



TOWN OF
VICTORIA PARK

Audit and Risk Committee Agenda – Monday 29 April 2024



WE'RE OPEN
VIC PARK

Please be advised that an **Audit and Risk Committee** will be held at **5.30 PM** on **Monday 29 April 2024** in **Council Chambers**, Administration Centre at 99 Shepperton Road, Victoria Park.

Mr Anthony Vuleta – Chief Executive Officer

26 April 2024

Table of contents

Item	Page no
1 Declaration of opening	3
2 Attendance.....	4
2.1 Apologies.....	4
2.2 Approved leave of absence.....	4
3 Declarations of interest.....	5
4 Confirmation of minutes.....	6
5 Presentations.....	6
6 Method of dealing with agenda business	6
7 Reports	7
7.1 Final Audit Report: Workplace Health and Safety	7
7.2 Final Audit Report: Financial Sustainability.....	10
7.3 Audit Update Report March 2024.....	13
7.4 Quarter 3 Progress Report 1 January 2024 - 31 March 2024.....	17
7.5 Independent Auditor's Report and Annual Financial Report 2022/23.....	27
7.6 Annual Report 2022 -2023 and Annual Electors Meeting	30
7.7 Debt Write-off Debtors	34
8 Motion of which previous notice has been given.....	37
9 Meeting closed to the public.....	37
9.1 Matters for which the meeting may be closed	37
9.2 Public reading of resolutions which may be made public.....	37
10 Closure	37

1 Declaration of opening

Acknowledgement of Country

I am not a Nyungar man, I am a non-Indigenous man. I am honoured to be standing on Whadjuk - Nyungar country on the banks of the Swan River.

Ngany yoowart Noongar yorga, ngany wadjella yorga. Ngany djerapiny Wadjak – Noongar boodja-k yaakiny, nidja bilya bardook.

I acknowledge the traditional custodians of this land and respect past, present and emerging leaders, their continuing cultural heritage, beliefs and relationship with the land, which continues to be important today.

Ngany kaaditj Noongar moort keny kaadak nidja Wadjak Noongar boodja. Ngany kaaditj nidja Noongar birdiya – koora, ye-ye, boorda, baalapiny moorditj Noongar kaaditjin, moort, wer boodja ye-ye.

I thank them for the contribution made to life in the Town of Victoria Park and to this region.

Ngany youngka baalapiny Noongar birdiya wer moort nidja boodja.

2 Attendance

Presiding Member	Mayor Karen Vernon
Banksia Ward	Cr Claire Anderson
Jarrah Ward	Cr Jesse Hamer Cr Daniel Minson
Independent Committee Members	Ms Tracy Destree
Chief Executive Officer Chief Financial Officer	Mr Anthony Vuleta Mr Duncan Olde
Manager Governance and Strategy Manager Finance Corporate Performance Advisor Coordinator Safety and Emergency Management	Ms Bernadine Tucker Ms Grace Ursich Ms Kogilyn Titus Ms Ife Freeman
External Guest RSM Office of the Auditor General Office of the Auditor General	Mr Matthew Beevers Mr Stuart Mack Mr Jordan Langford-Smith
Meeting Secretary	Ms Winnie Tansanguanwong

2.1 Apologies

Independent Committee Member	Mr Jonathan Seth
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2.2 Approved leave of absence

Nil.

3 Declarations of interest

3.1 Declarations of financial interest

A declaration under this section requires that the nature of the interest must be disclosed. Consequently, a member who has made a declaration must not preside, participate in, or be present during any discussion or decision-making procedure relating to the matter the subject of the declaration. An employee is required to disclose their financial interest and if required to do so by the Council must disclose the extent of the interest. Employees are required to disclose their financial interests where they are required to present verbal or written reports to the Council. Employees can continue to provide advice to the Council in the decision-making process if they have disclosed their interest.

3.2 Declarations of proximity interest

Elected members (in accordance with Regulation 11 of the Local Government [Rules of Conduct] Regulations 2007) and employees (in accordance with the Code of Conduct) are to declare an interest in a matter if the matter concerns: a) a proposed change to a planning scheme affecting land that adjoins the person's land; b) a proposed change to the zoning or use of land that adjoins the person's land; or c) a proposed development (as defined in section 5.63(5)) of land that adjoins the persons' land.

Land, the proposed land adjoins a person's land if: a) the proposal land, not being a thoroughfare, has a common boundary with the person's land; b) the proposal land, or any part of it, is directly across a thoroughfare from, the person's land; or c) the proposal land is that part of a thoroughfare that has a common boundary with the person's land. A person's land is a reference to any land owned by the person or in which the person has any estate or interest.

3.3 Declarations of interest affecting impartiality

Elected members (in accordance with Regulation 11 of the Local Government [Rules of Conduct] Regulations 2007) and employees (in accordance with the Code of Conduct) are required to declare any interest that may affect their impartiality in considering a matter. This declaration does not restrict any right to participate in or be present during the decision-making process. The Elected Member/employee is also encouraged to disclose the nature of the interest.

4 Confirmation of minutes

Recommendation

That the Audit and Risk Committee confirms the minutes of the Audit and Risk Committee meeting held on 26 February 2024.

5 Presentations

Nil.

6 Method of dealing with agenda business

Recommendation

That Audit and Risk Committee in accordance with clause 58 of the *Meeting Procedures Local Law 2019* suspends clause 50 - Speaking twice of the *Meeting Procedures Local Law 2019* for the duration of the meeting.

