



## Audit and Risk Committee Agenda – 13 November 2023



**WE'RE OPEN**  
**VIC PARK**

Please be advised that an **Audit and Risk Committee** will be held at **5.30 PM** on **Monday 13 November 2023** in **Council Chambers**, Administration Centre at 99 Shepperton Road, Victoria Park.

**Mr Anthony Vuleta – Chief Executive Officer**

[insert date]

## Table of contents

Item	Page no
1 Declaration of opening .....	3
2 Attendance.....	4
2.1 Apologies.....	5
2.2 Approved leave of absence.....	5
3 Declarations of interest.....	5
4 Confirmation of minutes.....	6
5 Presentations.....	7
6 Method of dealing with agenda business .....	7
7 Reports .....	8
7.1 Terms of Reference - Audit and Risk Committee .....	8
7.2 Audit Update Report .....	11
7.3 Procurement Final Internal Audit Report.....	14
7.4 Information Security final internal audit report .....	17
7.5 Process for Reporting on Audit Outcomes.....	20
7.6 Quarterly Risk Management Report.....	24
7.7 Quarter 1 Progress Report (1 July 2023 - 30 September 2023).....	28
8 Motion of which previous notice has been given .....	39
9 Meeting closed to the public .....	39
9.1 Matters for which the meeting may be closed .....	39
9.2 Public reading of resolutions which may be made public.....	39
10 Closure .....	40

# 1 Declaration of opening

## Acknowledgement of Country

*Ngany djerapiny Wadjak – Noongar boodja-k yaakiny, nidja bilya bardook.*

I am honoured to be standing on Whadjuk - Nyungar country on the banks of the Swan River.

*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 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 youngka baalapiny Noongar birdiya wer moort nidja boodja.*

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

## **2 Attendance**

<b>Mayor</b>	Cr Karen Vernon
<b>Banksia Ward</b>	Cr Claire Anderson
<b>Jarraah Ward</b>	Cr Jesse Hamer Cr Daniel Minson
<b>Independent Committee Members</b>	Ms Tracy Destree Mr Jonathan Seth
<b>Chief Executive Officer</b> <b>Chief Financial Officer</b>	Anthony Vuleta Duncan Olde
<b>Manager Governance and Strategy</b> <b>Manager Strategic Finance</b> <b>Manager Technology &amp; Digital Strategy</b> <b>Corporate Performance Advisor</b>	Ms Bernadine Tucker Nana McIntosh Ernie Prandle Kogilyn Titus
<b>Secretary</b>	Ms Tracey Wilson

### **2.1 Apologies**

### **2.2 Approved leave of absence**

<b>Jarraah Ward</b>	Cr Jesse Hamer
---------------------	----------------

### **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 [insert date of previous meeting].

#### **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 Terms of Reference - Audit and Risk Committee

<b>Location</b>	Town-wide
<b>Reporting officer</b>	Manager Governance and Strategy
<b>Responsible officer</b>	Chief Executive Officer
<b>Voting requirement</b>	Simple majority
<b>Attachments</b>	1. Terms of Reference - 2023 [7.1.1 - 3 pages]

#### Recommendation

That the Audit and Risk Committee recommends that Council adopts the Audit and Risk Committee's Terms of Reference as contained in attachment 1.

#### Purpose

The Terms of Reference for the Audit and Risk Committee are recommended for adoption.

#### In brief

- Terms of Reference provide officers with guidance on the type of reports that are eligible to be submitted to the Audit and Risk Committee.
- The Terms of Reference also provide Committee Members with a clear understanding of the Audit and Risk Committee's objectives, areas of responsibility and structure.
- The Terms of Reference were last reviewed and amended by Council on 15 February 2022.

#### Background

1. Under the *Local Government Act 1995*, a local government must have an Audit Committee.
2. The Town has an Audit and Risk Committee with the responsibility to:
  - support Council in fulfilling its governance and oversight responsibilities in relation to financial reporting, internal control structure, risk management systems and external audit functions and ethical accountability.
  - critically examine the audit and management reports from external audits, and ensure that the Town appropriately implements any actions.
  - receive and review reports and make recommendations to Council.
3. The Town's Audit and Risk Committee is made up of four (4) Elected Members and two independent Members.
4. Following the local government elections of 2023, two new Members have been appointed by Council to the Audit and Risk Committee. As such, the Terms of Reference for this Committee are to be endorsed with a recommendation that they be adopted by Council.

