Point Detection and Response which will provide recovery position and instantly cut threats from the network
 - We recommend this enhanced level be considered in order to provide a rollback position that is useful in recovering from Ransomware attacks
- Email scanning in and out
 - This is currently being undertaken by the Firewalls
- Border security – Firewalls
 - A corporate Firewall solution is currently in place at all sites
 - This may need to be reviewed as sites move to Azure and Microsoft 365
- Backups - For email and OneDrive greater than standard period, image backups for servers for quick reconstruction
 - We are not aware of any backups that currently apply to the Microsoft 365 accounts
 - Regarding servers, backups occur nightly for all data centre servers and files, with 45 days held onsite at the data centre and 7 days held offsite in perth
- SD WAN – Software Defined WAN that essentially is a Software Firewall that wraps together all on premise and cloud-based application used by the business into a protected network.
 - This product will be a consideration in the future state environment

Points of consideration relating to the current environment:

With multiple points of presence, we need to be mindful that there are many points of access to the KTC network. That said, we need also cater for a more mobile workforce in cloud-based environments in order to achieve operational efficiency.

We believe ultimately that the focus lies therefore between the balance of risk -v- operational efficiency, and then having robust disaster recovery positions.

At this point in time, all of Councils' operations can be conducted offsite from any of Councils' physical locations.

Moving forward, this will become a much easier and integrated process requiring simply an Internet connection to gain access.

With the planned developments, Council will save the costs of not having to replace physical servers and hardware at the VIC, Library and Works Depot.

A good process to assist with defining a security risk position is the attached Business Impact Analysis. This document guides you to assess what Recovery Time Objectives (how long you are prepared to be offline) and Recovery Point Objectives (how much data you are prepared to lose, e.g. 2hrs, 4hrs, 1day) your business is prepared to accept. Once we establish these desired positions then all changes to your ICT environment can be designed and costed to these parameters. This process also assists with Cyber Security Insurance.

Recommendations:

1. That all user accounts have password changes at forced regular intervals of 90 days
2. That a user account audit be undertaken every three months
3. That a standard notification form be developed for user additions, changes and deletions, authorised by the appropriate position desired by KTC
4. That a user termination process be developed to include advice to eMerge IT as to how to handle old user data
5. That KTC work with EIT to complete a Business Impact Analysis.
6. That KTC consider the enhanced End Point Detection and Response which will provide recovery position and instantly cut threats from the network
7. Implement Backups for Microsoft 365 and OneDrive accounts
8. Review requirement for Firewalls for the future state Azure and Microsoft 365 environment
9. Investigate options for Software Defined WAN for the future state environment

Thank you, if you have any questions please ask and I will answer as soon as possible.



Kevin Grey
Operations Director
eMerge IT Solutions Pty Ltd

BUSINESS IMPACT ANALYSIS

Business impact analysis (BIA)

A Business impact analysis (BIA) differentiates critical (urgent) and non-critical (non-urgent) organization functions/activities. Critical functions are those whose disruption is regarded as unacceptable. Perceptions of acceptability are affected by the cost of recovery solutions. A function may also be considered critical if dictated by law. For each critical (in scope) function, two values are then assigned:

Recovery Point Objective (RPO) – the acceptable latency of data that will not be recovered. For example is it acceptable for the company to lose 2 days of data?

Recovery Time Objective (RTO) – the acceptable amount of time to restore the function.

The recovery point objective must ensure that the maximum tolerable data loss for each activity is not exceeded. The recovery time objective must ensure that the **Maximum Tolerable Period of Disruption (MTPoD)** for each activity is not exceeded.

Next, the impact analysis results in the recovery requirements for each critical function. Recovery requirements consist of the following information:

The business requirements for recovery of the critical function, and/or
The technical requirements for recovery of the critical function