7 Reports

7.1 Final Audit Report: Workplace Health and Safety

Location	Town-wide
Reporting officer	Corporate Performance Advisor
Responsible officer	Chief Executive Officer
Voting requirement	Simple majority
Attachments	1. CONFIDENTIAL REDACTED - Workplace Health and Safety Internal Audit Report [7.1.1 - 20 pages]

Summary

The Workplace Health and Safety Audit was completed in March 2024.

Recommendation

That the Audit and Risk Committee recommends that Council notes the final Workplace Health and Safety Audit Report.

Background

1. The Workplace Health and Safety audit was completed in March 2024 as part of the 2023-2026 Audit Program
2. The objective of the review was classified as an assurance audit with a focus on controls and compliance through a combination of documentation reviews, interviews, process assessment, and sampling to assess controls.

Discussion

3. The findings are summarised below and documented in detail within Attachment 1 of this report.
4. 1 low risk area was identified with 3 business Improvement suggestions
5. Finding: Audit noted that the Town has the OSH Hazard Identification and Management, and Hazardous Substance Management documents which details responsibilities and accountabilities of risk and hazard management process in accordance with WA OSH Regulations 1984. The Town has not reviewed and updated these since 2013 – 2014, whereas the period of review is three years.
6. Recommendation: Audit recommends that the Town reviews the Hazard Identification and Management, and Hazardous Substance Management documents to ensure WHS processes are current and align with approved policies and procedures.
7. Business Improvements:

- a) Audit suggests that the Town considers conducting regular review of the Depot PPE Procedure as required every five years.
- b) Audit suggests that the Town reviews the Safety Management Plan on a regular basis to ensure currency.
- c) Audit suggests that all site supervisors/managers should establish monthly Safety KPIs and report them to the WHS team. These KPIs should be monitored by the Coordinator Safety and Emergency Management on monthly basis to ensure compliance with safety regulations.

Relevant documents

Not applicable.

Legal and policy compliance

Not applicable.

Financial implications

Current budget impact	Sufficient funds exist within the annual budget to address this recommendation.
Future budget impact	Not applicable.

Risk management consideration

Risk impact category	Risk event description	Risk rating	Risk appetite	Risk Mitigation
Financial	Not adopting an internal audit program means we cannot test our controls and mitigate loss through administrative errors, and processes.	High	Low	TREAT risk by adopting an internal program with a focus area on high-risk processes and activities.
Environmental	Not applicable.		Medium	
Health and safety	Not refining management practices and processes to address audit findings could result in harm or injury to people with potential loss and /or medical care.	Low	Low	TREAT risk by ensuring commitment to management actions to address findings.
Infrastructure/ ICT systems/ utilities	Not applicable.		Medium	

Legislative compliance	Breach of legislation and compliance requirements may or may result in legal action and financial penalties.	High	Low	TREAT risk by ensuring commitment to management actions to address findings.
Reputation	Not refining management practices and processes to address audit findings could result in reputational risk to Council and the Town.	High	Low	TREAT risk by adopting an internal program with a focus area on high risk processes and activities.
Service delivery	Not applicable.		Medium	

Engagement

Internal engagement	
Stakeholder	Comments
People and Culture	Provided the information requested and comments on the audit report
C-Suite	The report was presented to C-Suite for noting

Strategic alignment

Civic Leadership	
Community Priority	Intended public value outcome or impact
CL1 – Effectively managing resources and performance.	Internal audits promote integrity and identify areas for improvement
CL3 - Accountability and good governance.	Internal audits allow for an assessment of whether legislation, policies and practices are being followed to ensure intended outcomes are achieved.

Further consideration

7.2 Final Audit Report: Financial Sustainability

Location	Town-wide
Reporting officer	Corporate Performance Advisor
Responsible officer	Chief Financial Officer
Voting requirement	Simple majority
Attachments	1. CONFIDENTIAL REDACTED - Financial Sustainability Audit report [7.2.1 - 25 pages]

Summary

The Financial Sustainability audit was concluded in March 2024.

Recommendation

That the Audit and Risk Committee recommends that Council notes the final Financial Sustainability Internal audit report.

Background

1. The Financial Sustainability audit was concluded in March 2024 as part of the 2023-2026 Audit Program.
2. The objective of the review was classified as an assurance audit with a focus on the Town's ability to maintain a sustainable long-term financial position. This included the ability of the Town to generate sufficient revenues to recover capital, maintenance, and operating costs over the lifetime of their assets through reliable and relevant financial forecasts. Reliance was made on a combination of enquiry, process observation, and analysis to assess internal controls, risk management and governance processes.

Discussion

3. There was no finding noted
4. There were 2 business improvement suggestions
 - a. Audit suggests that the Town considers conducting regular reviews against the Management Practice 303.1 – Debt Collection to ensure up to date and compliance the Council Policy 303 – Debt Collection.
 - b. Audit suggests that the Town considers conducting regular reviews against the Management Practice 302.1 – Investment Practice to ensure up to date and compliance the Council Policy 302 – Investment

Relevant documents

Not applicable.

Legal and policy compliance

Not applicable.

Financial implications

Current budget impact	Sufficient funds exist within the annual budget to address this recommendation.
Future budget impact	Not applicable.