## Strategic alignment

Civic Leadership	
Community Priority	Intended public value outcome or impact
CL3 - Accountability and good governance.	Adoption of the Terms of Reference for the Audit and Risk Committee promotes accountability and good governance.

## Engagement

Not applicable.

## Legal compliance

Section 5.8 of the *Local Government Act 1995* [Local Government Act 1995 - \[07-ag0-00\].pdf \(legislation.wa.gov.au\)](#)

Local Government (Audit) Regulations 1996. [Local Government \(Audit\) Regulations 1996 - \[02-k0-00\].pdf \(legislation.wa.gov.au\)](#)

## Risk management consideration

Risk impact category	Risk event description	Consequence rating	Likelihood rating	Overall risk level score	Council's risk appetite	Risk treatment option and rationale for actions
Financial	N/A				Low	
Environmental	N/A				Medium	
Health and safety	N/A				Low	
Infrastructure/ ICT systems/ utilities	N/A				Medium	
Legislative compliance	N/A				Low	
Reputation	Not having a Terms of Reference for the Committee may be viewed as poor governance.	Minor	Unlikely	Low	Low	
Service delivery	N/A				Medium	

## Financial implications

<b>Current budget impact</b>	Nil
------------------------------	-----

## **Analysis**

1. The Terms of Reference were last reviewed and amended by Council on 15 February 2022.
2. The Terms of Reference should be reviewed in line with the appointment of Elected Members and independent Committee Members to the Audit and Risk Committee following the local government elections.
3. The Terms of Reference have been reviewed with suggested updates to reflect the inclusion of quarterly corporate business planning for the Audit and Risk Committee.
4. It is recommended that the Audit and Risk Committee request Council to adopt the amended Terms of Reference.

## **Relevant documents**

Not applicable

## **Further consideration**

## 7.2 Audit Update Report

<b>Location</b>	Town-wide
<b>Reporting officer</b>	{Manager Governance and Strategy}
<b>Responsible officer</b>	Chief Executive Officer
<b>Voting requirement</b>	Simple majority
<b>Attachments</b>	<ol style="list-style-type: none"><li>1. CONFIDENTIAL REDACTED - Audit Update Report [7.2.1 - 4 pages]</li><li>2. CONFIDENTIAL REDACTED - Audit Dashboard [7.2.2 - 1 page]</li></ol>

### Recommendation

That the Audit and Risk Committee recommends that Council receives the Audit Update Report for September 2023 as contained in Attachment 1.

### Purpose

The Audit and Risk Committee recommends that Council receives the Audit Update Report for October 2023 as contained in Attachment 1. The update on actions relates to the Internal audits in accordance with the internal audit plan approved In September 2021.

### In brief

The following audits have been completed within the Town:

- ✓ Conflicts of interest
- ✓ Gifts
- ✓ Integrity
- ✓ Fraud and corruption
- ✓ Employment practices
- ✓ The misuse of assets and resources
- ✓ Regulation 17: System and procedures review
- ✓ Community Grants funding
- ✓ Information Security
- ✓ Procurement.

### Background

1. The 2021-2022 Internal Audit Program was adopted by Council on 16th August 2022.
2. The below audit is currently still in progress as per the 21/22 audit plan and will be reported on at the next Audit and Risk Committee meeting:
  - Records Management.

### Strategic alignment

<b>Civic Leadership</b>	
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.

## Engagement

<b>Internal engagement</b>	
Stakeholder	Comments
Business Units	Managers providing responses and supporting documentation to the internal auditors

## Legal compliance

[LOCAL GOVERNMENT ACT 1995 \(austlii.edu.au\)](http://austlii.edu.au)

[LOCAL GOVERNMENT \(AUDIT\) REGULATIONS 1996 \(austlii.edu.au\)](http://austlii.edu.au)

## Risk management consideration

<b>Risk impact category</b>	<b>Risk event description</b>	<b>Consequence rating</b>	<b>Likelihood rating</b>	<b>Overall risk level score</b>	<b>Council's risk appetite</b>	<b>Risk treatment option and rationale for actions</b>
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.	Moderate	Likely	High	Low	TREAT risk by Adopting an internal program with a focus area on high-risk financial processes and activities.
Environmental	Not applicable.					
Health and safety	Not applicable.					
Infrastructure/	Not applicable.					

ICT systems/ utilities						
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	Likely	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 noncompliance, fraud and corruption risks which adversely impact on the Town's reputation.	Moderate	Possible	Medium	Low	Treat risk by ensuring commitment to management actions to address findings.
Service delivery	Not applicable.					