Every 4 hours - 6 backups a day = 4 possible restore points per day

Threat and risk analysis

Threat	Maximum Disruption		Acceptable Data Loss		Recovery Time Objective		Recovery Steps / Commentary
	MTPoD (Days)		RPO (Must be less than MTPoD) (Days)		RTO (Days)		
XYZ SERVERS (Onsite) Summary: XYZ data is backed up on a nightly basis to onsite equipment then copied offsite to a NAS at eMerge IT Solutions. At any point the RPO will never be less than one day, depending on the time of both the data loss and the successful recovery. In the event that for example a hacking attempt or virus infection such as Cryptolocker accessed the Backup device, the potential DOES EXIST for complete data loss. This could occur for instance where Cryptolocker infected a fileserver at 3:00pm then got copied to the offsite backup NAS that evening causing irrecoverable catastrophic loss.	Cyber Attack	2	1	1	1	1	Restore data from backup
	Data Loss						
	- Corruption	2	1	1	1	1	Restore data from backup
	- Virus infection	2	1	1	1	1	Restore data from backup
	- Deliberate data deletion	1	1	1	1	1	Restore data from backup
	- Accidental data deletion	1	1	1	1	1	Restore data from backup
	- Backup failure to copy	1	1	1	1	1	Re-run backup
	- Backup device failure	1	1	1	1	1	Re-run backup
	- Fire/Major Calamity	5	2	3	3	3	For onsite server loss replacement equipment would need to be sourced and installed Recovery could be made to alternate equipment
	Equipment Failure						
	- Servers	2	0	2	2	2	Restore data from backup
	- Firewall	2	0	2	2	2	Restore/Rebuild Configuration
	- Communications	2	0	2	2	2	Replace equipment
	Communications Outage	1	0	1	1	1	Telstra Managed Service - Restore service / replace equipment

XYZ SERVERS (Cloud: /File/Proxy/DC/TS/Print)

There is no critical data on the Cloud PROXY/DC/PRINT servers that is not duplicated elsewhere, it is the server structures that would require rebuild in the event of data loss

There is critical data on the FILE and TS (User data saved to Desktops) server.

All Cloud Servers in the Telstra Data Centre in Clayton, Melbourne, are backup up to a separate server at the same location, and then to AWS in Sydney as the offsite backup.

Cyber Attack	2	1	1	1	1	1	Rebuild Servers
Data Loss							
- Corruption	2	1	1	1	1	1	Rebuild Servers
- Virus infection	2	1	1	1	1	1	Rebuild Servers
- Deliberate data deletion	1	1	1	1	1	1	Rebuild Servers
- Accidental data deletion	1	1	1	1	1	1	Rebuild Servers

- Backup failure to copy	1	1	1	1	Restore from backup (From File backup on Cloud TS2)
- Backup device failure	1	1	1	1	Restore/Rebuild Configuration (Cloud server)
- Fire/Major Calamity at Data Centre	5	2	3	3	Rebuild Servers
Equipment Failure					
- Servers	2	0	2	2	Rebuild Servers
- Firewall	2	0	2	2	Restore/Rebuild Configuration
- Communications	2	0	2	2	Replace equipment
Communications Outage	1	0	1	1	Telstra Managed Service - Restore service / replace equipment

COMMUNICARE SERVERS (Virtual Cloud)

The cloud based Communicare server runs a daily backup to the onsite XYZ NAS, this is then copied offsite to the NAS at eMerge IT Solutions

Cyber Attack	2	1	1	1	Restore data from backup
Data Loss					
- Corruption	2	1	1	1	Restore data from backup
- Virus infection	2	1	1	1	Restore data from backup
- Deliberate data deletion	1	1	1	1	Restore data from backup
- Accidental data deletion	1	1	1	1	Restore data from backup
- Backup failure to copy	1	1	1	1	Re-run backup
- Backup device failure	1	1	1	1	Re-run backup
- Fire/Major Calamity	5	2	3	3	Restore data from backup
Equipment Failure					
- Servers	2	0	2	2	Restore data from backup
- Firewall	2	0	2	2	Restore/Rebuild Configuration
- Communications	2	0	2	2	Replace equipment
Communications Outage	1	0	1	1	Telstra Managed Service - Restore service / replace equipment

SUMMARY:

There is one main point of risk identified as a result of this Business Impact Analysis:

1. POTENTIAL FOR A VIRUS TO INFECT THE BACKUP SET

It may be possible that a virus may be copied over to the backup set from the fileservers during a normal backup process. The concern is whether this can propagate through other backup file sets on that backup device.

RESPONSE:

At present the Synology Network Attached Storage Appliance (NAS) is used for onsite backups at the XYZ Server Room. In addition the backup files are then copied offsite to another NAS device via a wireless link over to the eMerge IT server room. The Synology NAS and offsite NAS are NOT part of the XYZ Domain. This means that a virus on the network will not have administrative permissions to write to the NAS. Likewise it cannot also then propagate to the offsite device.

In addition the backup software currently utilised, Veeam, operates in a manner that 'packs' all the backup files in to a 'container'. These containers are not normal files that can be executed, they sit independently so that this type of cross virus infection cannot occur.

We are confident that this risk is adequately covered.