Risk management consideration

Risk impact category	Risk event description	Risk rating	Risk appetite	Risk Mitigation
Financial	Not adopting an internal audit program means we can't test our financial controls and mitigate financial loss through administrative errors, fraud and corruption.	High	Low	TREAT risk by adopting an internal program with a focus area on high-risk financial processes and activities.
Environmental	Not applicable.		Medium	
Health and safety	Not applicable.		Low	
Infrastructure/ ICT systems/ utilities	Not applicable.		Medium	
Legislative compliance	Not applicable.		Low	
Reputation	Not applicable.		Low	
Service delivery	Not applicable.		Medium	

Engagement

Internal engagement	
Stakeholder	Comments
Finance	Provided the information requested and comments on the audit report

Strategic alignment

Civic Leadership	
Community Priority	Intended public value outcome or impact
CL1 – Effectively managing resources and performance.	Internal audits promote integrity and identify areas for improvement.
CL3 - Accountability and good governance.	Internal audits allow for an assessment of whether legislation, policies and practices are being followed to ensure intended outcomes are achieved.

Further consideration

7.3 Audit Update Report March 2024

Location	Town-wide
Reporting officer	Manager Governance and Strategy
Responsible officer	Chief Executive Officer
Voting requirement	Simple majority
Attachments	<ol style="list-style-type: none">1. CONFIDENTIAL REDACTED - Quarter 3 : Audit Update Report [7.3.1 - 7 pages]2. CONFIDENTIAL REDACTED - Audit Function Dashboard [7.3.2 - 1 page]

Summary

The Audit and Risk Committee recommends that Council receives the Audit Update Report for March 2024 as contained in Attachment 1.

Recommendation

That the Audit and Risk Committee recommends that Council receives the Audit Update Report for March 2024 as contained in attachment 1.

Background

1. The 2021-2022 Internal Audit Program was adopted by Council on 16 August 2022.
2. The 2023-2026 Internal Audit Program was adopted by Council on 19 June 2023 and the following audits for 23/24 have been completed.
 - (a) The Environmental Sustainability Audit
 - (b) The Workplace Health and Safety Audit
 - (c) Financial Sustainability Audit

Discussion

3. The Environmental Sustainability Audit was presented to the Audit and Risk Committee in January and no findings were noted.
4. The Workplace Health and Safety Audit - 1 finding was noted with the following business Improvements:
 - (a) The Town considers conducting regular review of the Depot PPE Procedure as required every five years.
 - (b) The Town reviews the Safety Management Plan on a regular basis to ensure currency.

- (c) All site supervisors/managers should establish monthly safety KPIs and report them to the WHS team. These KPIs should be monitored by the Coordinator Safety and Emergency Management on monthly basis to ensure compliance with safety regulations.
5. The Financial sustainability Audit - no findings were noted. The audit suggests the following business improvements:
 - (a) The Town considers conducting regular reviews against the Management Practice 303.1 – Debt Collection to ensure up to date and compliance to the Council Policy 303 – Debt Collection.
 - (b) The Town considers conducting regular reviews against the Management Practice 302.1 – Investment Practice to ensure up to date and compliance to the Council Policy 302 – Investment.
 6. These audit actions will be added into Cascade and monitored on a quarterly basis.

Relevant documents

Not applicable.

Legal and policy compliance

[Part 7 of the Local Government Act 1995](#)

[Local Government \(Audit\) Regulations 1996](#)

Financial implications

Current budget impact	Sufficient funds exist within the annual budget to address this recommendation.
Future budget impact	Not applicable

Risk management consideration

Risk impact category	Risk event description	Risk rating	Risk appetite	Risk Mitigation
Financial	Not adopting an internal audit program means we can't test our financial controls and mitigate financial loss through administrative errors, fraud, and corruption.	High	Low	TREAT risk by adopting an internal program with a focus area on high-risk financial processes and activities.
Environmental	Not Applicable		Medium	
Health and safety	A poorly designed Internal Audit Program will make the Town vulnerable to Health and Safety compliance, which may lead to potential	Low	Low	TREAT risk by ensuring commitment to management actions to address findings.

	time loss and/or medical care.			
Infrastructure/ ICT systems/ utilities	Not applicable		Medium	
Legislative compliance	Not adopting an internal audit program means we cannot test our legislative compliance and mitigate financial loss through administrative errors, fraud, and corruption.	High	Low	TREAT risk by ensuring commitment to management actions to address findings.
Reputation	A poorly designed Internal Audit Program will make the Town vulnerable to non-compliance, fraud and corruption risks which adversely impact on the Town's reputation.	Moderate	Low	TREAT risk by ensuring commitment to management actions to address findings.
Service delivery	Not applicable		Medium	

Engagement

Internal engagement	
Stakeholder	Comments
Business units Managers	providing responses and supporting documentation to the internal auditors.
C-suite	Noting the final internal audit outcomes

Strategic alignment

Civic Leadership	
Community Priority	Intended public value outcome or impact
CL1 – Effectively managing resources and performance.	Internal audits promote integrity and identify areas for improvement
CL3 - Accountability and good governance.	As internal audit is a key pillar of organisational governance, a robust internal audit program, with oversight from the Audit Committee, will enable the Town to have a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, internal controls, and governance processes. The

	business improvements that result from an effective internal audit program will add value to the way The Town runs its business
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Further consideration

7.4 Quarter 3 Progress Report 1 January 2024 - 31 March 2024

Location	Town-wide
Reporting officer	Manager Governance and Strategy
Responsible officer	Chief Executive Officer
Voting requirement	Simple majority
Attachments	<ol style="list-style-type: none">1. Quarter 3 report [7.4.1 - 17 pages]2. 2023-2024 Annual Strategic Projects & Capital Work Program - Operations - Q 3 attachment [7.4.2 - 6 pages]3. Community Benefits Strategy Quarter 1 Report Jan - Mar 2024 [7.4.3 - 4 pages]

Summary

The Audit and Risk Committee recommends that Council accepts the quarterly progress reports for the period 1 January 2024 – 31 March 2024.