## Financial implications

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

## Analysis

3. The Information Security has identified 7 improvement opportunities
4. The procurement audit has identified 9 improvement opportunities.
5. This has been updated in Cascade and will be reported on going forward (as per attachment 1).

## Relevant documents

Not applicable.

## 7.3 Procurement Final Internal Audit Report

<b>Location</b>	Town-wide
<b>Reporting officer</b>	{Manager Financial Services}
<b>Responsible officer</b>	Chief Financial Officer
<b>Voting requirement</b>	Simple majority
<b>Attachments</b>	1. CONFIDENTIAL REDACTED - Procurement Final Internal Audit Report [7.3.1 - 16 pages]

### Recommendation

That the Audit and Risk Committee recommends that Council notes the final Procurement internal audit report.

### Purpose

To inform Council of the outcomes of the Procurement audit.

### In brief

- The audit of Information Security was completed in October 2023.

### Background

- The Procurement audit was included in the 2022-2023 internal audit program adopted by Council in September 2021.
- Auditors were engaged to complete the audit focusing on the appropriateness and effectiveness of the Town's systems and procedures in relation to procurement.
- The final report is attached.

### 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.

### Engagement

#### Internal engagement

Stakeholder	Comments
Finance	Provided the information requested and comments on the audit report.
C-Suite	The report was presented to C-Suite for noting.

## Legal compliance

Not applicable.

## Risk management consideration

Risk impact category	Risk event description	Consequence rating	Likelihood rating	Overall risk level score	Council's risk appetite	Risk treatment option and rationale for actions
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.	Moderate	Likely	High	Low	TREAT risk by Adopting an internal program with a focus area on high-risk financial processes and activities.
Environmental	Not applicable.					
Health and safety	Not applicable.					
Infrastructure/ ICT systems/ utilities	Not applicable.					
Legislative compliance	No applicable					
Reputation	Not refining management practices to address audit findings could result in reputational risk to Council and the Town.	Moderate	Likely	High	Low	Treat risk by adopting an internal program with a focus area on high-risk financial processes and activities.

Service delivery	Not reviewing procurement systems and procedures can lead to a disruption or delays to services.	Moderate	Likely	High	Medium	TREAT risk by adopting an internal program with a focus area on high-risk financial processes and activities.
------------------	--	----------	--------	------	--------	---

## Financial implications

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

## Analysis

4. The audit identified 9 risks (2 high, 4 medium and 3 low).
5. The audit actions above will be addressed in accordance with management comments and completed by the agreed target date.
6. All internal audit actions summarising the status of the findings will be updated in Cascade and provided to the Audit and Risk Committee for review.

## Relevant documents

Not applicable

## Further consideration

## 7.4 Information Security final internal audit report

<b>Location</b>	Town-wide
<b>Reporting officer</b>	{Manger Technology and Digital Strategy}
<b>Responsible officer</b>	Chief Financial Officer
<b>Voting requirement</b>	Simple majority
<b>Attachments</b>	1. CONFIDENTIAL REDACTED - Information Security Final Audit Report [7.4.1 - 14 pages]

### Recommendation

That the Audit and Risk Committee recommends that Council notes the Information Security final audit report.

### Purpose

To inform Council of the outcomes of the Information Security audit

### In brief

- The review's objective was to give a report to management and the Committee on the status of the implementation of actions arising from the Office of the Audit General's (OAG) report in 2021 on Information Security.
- The audit on Information Security was completed in October 2023

### Background

1. The audit on Information security was included in the 2022-2023 internal audit program adopted by Council in September 2021.
2. Auditors were engaged to complete the audit focusing on the appropriateness and effectiveness of the Town's systems and procedures in relation to information security, and to assess the status of AG actions identified in 2021.
3. The final report is attached.

## 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.

## Engagement

Internal engagement	
Stakeholder	Comments
Technology and Digital Strategy	Provided the information requested and comments on the audit report.
C-Suite	The report was presented to C-Suite for noting.

## Legal compliance

Not applicable.

## Risk management consideration

Risk impact category	Risk event description	Consequence rating	Likelihood rating	Overall risk level score	Council's risk appetite	Risk treatment option and rationale for actions
Financial	Not adopting an internal audit program means we cannot test our financial controls and mitigate financial loss through administrative errors, fraud and corruption.	Moderate	Likely	High	Low	TREAT risk by Adopting an internal program with a focus area on high-risk financial processes and activities.
Environmental	Not applicable.					
Health and safety	Not applicable.					
Infrastructure/ ICT systems/ utilities	Not reviewing ICT systems and procedures can	Moderate	Likely	High	Medium	TREAT risk by Adopting an internal program

	lead to a disruption to services.					with a focus area on high-risk financial processes and activities.
Legislative compliance	Not applicable.				Low	
Reputation	Not refining management practices to address audit findings could result in reputational risk to Council and the Town.	Moderate	Likely	High	Low	Treat risk by Adopting an internal program with a focus area on high-risk financial processes and activities.
Service delivery	Not applicable.					