Recommendation

That the Audit and Risk Committee recommends that Council accepts the quarterly progress reports for the period 1 January 2024 - 31 March 2024, relating to the:

- (a) Corporate Business Plan
- (b) Five-year capital works program, including the 2022/2023 Annual Strategic Project Plan
- (c) Economic Development Strategy 2018-2023
- (d) Urban Forest Strategy
- (e) Reconciliation Action Plan
- (f) Disability Access and Inclusion Plan
- (g) Community Benefits Strategy
- (h) Climate Emergency Plan.

Background

1. At the Ordinary Council Meeting on 16 July 2019, Council resolved:

“That Council requests that the Chief Executive Officer:

1. *Develops an Annual Strategic Project Summary for 2019/2020, containing a summary of the projects that are aligned to strategic outcomes in the Strategic Community Plan 2017-2027.*
2. *Presents the 2019/2020 Annual Strategic Project Summary for adoption at the September Ordinary Council Meeting.*
3. *Presents to Council, commencing from the October Ordinary Council Meeting, quarterly written progress reports on the actions, projects and outcomes within the Town’s following plans and strategies:*

- (a) *Corporate Business Plan*

(b) 2019/2020 Annual Strategic Project Summary

(c) 5 Year Capital Works Program

(d) Economic Development Strategy 2018 – 2023

(e) Urban Forest Strategy

(f) Reconciliation Action Plan

(g) Disability Access and Inclusion Plan

(h) Community Benefits Strategy

2. At the Ordinary Council Meeting on 20 July 2021, Council resolved: That Council:

(a) Receives the community consultation results for the draft Climate Emergency Plan.

(b) Endorses the Climate Emergency Plan 2021 – 2031.

(c) Instructs the Chief Executive Officer to include the Climate Emergency Plan in the Quarterly progress reports to council, commencing in the next quarter for 2021.

3. The quarterly written progress reports were requested to enable Council to assess performance against strategies and plans, identify risks and significant variations in project performance and budgeting, receive information needed to be able to make informed decisions and to take action to address any issues that arise. They were also requested to give Council and the community a higher level of transparency and accountability relating to strategic actions, plans and projects.

Discussion

4. Written progress reports will enable the Council to oversee the Town's performance and allocation of the Town's finances and resources. They will also help to inform the community about the Town's progress in relation to the plans and strategies.

5. The Corporate Business Plan 23/24 has been endorsed by Council in December 2023, and these reports on the actions, projects, and outcomes, for the plans and strategies listed in the Council resolution, have been attached to this report. Further commentary for each report has also been included below.

Corporate Business Plan

6. The status of actions from the CBP are as follows:

Strategic outcome	Total actions	No. of actions completed	No. of actions behind	No. of actions on track
Social	24	3	3	18
Environment	22	3	3	16
Economic	6	1	3	2
Civic Leadership	25	2	12	11

7. Actions not completed within the reporting quarter are as per attachment 7.2.1

2022/2023 Annual Strategic Project Summary

8. The status of projects from the Annual Strategic Project summary is as follows:

Total Projects	No of projects on track	No of projects complete	No. of projects delayed
17	11	3	3

Five Year capital works program

9. The status of actions from the Five-Year Capital Works Program are as follows.

Total project	Works in progress	Not yet started	Complete	Deleted projects
92	56	5	24	7

Economic Development Strategy 2018-2023

10. The Economic Development Strategy 2018- 2023 (EDS) outlines 50 actions required to achieve the seven pathways for sustainable economic growth over the next five years. The EDS was adopted by Council in March 2019.

11. The summary table below represents the number of actions progressed and completed since the adoption of the EDS.

Outcome	Total actions	No of actions completed	No of actions in progress	No of actions not started
Pathway 1: Leadership	4	2	2	0
Pathway 2: Identity	2	0	2	0
Pathway 3: Local to Global Connections	5	1	2	2
Pathway 4: Smart Town – digital innovation	7	0	5	2
Pathway 5: Creating an enabling business environment	8	1	6	1
Pathway 6: High Value Precincts	6	5	1	0

Pathway 7: High Value Sectors	18	1	14	3
Total	50	10	32	8

Urban Forest Strategy:

12. The Urban Forest Strategy (UFS) Implementation Action Plan (IAP) outlines 41 actions required to achieve the six strategic outcomes defined in the UFS over a five-year period. The UFS was adopted by council in September 2018 and the IAP in September 2019.¹
13. The summary table below represents the number of actions progressed and completed since the adoption of the IAP.

Outcome	No of actions completed	No of actions in progress	No of actions ongoing	No of actions not started
Strategic Outcome 1 Plant and protect sufficient trees by 2020 to achieve the 20% tree canopy target as supported by Council.	0	4	8	3
Strategic Outcome 2 Maximize community involvement and collaboration in its implementation.	0	1	7	1
Strategic Outcome 3 Increase tree diversity, whilst favoring local endemic and West Australian species that also support wildlife	1	0	2	0
Strategic Outcome 4 Maintain high standard of vegetation health.	0	1	5	0
Strategic Outcome 5 Improve soil and water quality	0	1	2	0

Strategic Outcome 6 Improve urban ecosystems	0	1	2	2
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Reconciliation Action Plan:

14. The Town's new Innovate Reconciliation Action Plan (RAP) was adopted by Council in December 2023.
15. The document outlines strategies and actions to support opportunities to strengthen the community, build strong relationships and foster greater awareness and understanding of Aboriginal culture and history.
16. The status of actions from the Innovate Reconciliation Action Plan are as follows.

Category	No. of actions completed	No. of actions in progress/ongoing	No of actions not started
Relationships	0	9	7
Respect	1	13	8
Opportunities	0	2	8
Governance	1	8	6
Tracking and Progress	2	32	29

17. This quarter, the key progress highlights of the Innovate Reconciliation Action Plan included:
 - (a) Launch event held for the Innovate Reconciliation Action Plan on 22 March 2024
 - (b) As part of the RAP launch a video of community voices was produced to showcase what reconciliation means to them and why having a RAP is important.
 - (c) Connections made with community groups to plan for National Reconciliation Week and NAIDOC Week.
 - (d) Meetings held with service areas to discuss implementation of actions within the RAP.

Disability Access and Inclusion Plan

18. The Town's Access and Inclusion Plan was adopted by Council in December 2022 and is a legislative requirement for all local governments.
19. The status of actions from the Access and Inclusion Plan are as follows:

Category	No. of actions completed/ongoing	No of actions in progress	No of actions not started
Goal 1: Customer Experience - Services and Events	4	2	0
Goal 1: Customer Experience -Information	4	2	1
Goal 1: Customer Experience - Quality Customer Service	2	1	2
Goal 2: Physical Access – Building and Facilities	2	3	3
Goal 3: Active Citizenship -Complaints	0	1	3
Goal 3: Active Citizenship – Public Consultation	2	0	3
Goal 4: Employment	5	0	0
Goal 5: Governance and Impact	4	1	0
Total	23	10	12

20. This quarter, the key progress highlights of the Access and Inclusion Plan included:

- (a) Continuing to engage with relevant stakeholders to advance AIP deliverables.
- (b) The Access and Inclusion Advisory Group continues to support and advise project management and internal stakeholders on inclusive design and planning elements, the last meeting was held 27 March 2024.
- (c) Potential to collaborate with DCA (Diversity Council of Australia) for internal staff training.
- (d) Continued discussions with relevant Town officers to explore adding a sensory room in the admin building.
- (e) Collaboration with internal stakeholders and all staff members to produce a Harmony Week Game Book and Orange T-Shirts for Harmony Week. We are also engaging with community groups to support inclusive events for Harmony Week.
- (f) We are also connecting more with community organisations to build a contact list for the Town.

Climate Emergency Plan

21. The Town's Climate Emergency Plan (CEP) was adopted by Council on 20 July 2021.

22. The Climate Emergency Plan aims to:

- (a) Achieve a zero-carbon target for emissions generated by the Town of Victoria Park by 2030. The timeframe of 2030 has been chosen because it is the timeframe needed to curb emissions and limit the seriousness of climate change impacts.
- (b) Achieve at least 40% emissions reduction through direct action (i.e. not through carbon offsets).
- (c) Support the community and businesses in working towards their own zero carbon target.
- (d) Improve the resilience of the Town in responding to immediate climate change impacts.

23. The status of actions from the CEP are as follows:

Category	No of actions completed	No of actions in progress/ongoing	No of actions not started
1 Embed a low carbon culture	4	5	2
2 Reduce emissions of facilities and assets	3	9	0
3 Reduce waste emissions	1	4	0
4 Switch to low carbon and renewables	2	2	1
5 Respond to immediate climate change impacts	1	7	0
6 Support and educate our community	3	8	1
7 Support and educate our businesses	4	4	4
8 Offset residual emissions	1	2	0

24. This quarter, the key progress highlights of the 2023/24 actions under the Climate Emergency Plan included:

- (a) Both carbon impact reporting and Climate Emergency Plan review is now complete. Respective reports are in development, anticipated to be delivered to Town in April.
- (b) Water Efficiency workshop held in March.
- (c) Water and energy audit undertaken for Leisurelife in March.
- (d) Expression of Interest/Memorandum of Understanding (MoU) completed to explore further options for the Power Purchase Agreement. With the current Power Purchase Agreement halfway through, the MoU is for WALGA to initiate exploration into the market - on behalf of all participating local governments - for future options beyond 2025. It does not beholden the Town to any future options out forth.
- (e) Initiating education and behaviour change program for the Town's staff focused on energy savings and efficiency with workshop to be held April.

Community Benefits Strategy

25. The Community Benefits Strategy (CBS) was launched on 2 December 2019, operating on a calendar year basis, rather than financial year.
26. The Town of Victoria Park, West Coast Eagles (WCE), Waalitj Foundation (WF), and the Perth Football Club partnered in the design process of CBS to collectively bring their own strengths to the partnership. The design process resulted in the creation of four programs, each program has a main delivery partner to ensure its success. Four programs as follows:
- Program 1: Youth Engagement, delivered by Waalitj Foundation to focus on engaging young people in constructive local activities and support parents with older children and adolescence.
 - Program 2: Healthy Relationship Awareness, delivered by West Coast Eagles and focuses on domestic violence awareness and prevention.
 - Program 3: Supporting Local Community Organisations, delivered by West Coast Eagles the program function is to support four not-for-profit groups or community groups over the first five years of CBS.
 - Program 4: Recreational Groups and Sports Club Development, delivered by West Coast Eagles who aid with strategic planning, governance, structures, constitutions, long term planning and other club related management issues.
27. The status of actions from the CBS are as follows:

Program	No of actions completed/ongoing	No of actions in progress	No of actions not started
Youth Engagement Program	3	3	0
Healthy Relationships Awareness	5	3	1
Supporting local community organisations	6	1	0
Recreational groups and sports club development	2	4	0