## Financial implications

<b>Current budget impact</b>	Sufficient funds exist within the budget
<b>Future budget impact</b>	Not applicable

## Analysis

4. The audit identified 7 risks (2 significant and 5 Moderate)
5. All open matters identified will be addressed in accordance with management comments and completed by the agreed target date.
6. All internal audit actions summarising the status of the findings will be updated in Cascade and provided to the Audit and Risk Committee for review.

## Relevant documents

Not applicable.

## 7.5 Process for Reporting on Audit Outcomes

<b>Location</b>	Town-wide
<b>Reporting officer</b>	Governance Coordinator
<b>Responsible officer</b>	Chief Executive Officer
<b>Voting requirement</b>	Simple majority
<b>Attachments</b>	1. Audit Function Dashboard from Cascade [7.5.1 - 1 page]

### Recommendation

That the Audit and Risk Committee recommends that Council:

1. Approves that the External and Internal Audit Outcomes be added to the Town's Cascade System and provide the reports generated from the Cascade system for each audit outcome to the Audit and Risk Committee on a quarterly basis; and
2. Approves the future projects process through the Cascade system as a result from audit finding learnings.

### Purpose

To advise Council on the method and timing of reporting External and Internal Audit Outcomes and the process for creating future projects through the Cascade system.

### In brief

- Advise Council on the new process for reporting on external and internal audit outcomes through Cascade system as requested by Council.
- Advise Council on the quarterly reporting timings for audit outcomes.
- Advise Council the new future projects process.

### Background

1. At the 21 March 2023 Council Meeting Council resolved to:
  - (a) Request the Chief Executive Officer to present a report to the Committee by 13 November 2023 outlining a process for the Town's future reporting against any outcomes from any audits (external and internal audits) and a separate process for developing future projects based upon the learnings from the said audit findings.
3. The current process of reporting against audit outcomes has been a program of works schedule provided to the Audit and Risk Committee since February 2022.
4. The Audit and Risk Committee discussed that the current schedule did not provide sufficient information and at times the justification for date changes was not clear.

## Strategic alignment

Civic Leadership	
Community Priority	Intended public value outcome or impact
CL1 – Effectively managing resources and performance.	Ensure that audit outcomes are addressed and responded to in a timely manner.
CL3 - Accountability and good governance.	Ensure audit outcomes are accounted for and address risk associated with the outcomes. If Audit outcomes are not completed on time with clear justification must be made to the Audit and Risk Committee and the Council.

## Engagement

Not applicable

## Legal compliance

Functions of audit committee [regulation 16 of the Local Government \(Audit\) Regulations 1996](#) including guiding and assisting local government in carrying out the local government's function in relation to audits conducted Part 7 of the *Local Government Act 1995* (the Act).

## Risk management consideration

Risk impact category	Risk event description	Consequence rating	Likelihood rating	Overall risk level score	Council's risk appetite	Risk treatment option and rationale for actions
Financial	Not applicable				Low	
Environmental	Not applicable				Medium	
Health and safety	Not applicable				Low	
Infrastructure/ ICT systems/ utilities	Not applicable				Medium	
Legislative compliance	Not adopting the process would result in the continuation of the current process for audit outcomes that may result in audit outcomes not being followed up, completed in adopted timeframe without clear justification.	Possible	Moderate	Medium	Low	TREAT risk by adopting the new processes for audit outcomes in Cascade system.