28. This quarter, the key progress highlights of the Community Benefits Strategy included:
- Progression of discussions regarding evaluation of the current CBS, and development of CBS 2.0. A project scope has been circulated for comment, with further discussions and internal workshopping in the first instance to occur.
 - Waalitj Foundation has developed strong and meaningful relationships with local community, organisations and primary schools including engagement with the following:
 - East Vic Park Primary School
 - Millen Primary School
 - Lathlain Primary School
 - Ursula Frayne College

- V) Department of Communities
- (c) Waalitj Foundation continued facilitating Waalitj Club focusing on healthy lifestyles and physical activity sessions, STEM activities, and healthy lifestyles workshop.
- (d) West Coast Eagles continues to support the Healthy Relationships Group, including supporting an event run by the Aboriginal Family Legal Services; Leisurelife Holiday Program consisting of running a football clinic with a WCE past player.
- (e) Further information is available regarding quarter 1 activities in the CBS Attachment.

Relevant documents

Not applicable.

Legal and policy compliance

[Section 2.7 of the Local Government Act 1995](#)

Financial implications

Current budget impact	Sufficient funds exist within the annual budget to address this recommendation.
Future budget impact	Not applicable.

Risk management consideration

Risk impact category	Risk event description	Risk rating	Risk appetite	Risk Mitigation
Financial	Not applicable.			
Environmental	Not applicable.			
Health and safety	Not applicable.			
Infrastructure/ ICT systems/ utilities	Not applicable.			
Legislative compliance	Not applicable			
Reputation	Negative public perception towards the Town if progress expectations are not being met.	Minor		Treat risk by providing commentary and reasoning within progress reports where expectations are not being met.
Service delivery	Not applicable			

Engagement

Internal engagement	
Stakeholder	Comments
Operations	Operations coordinate the progress reports for the 2019/2020 Annual Strategic Project Summary and Five-Year Capital Works Program.
Governance and Strategy	Governance and Strategy coordinates the progress against the Corporate Business Plan.
Place Planning	Place Planning coordinates the progress reports for the Economic Development Strategy 2018 – 2023 and Urban Forest Strategy.
Community Development	Community Development coordinates the progress reports for the Reconciliation Action Plan, Community Benefits Strategy and Disability Access and Inclusion Plan.
Environment	Environment coordinates the progress reports for the Climate Emergency Plan.

Strategic alignment

Civic Leadership	
Community Priority	Intended public value outcome or impact
CL1 – Effectively managing resources and performance.	Council is provided with the information that they have requested in the way they determined is best for them.
CL3 - Accountability and good governance.	Council is provided with the information that they have requested in the way they determined is best for them.

Further consideration

7.5 Independent Auditor's Report and Annual Financial Report 2022/23

Location	Town-wide
Reporting officer	Manager Finance
Responsible officer	Chief Financial Officer
Voting requirement	Simple majority
Attachments	<ol style="list-style-type: none">1. Independent Auditor's Report [7.5.1 - 3 pages]2. 2022/23 Annual Financial Report [7.5.2 - 57 pages]3. CONFIDENTIAL - Interim Management Letter Attachment [7.5.3 - 11 pages]4. CONFIDENTIAL - Final Management Letter Attachment A [7.5.4 - 7 pages]5. CONFIDENTIAL - Final Management Letter Attachment B [7.5.5 - 8 pages]

Summary

As part of Council's committee structure, the Audit and Risk Committee has been established to review areas of an audit or compliance nature. The Office of the Auditor General has provided an independent auditor's report, management letters and have signed off on the Town's annual financial statements for the 2022/23 financial year.

Recommendation

That Council:

1. Receives the independent auditor's report and management letters for the 2022/23 audit.
2. Accepts the 2022/23 annual financial statements, as attached.

Background

1. Each year, as part of Council's audit process, an independent audit is undertaken to assess Council's Annual Financial Statements and the legitimacy and accuracy of Council's accounts. An Independent Audit Report is then produced by the Auditor. The Auditor, after completing the audit, is to forward a copy of the audit and/or management report to the;
 - (a) Mayor
 - (b) Chief Executive Officer
 - (c) Minister for Local Government, via the Department of Local Government, Sport and Cultural Industries.
2. The Independent Auditor's Report is also required to be included in Council's Annual Report. Any issues arising from the Independent Audit Report are to be investigated and action taken to resolve those issues

Discussion

3. The Annual Financial Report was audited by the Office of Auditor General. It is recommended that the Audit and Risk Committee recommends Council to accept the 2022/2023 Annual Financial Report.
4. In accordance with the Local Government Act 1995 (Section 7.12A – Duties of local government with respect to audits) a representative(s) who conducted the audit, will also attend the meeting to speak to the audit and take questions from committee members.
5. The Independent Auditor's Report notes that: "In my opinion, the financial report of the Town of Victoria Park:
 - (a) is based on proper accounts and records.
 - (b) is presents fairly, in all material respects, the results of the operations of the Town for the year ended 30 June 2022 and its financial position at the end of that period.
 - (c) Is in accordance with the Local Government Act 1995 and to the extent that they are not inconsistent with the Act, Australian Accounting Standards.

Relevant documents

Not applicable.

Legal and policy compliance

[Local Government Act 1995 - Part 7](#)

Financial implications

Current budget impact	Not applicable
Future budget impact	Not applicable.