Risk impact category	Risk event description	Consequence rating	Likelihood rating	Overall risk level score	Council's risk appetite	Risk treatment option and rationale for actions
Reputation	Not adopting the process may result in the Town's reputation being exposed to negative media exposure as the result of non-compliance.	Possible	Minor	Medium	Low	TREAT risk by adopting the new processes for audit outcomes in Cascade system.
Service delivery	Not applicable				Medium	

## Financial implications

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

## Analysis

5. The following steps detail the process of including Audit action items into the Cascade system for quarterly reporting to the Audit and Risk Committee.
  - a) The final audit report received by the Town will be forwarded to Governance and Strategy for population into the Cascade system.
  - b) All risks will be added into the system under the Audit Action plan report.
  - c) All actions will be populated into Cascade with an action owner assigned.
  - d) Due dates will be attached to each action item.
  - e) The Cascade system generates automated reminders to managers to provide progress updates.
  - f) Managers are responsible for reporting their progress on the audit action on a quarterly basis.
  - g) The resulting report will be presented to the Audit and Risk Committee and the Ordinary Council meeting. The report will list all outstanding action items (those items behind and overdue).
  - h) All actions that have been achieved or that are in progress will be attached to the report in the form of dashboard report (please see attachment).
  - i) The dashboard report will show the percentage of items completed, behind, overdue and on track. It will also provide details for each business unit and the Town generally.

## Relevant documents

## 7.6 Quarterly Risk Management Report

<b>Location</b>	<b>Town-wide</b>
<b>Reporting officer</b>	Manager Governance and Strategy
<b>Responsible officer</b>	Chief Executive Officer
<b>Voting requirement</b>	Simple majority
<b>Attachments</b>	<ol style="list-style-type: none"> <li>1. July 2023 Risk Management Framework [7.6.1 - 14 pages]</li> <li>2. Risk Management Working Group Minutes 24 August 2023 [7.6.2 - 2 pages]</li> <li>3. Risk Management Working Group Minutes 26 July 2023 [7.6.3 - 3 pages]</li> <li>4. Risk Management Working Group Minutes 9 October 2023 [7.6.4 - 2 pages]</li> <li>5. Risk Management Working Group Minutes 18 September 2023 [7.6.5 - 2 pages]</li> <li>6. CONFIDENTIAL REDACTED - Strategic Risk Register June 2023 [7.6.6 - 15 pages]</li> </ol>

### Recommendation

That the Audit and Risk Committee recommends to Council that it:

1. Notes the actions undertaken by the Town in relation to the management of operational and strategic risks.
2. Notes the Strategic Risk Register in confidential attachment 1.
3. Notes that one significant and two high risks will be added to the Operational Risk Register.

### Purpose

This report provides information to the Audit and Risk Committee on the management of the Town's risks.

### In brief

- A Risk Management Working Group has been established to review and report on the Town's Risks.
- The Risk Management Working Group has met four times since July 2023.
- The operational and strategic risk registers have been reviewed.
- This report provides information on the work undertaken with these reviews.

### Background

1. The Town of Victoria Park has a suite of documents to manage and guide the Town's actions in response to risk management. This includes Policy 004 Risk Management, a Risk Management Framework and Management Practice, and a strategic and operational risk register.
2. In line with good risk management principles, all high and significant risks are reported to the Audit and Risk Committee.

3. Policy 004 Risk Management was last reviewed and amended on 13 December 2022, the Risk Management Framework was revised by Council on 18 July 2023 and the Risk Management Practice was last reviewed and amended in March 2023.
4. In July 2023, C-Suite approved the implementation of a Risk Management Working Group (RMWG) comprising 10 staff across the four Directorates with responsibility to:
  - Identify, evaluate and document potential operational risks.
  - Identify and document the appropriate measures which are in place to control identified risks.
  - Assess the effectiveness of risks control measures (for efficiency and effectiveness) using reliable sources of information regarding both the potential consequences and likelihood of an event occurring as per the AS/NZ ISO 31000:2018 methodology.
  - Identify priority risk treatment areas and make recommendations in relation these to C-Suite via formalized reporting mechanisms
  - Review all High and Extreme risks and make recommendations to C-Suite via formalized reporting mechanisms.
5. The RMWG is to meet at least quarterly with the Minutes from meetings, along with any recommendations being proposed, being presented to C-Suite for endorsement. C-Suite endorsements and decisions relating to risk management will then be included in a quarterly report to the Audit and Risk Committee.

## Strategic alignment

Civic Leadership	
Community Priority	Intended public value outcome or impact
CL3 - Accountability and good governance.	Improves risk management and compliance systems.

## Engagement

Internal engagement	
Stakeholder	Comments
Risk Management Working Group	The Risk Management working group has reviewed the operational risk register
C-Suite	C-Suite have reviewed the work of the Risk Management Working Group
Council	Council have been engaged through a risk management workshop

## Legal compliance

Not applicable.