Risk management consideration

Risk impact category	Risk event description	Risk rating	Risk appetite	Risk Mitigation
Financial	Misstatement or significant error in annual financial report.	Moderate	Low	TREAT risk by conducting daily and monthly reconciliations and internal audits, external interim audits and annual report audits.
Financial	Fraud and illegal acts.	Moderate	Low	TREAT risk by strengthening internal controls, internal audits and segregation of duties.
Environmental	Not applicable		Medium	
Health and safety	Not applicable		Low	

Infrastructure/ ICT systems/ utilities	Not applicable			Medium
Legislative compliance	Annual financial report not complying with the requirements of the Local Government (Financial Management) Regulations 1996.	Moderate	Low	TREAT risk by engaging external auditors to audit the annual financial statements.
Reputation	Council not accepting the Independent Auditor's Report.	Moderate	Low	TREAT risk by providing reasoning and detailed explanations to Council to enable informed decision making.
Service delivery	Not applicable			Medium

Engagement

Internal engagement	
Service Area Leaders and Senior Management	Service area leaders were consulted and engaged during the external annual audit to provide information and responses to auditor queries.

Strategic alignment

Civic Leadership	
Community Priority	Intended public value outcome or impact
CL2 - Communication and engagement with the community.	To make available timely and relevant information on the annual financial position and performance of the Town so that Council and public can make informed decisions for the future.
CL3 - Accountability and good governance.	Ensure Town meets its legislative responsibility in accordance with Part 7 of the Local Government Act 1995.

7.6 Annual Report 2022 -2023 and Annual Electors Meeting

Location	Town-wide
Reporting officer	Manager Governance and Strategy / Manager Stakeholder Relations
Responsible officer	Chief Executive Officer
Voting requirement	Absolute majority
Attachments	1. 03451 Annual Report 22-23 V 4 [7.6.1 - 49 pages]

Summary

For Council to accept the Town of Victoria Park Annual Report 2022-23 and to set the meeting date for the Annual Electors' General Meeting.

Recommendation

That the Audit and Risk Committee recommends that Council:

1. Accepts the Town of Victoria Park Annual Report 2022-23 in Attachment 1.
2. Convenes the 2023 Electors' General Meeting on Monday 27 May 2024, commencing at 6.00pm in the Council Chamber, Town of Victoria Park Administration Centre, 99 Shepperton Road, Victoria Park.

Background

1. In accordance with section 5.53 of the *Local Government Act 1995*, local governments are to prepare an annual report.
2. The audited accounts for the financial year are incorporated into the annual report following the annual external audit by the Office of the Auditor General.
3. Once the annual report is accepted, it is to be presented to an Annual Elector's General Meeting.
4. The EGM must be advertised by way of 14-day public notice to the community in accordance with the public notice provisions in the *Local Government Act 1995*.

Discussion

Annual Report

5. In accordance with section 5.53 of the *Local Government Act 1995*, the Town of Victoria Park Annual Report has been prepared for the 2022-23 financial year.
6. The Annual Report provides a summary of the previous year's achievements and challenges, and the outlook for the year ahead. It includes specific statutory requirements and demonstrates performance against the Town's 10-Year Strategic Community Plan.

7. The Annual Report is seen as a key reporting mechanism of the Town's Integrated Planning and Reporting Framework. In accordance with guidelines from the Department of Local Government, Sport and Cultural Industries, local governments are expected to outline progress towards achieving the objectives of their respective 10-Year Strategic Community Plan and the major projects and priorities of their 5-Year Corporate Business Plan.
8. The Annual Report is also seen as an essential tool to inform the community and key stakeholders about the Town's achievements, challenges and future plans, promote greater community awareness of the Town's programs and services, and illustrate the City's commitment to accountable and transparent government.
9. The Town of Victoria Park Annual Report 2022-23 is provided in Attachment 1. The Annual Report also includes the City's Annual Financial Report for 2022-23 which has been audited by the Office of the Auditor General.
10. In accordance with section 5.54 of the *Local Government Act 1995*, the Council is required to accept an Annual Report by an absolute majority and present the Annual Report to the Annual General Meeting of Electors.
11. Section 5.55 of the *Local Government Act 1995* states the Chief Executive Officer is to give local public notice of the availability of the Annual Report as soon as practicable, following its acceptance by Council. This notice is to apply for at least seven days.

Annual General Meeting of Electors

12. Section 5.27 of the *Local Government Act 1995* requires that the Annual Electors' General Meeting is to be held on a day selected by the local government, but not more than 56 days after the local government accepts the Annual Report.
13. Section 5.29 of the *Local Government Act 1995* states the Chief Executive Officer is to convene an electors' meeting by giving at least 14 days public notice.
14. The latest date the Electors General Meeting can be held is Monday 24 June 2024.
15. It is recommended that the Annual General Meeting of Electors be held on Monday 27 May 2024 commencing at 6.00pm.
16. Regulation 15 of the Local Government (Administration) Regulations 1996 provides that the Annual Report for the previous financial year and any other general business be discussed at the Electors General Meeting.

Relevant documents

[Town of Victoria Park Community Strategic Plan 2022-2032](#)

Legal and policy compliance

[Division 5 of the *Local Government Act 1995*](#)

[Part 3 *Local Government \(Administration\) Regulations 1996*](#)

Financial implications

Current budget impact

Nil.

Future budget impact	Nil.
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Risk management consideration

Risk impact category	Risk event description	Risk rating	Risk appetite	Risk Mitigation
Financial			Low	.
Environmental			Medium	
Health and safety			Low	
Infrastructure/ ICT systems/ utilities			Medium	
Legislative compliance	Non-compliance with legislative requirements	Medium	Low	Adopt the Annual Report and set a date for an Electors General Meeting
Reputation	Town's reputation affected	Medium	Low	Adopt the Annual Report and set a date for an Electors General Meeting
Service delivery			Medium	

Engagement

Internal engagement	
Stakeholder	Comments
Whole of organisation	The whole organisation was consulted in the preparation of the Annual Report

Strategic alignment

Civic Leadership	
Community Priority	Intended public value outcome or impact
CL1 – Effectively managing resources and performance.	The Annual Report provides a summary of the previous year's achievements and challenges, and the outlook for the year ahead. It includes specific statutory requirements and demonstrates performance against the Town's 10-Year Strategic Community Plan

CL2 - Communication and engagement with the community.	The Annual Report details the previous year’s achievements and challenges of the Town, and the outlook for the year ahead. It includes specific statutory requirements and demonstrates performance against the Town’s 10-Year Strategic Community Plan. The EGM provides a forum for the community to receive the Annual Report plus raise any other matters of general business.
CL3 - Accountability and good governance.	The Annual Report demonstrates accountability and good governance to the community and other stakeholders.

Further consideration

7.7 Debt Write-off Debtors

Location	Town-wide
Reporting officer	Financial Services Controller
Responsible officer	Chief Financial Officer
Voting requirement	Simple majority
Attachments	1. Debtor write off Register [7.7.1 - 1 page]

Summary

Under delegation 1.1.21 Defer, Grant Discounts, Waive or Write of Debts, administration is only able to write off non-rates debts valued below \$5,000. Currently the Town has an outstanding debt of \$9,764.50 which is no longer considered collectable and is being requested to be written off.

Recommendation

That the Audit and Risk Committee recommends Council approves the write-off of identified unrecoverable debtor's debts valued at \$9,764.50.

Background

1. Event Perth owes the Town the total of \$9,764.50 debt. We have taken all necessary measures to recover the debt. Events Perth had gone into liquidation and the Town is unlikely to recoup the outstanding debt.
2. The Town's debt collection policy states that should a debtor fail to pay within the initial 14-day period the following debt collection process is followed;
 - (a) Debt outstanding - 30 days: A statement is forwarded to the debtor with a reminder and alerting them to their unpaid invoice.
 - (b) Debt outstanding - 60 days: A friendly reminder by way of email and phone calls.
 - (c) Debt outstanding - 90 days: An urgent action letter is sent (and emailed if appropriate) requesting immediate payment as well as a phone call. Assistance is also requested from the relevant service area to communicate with the debtor.
 - (d) Debt outstanding - 90 + Days: A final notice is forwarded outlining payment within 7 days or debt collection action will occur.
 - (e) Non-payment within 7 days – case is forwarded to the Town's debt collection agency.
 - i) Ongoing communication occurs between the Town and the debt collection agency relating to the collection.
 - ii) Continued failure to pay or respond to debt collection results in legal action (dependant on circumstances and cost benefit to the Town).

Discussion

3. The Table below shows the details of sundry debtor deemed uncollectable.

Debtors Number	Description	Debt Collectors Reason for Write off	Write off amount
4715.04	Event - The Marquee	In Liquidation	\$9,764.50
TOTAL			\$9,764.50

4. Aged debts will be reviewed regularly and accounted for in accordance with the relevant Australian Accounting Standard, AASB 9 Financial Instruments, that deals with provisions for doubtful debts. Where the recovery of debt is unlikely, a provision for doubtful debts shall be made in accordance with Australian Accounting Standards. The provision for doubtful debt was made and is reflective in annual financial report 2022-23.
5. It is common practice for Local Government Authorities (LGAs) to write-off debtor debt and to report large provisions of doubtful debt within their financial statements. If the debt is more than \$5,000- it should be presented to the council for the write off. Debts shall be written off only when all reasonable attempts at recovery have been exhausted. In accordance with section 6.12(c) of the Local Government Act 1995 all debts which require Council approval to be written off will be reported to Council.

The Town have exhausted all avenues to recoup these costs, it is recommended to be written off.

Relevant documents

Policy 308 Financial hardship

Practice 303. 1 Debt collection

Legal and policy compliance

[Section 6.12\(1\)\(b\) and \(c\) of the Local Government Act 1995](#)

Financial implications

Current budget impact	Sufficient funds exist within the annual budget to address this recommendation.
Future budget impact	Not applicable.

Risk management consideration

Risk impact category	Risk event description	Risk rating	Risk appetite	Risk Mitigation
Financial	The council does not approve the write off the debt	Medium	Medium	Make it clear to Council that should they choose not to write of the debt: a) This doubtful debt provision would remain on the Town's financial statements and continuing to have outstanding

				<p>debt over 90 days with no view to collect (or unviability to collect) serves no purpose.</p> <p>b) With the requirement to continue to include provision of doubtful</p>
Reputation	Negative public perception towards the Town may result in the write off the debt	Medium	Medium	The Town is only writing off those debts that are unrecoverable, or unviable to recover. It is common practice for Local Government Authorities (LGAs) to write-off debtor debt and to report large provisions of doubtful debt within their financial statements.

Strategic alignment

Civic Leadership	
Community Priority	Intended public value outcome or impact
CL2 - Communication and engagement with the community.	To make available timely and relevant information about the bad debts available to the Council and public.
CL3 - Accountability and good governance.	Ensure the Town meets its legislative responsibility in accordance with the Local Government Act 1995

8 Motion of which previous notice has been given

Nil.

9 Meeting closed to the public

9.1 Matters for which the meeting may be closed

9.2 Public reading of resolutions which may be made public

10 Closure