## Risk management consideration

Risk impact category	Risk event description	Consequence rating	Likelihood rating	Overall risk level score	Council's risk appetite	Risk treatment option and rationale for actions
Financial	Not applicable				Low	
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 having a coordinated and robust risk management system will impact on service delivery	Moderate	Possible	Medium	Medium	Treat the risk by providing regular reports on the Town's risk management

## Financial implications

<b>Current budget impact</b>	Nil.
<b>Future budget impact</b>	Not applicable.

## Analysis

6. To help facilitate a coordinated and structured approach to risk management, C-Suite endorsed the formation of the RMWG comprising 10 members representing the four different Directorates at the Town.
7. The RMWG updates the Town's Risk Registers and has responsibility for identifying and monitoring risks and assists in developing and recommending treatments for agreed priority risks.
8. Since its commencement in July, the RMWG has met four times and has undertaken the following:
  - Reviewed the operational risk register.

- Has developed a new operational risk register template that is aligned to the Strategic Risk Register.
  - Has reviewed the risk categories and identified appropriate risk events.
  - Has commenced a review of the risk scores for each event.
9. Future meetings of the RMWG will be continuing with this major review process of the operational risk register with reporting on the progress to C-Suite and the Audit and Risk Committee.
  10. The Strategic Risk Register last underwent a major review in 2019 when the Risk Management Framework was also reviewed. In December 2022, further amendments to the Strategic Risk Register were recommended and in July 2023, Council adopted an amended Strategic Risk Register and updated the controls and treatment action.
  11. On 10 October 2023, a strategic risk workshop facilitated by RSM Australia was held with Councillors. At this workshop, the existing risk categories and events were reviewed. At that workshop, Councillors requested a further workshop with RSM to finalise this Strategic Risk Register review.
  12. The actions by the Town in relation to risk management are now presented to the Audit and Risk Committee for noting.
  13. The Town has also had two internal audits completed - the Information Security Final Internal Audit Report and the Procurement Audit.
  14. The Information Security Final Internal Audit Report identified one open significant risk finding. This is discussed in a separate report attached to this agenda.
  15. The Procurement Audit identified two high risks findings. These are also discussed in a separate report to this agenda.
  16. The Audit and Risk Committee are requested to note that the significant and high risk findings from these two audits will be included in the operational risk register.

## **Relevant documents**

[Policy 004 Risk Management](#)

Risk Management Framework

## **Further consideration**

## 7.7 Quarter 1 Progress Report (1 July 2023 - 30 September 2023)

<b>Location</b>	Town-wide
<b>Reporting officer</b>	Manager Governance and Strategy
<b>Responsible officer</b>	Chief Executive Officer
<b>Voting requirement</b>	Simple majority
<b>Attachments</b>	<ol style="list-style-type: none"><li>1. Q1 Reporting by Exception. [7.7.1 - 8 pages]</li><li>2. Annual Action Status Overview 22/23 [7.7.2 - 1 page]</li><li>3. 2023-2024 Capital Works Program including Strategic projects [7.7.3 - 9 pages]</li></ol>

### Recommendation

That the Audit and Risk Committee recommends that Council accepts the quarterly progress reports for the period 1 July 2023 – 30 September 2023, 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.

### Purpose

To present quarterly progress updates to Council on the actions, projects and outcomes listed within the plans and strategies included in the recommendation.

### In brief

- At the Ordinary Council Meeting on 16 July 2019, Council resolved that quarterly written progress reports be presented to Council on the Corporate Business Plan, Annual Strategic Project Summary, five-year capital works program and a selection of strategies and plans. A resolution in July 2021 requested that a progress report on the Climate Emergency Plan also be included.
- The progress reports were requested to enable Council to confidently oversee the Town's performance, allocation of finances and allocation of resources, as well as improve transparency and accountability to the Council and community.
- All progress reports for this quarter are attached to this report to be received by Council.

## 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:*
  - 1) *Receives the community consultation results for the draft Climate Emergency Plan.*
  - 2) *Endorses the Climate Emergency Plan 2021 – 2031.*
  - 3) *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.
- 4.

## Strategic alignment

Civic Leadership	
Community Priority	Intended public value outcome or impact
CL3 - Accountability and good governance.	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.

## 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	Operations coordinate the progress reports for the 2019/2020 Annual Strategic Project Summary and Five-Year Capital Works Program.
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

## Legal compliance

[LOCAL GOVERNMENT ACT 1995 - SECT 2.7](#)

## Risk Management consideration

Risk impact category	Risk event description	Consequence rating	Likelihood rating	Overall risk level score	Council's risk appetite	Risk treatment option and rationale for actions
Financial	Not applicable.				Low	
Environmental	Not applicable.				Medium	
Health and safety	Not applicable.				Low	
Infrastructure/ ICT systems/ utilities	Not applicable				Medium	
Legislative compliance	Not applicable				Low	
Reputation	Negative public perception towards the Town if progress	Minor	Possible	Moderate	Low	Risk to be treated by providing commentary and reasoning within

	expectations are not being met.	progress reports where expectations are not being met
Service delivery	Not applicable	Medium

## Financial implications

<b>Current budget impact</b>	Sufficient funds exist within the annual budget to address this recommendation
<b>Future budget impact</b>	Not applicable

## Analysis

- 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.
- The Corporate Business Plan for financial year 23/24 will be approved by Council in December 2023, *per resolution 145/2023 That consideration of the Corporate Business Plan be deferred until the Long-Term Financial Plan is presented to Council. This is to enable the Corporate Business Plan to be updated with financial information.* For this reason, the report will reflect progress against actions from the 22/23 Corporate Business Plan.
- 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

- The status of actions from the CBP are as follows.

Strategic outcome	Total actions	No. of actions completed	No. of actions overdue	No. of actions on track
Social	53	49	4	0
Environment	82	73	9	0
Economic	20	20	0	0
Civic Leadership	81	67	9	5

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

## 2022/2023 Annual Strategic Project Summary

9. 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	10	2	5

## Five Year capital works program

10. 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
81	32	37	12	

## Economic Development Strategy 2018-2023

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

<b>Outcome</b>	<b>Total actions</b>	<b>No of actions completed</b>	<b>No of actions in progress</b>	<b>No of actions not started</b>
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
<b>Total</b>	<b>50</b>	<b>10</b>	<b>32</b>	<b>8</b>

### Urban Forest Strategy:

13. 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.
14. The summary table below represents the number of actions progressed and completed since the adoption of the IAP.

<b>Outcome</b>	<b>No of actions completed</b>	<b>No of actions in progress</b>	<b>No of actions ongoing</b>	<b>No of actions not started</b>
<b>Strategic Outcome 1</b> Plant and protect sufficient trees by 2020 to achieve the 20% tree canopy target as supported by Council.	2	6	6	1

<b>Strategic Outcome 2</b> Maximize community involvement and collaboration in its implementation.	2	2	4	2
<b>Strategic Outcome 3</b> Increase tree diversity, whilst favoring local endemic and West Australian species that also support wildlife	2	0	1	0
<b>Strategic Outcome 4</b> Maintain high standard of vegetation health.	1	1	4	0
<b>Strategic Outcome 5</b> Improve soil and water quality	1	2	0	0
<b>Strategic Outcome 6</b> Improve urban ecosystems	0	1	2	2

## Reconciliation Action Plan:

15. The Town's Reflect Reconciliation Action Plan (RAP) was adopted by Council in November 2018.
16. 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.
17. The status of actions from the Reconciliation Action Plan are as follows.

Category	No of actions completed	No of actions in progress/ongoing	No of actions not started
Relationships	14	3	1
Respect	32	3	1
Opportunities	14	3	3
Tracking and progress	2	2	0

18. This quarter, the key progress highlights of the Reconciliation Action Plan included:
- Conditional endorsement of the Innovate RAP by Reconciliation Australia on 13 September 2023.
  - Mindeera Advisory Group met on 2 August 2023 regarding a number of key projects occurring in the Town.
  - Successful recruitment of new Community Development Officer – Reconciliation, with candidate commencing 2 October 2023.

## Disability Access and Inclusion Plan

19. The Town's Access and Inclusion Plan was adopted by Council in December 2022 and is a legislative requirement for all local governments.
20. 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	2	4	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	0	4
Goal 3: Active Citizenship – Public Consultation	2	0	3
Goal 4: Employment	4	1	0
Goal 5: Governance and Impact	4	1	0
<b>Total</b>	<b>20</b>	<b>12</b>	<b>13</b>

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

- a) Access and Inclusion Advisory Group continues to support and advise project management and internal stakeholders on inclusive design and planning elements, with the last meeting held 4 September 2023.
- b) Annual report sent to Department of Communities in July 2023.
- c) Internal education of access and inclusion requirements continues, with presentation at SALT meeting in July 2023 to engage Service Area Leads in understanding requirements and legislation.
- d) Town contribution to a Seniors Week celebration in collaboration with Connect Vic Park and Harold Hawthorne scheduled for November 2023.
- e) Construction on accessible toilets at Town admin building completed September 2023.

## Climate Emergency Plan

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

23. 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.

24. 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	2	9	2
2 Reduce emissions of facilities and assets	0	10	0
3 Reduce waste emissions	0	4	0
4 Switch to low carbon and renewables	3	4	0
5 Respond to immediate climate change impacts	0	7	0
6 Support and educate our community	3	8	1
7 Support and educate our businesses	3	7	1
8 Offset residual emissions	0	1	0

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

- a) The Town has undertaken data collection to determine carbon reduction since the Town began implementing of the Climate Emergency Plan in 2021. Concurrent to this is a revision of the Climate Emergency Plan (CEP) to reassess actions, progress and include additional actions where required. The data analysis and CEP review is currently with the consultant.
- b) Implementing an education program re: FOGO to improve waste segregation by residents to avoid recyclables and organics entering landfill. Home composting workshops held August 2023. Garage Sale Trail program initiated.
- c) Liaising with Switch Your Thinking to establish an education and behaviour change program for the Town's staff focused on energy savings and efficiency.
- d) Power Purchase Agreement (PPA) – tariffs under the existing PPA renegotiated with Synergy. This will save between 4%-19% across our current facility accounts covered under the PPA, based on our current usage.
- e) Investigated potential mechanisms for funding local climate change action.

### Community Benefits Strategy

26. The Community Benefits Strategy (CBS) was launched on 2 December 2019, operating on a calendar year basis, rather than financial year.

27. The Town of Victoria Park, West Coast Eagles, Waalitj Foundation, 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:

- a) 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.
- b) Program 2: Healthy Relationship Awareness, delivered by West Coast Eagles and focuses on domestic violence awareness and prevention.
- c) 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.
- d) 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.

28. The status of actions from the CBS are as follows:

<b>Program</b>	<b>No of actions completed/ongoing</b>	<b>No of actions in progress</b>	<b>No of actions not started</b>
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

29. This quarter, the key progress highlights of the Community Benefits Strategy included:

- a) Perth Rodgers Cup – SOAR Session in Waalitj Classroom – On 12 July 2023, a WCE staff member hosted the Perth Demons Rogers Cup team in the Waalitj Classrooms to present the WCE SOAR program. SOAR is a youth wellbeing series specifically for girls, which is a program that is delivered to organisations and clubs all around the state.
- b) Town of Victoria Park Bookmark Launch - On 10 August 2023, the Town of Victoria Park Library launched bookmarks that featured West Coast Eagles AFLW players Krystal Petrevski and Aisling McCarthy. The players made an appearance at the Library to surprise a group of young kids and local residents from the town. The players both read children’s books to the group that included diversity and inclusion content.
- c) Kensington PCYC After School Program - WCE Community Officer and AFL player Tom Cole ran two sessions at Kensington PCYC as part of the After School Program. The sessions included a football clinic with over 40 kids between the ages five and ten. This was an important initiative to engage with the disengaged youth of the Town of Victoria Park to promote physical activity and create a sense of community for the children.
- d) Walking Footy Curtain Raiser -WCE hosted the first ever Walking Footy Curtain Raiser at Optus Stadium prior to the Round 18 WCE v Richmond match on 16th July. The Town of Victoria Park team played against a team comprised of participants from our Southwest

regional walking footy program. It was a great reward for effort for the participants to enjoy the program on Optus Stadium

- e) WADSA - All Abilities recreation program is run in 10-week blocks throughout the year, providing opportunities for participants to join in a range of activities from 10-pin bowling to orienteering. So far in 2023, WCE past players have participated in 21 sessions, including a variety of fun activities and continue to strengthen their relationships with WADSA participants.
- f) Vic Park Raiders - Throughout August, the Victoria Park Raiders Football Club were given two full access tours to Mineral Resources Park, which were hosted by AFL players Josh Rotham and Liam Duggan. The group were also given the opportunity to participate in a Q&A session throughout the tour and ask the players about their training schedules, recovery, diet, and game day routines.
- g) Ken Wyatt Cup - Ken Wyatt Cup – Thursday 31 August 2023 – Round robin carnival held on MRP Oval 1 and 2 involving over 100 First Nations high school girls from the Waalitj Deadly Sista Girlz schools' program.

## **Relevant documents**

[Corporate-Business-Plan-2022-2027](#)

[Economic-Development-Strategy](#)

[Urban-Forest-Strategy](#)

[Reflect-Reconciliation-Action-Plan-2018-202](#)

[Climate Emergency Plan](#)

[Disability Access an Inclusion Plan](#)

[Community-Benefits-Strategy-2019-2024](#)

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

**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