



TOWN OF
VICTORIA PARK



Audit, Risk and Improvement Committee Agenda – 13 October 2025



WE'RE OPEN
VIC PARK

Please be advised that an **Audit, Risk and Improvement Committee** will be held at **5.30 PM** on **Monday 13 October 2025** in **Council Chambers**, Administration Centre at 99 Shepperton Road, Victoria Park.

Mr Carl Askew – Chief Executive Officer
8 October 2025

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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 kaadijtin, 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

Presiding Member	Mayor Karen Vernon
Banksia Ward	Cr Claire Anderson
Jarrah Ward	Cr Daniel Minson Cr Jesse Hamer
Independent Committee Members	Mr Jonathan Seth
Chief Executive Officer	Mr Carl Askew
Chief Financial Officer	Mr Duncan Olde
Manager Governance and Strategy	Ms Bernadine Tucker
Audit, Risk and Assurance Advisor	Mr Mark Sully
Coordinator Governance and Strategy	Mr Jordan McDermott
Meeting Secretary	Ms Winnie Tansanguanwong

2.1 Apologies

2.2 Approved leave of absence

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, Risk and Improvement Committee confirms the minutes of the Audit, Risk and Improvement Committee meeting held on 14 July 2025.

5 Presentations

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 Audit Update Report October 2025

Location	Town-wide
Reporting officer	Audit, Risk and Assurance Advisor
Responsible officer	Chief Executive Officer
Voting requirement	Simple majority
Attachments	1. CONFIDENTIAL REDACTED - Quarter 1 Open Audit Actions (July - September 2025) - 20251001 [7.1.1 - 3 pages]

Summary

The Audit, Risk and Improvement Committee recommends that Council receives the Audit Update Report for October 2025, which provides an overview of internal audit activities and current open audit actions. Key outcomes include completion of the Assessment of Operational Risk audit and identification of two Moderate findings aimed at strengthening operational risk practices.

Officer Recommendation

The Audit, Risk and Improvement Committee recommends that Council receives the Audit Update Report for October 2025, as contained in Attachment 7.1.1.

Background

1. The 2023-2026 Internal Audit Program, adopted by Council on 19 June 2023, provides structured oversight of key governance, risk, and control processes across the Town.
2. Three following three audit projects are scheduled for 2025/26:
 - Talent Management and Wellbeing
 - Fraud and Corruption Reporting
 - Corporate Performance Management and Monitoring
3. The final audit for 2024/25 was the Assessment of Operational Risk audit which has been completed.

Discussion

Current Open Audit Actions (Quarter 1, 2025)

4. Note – Although the audit action tracking table below includes a ‘Completed’ column, no completions will appear for Q1. Completed actions are only displayed when comparing across reporting periods (e.g. Q2 with Q1 and so on).

Area	Open	Completed	Overdue	Behind	On Track	Extreme Risk	Moderate Risk	Low Risk
Finance	5	0	2	0	3	2	1	2
People & Culture	2	0	0	0	2	0	0	2
Totals	7	0	2	0	5	2	1	4

Relevant Documents

Not applicable.

Legal and Policy Compliance

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

[Local Government Regulations 1996](#)

Financial Implications

Current budget impact	Existing budget allocations will accommodate the recommended process improvements.
Future budget impact	Not applicable for this report.

Risk Management Considerations

Risk Impact Category	Risk Event Description	Risk Rating	Risk Appetite	Risk Mitigation
Financial	Without an internal audit program, the Town may be exposed to financial errors, fraud, or corruption.	High	Low	Maintain and monitor internal audit program focusing on high-risk processes.
Environmental	Not applicable.			
Health and Safety	Not applicable.			
Data, Information Technology and Cyber	Not applicable.			
Assets	Not applicable.			

Compliance Breach	Lack of internal audits may increase risk of non-compliance with legislative requirements.	High	Low	Ensure management implements actions to address audit findings.
Reputation	Inadequate audit oversight may reduce stakeholder confidence in governance and risk management.	Moderate	Low	Ensure timely resolution of audit findings.
Service Delivery Interruption	Not applicable.			

Engagement

Internal engagement	
Stakeholder	Comments
Business Units	Managers providing responses and supporting documentation to the Internal Auditors.
C-Suite	Informed of 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 support integrity and identify areas for improvement.
CL3 - Accountability and good governance.	Internal audits provide a disciplined approach to improving risk management, internal controls, and governance processes, adding value to Town operations.

7.2 Corporate Business Plan Quarter 1 Progress Report (July - September 2025)

Location	Town-wide
Reporting officer	Audit, Risk and Assurance Advisor
Responsible officer	Chief Executive Officer
Voting requirement	Simple majority
Attachments	1. Quarter 1 CBP Progress Report (July - September 2025) [7.2.1 - 50 pages]

Summary

This report provides an update on the implementation status of the Corporate Business Plan (CBP) actions for Quarter 1 of the 2025/26 financial year (1 July – 30 September 2025). The report supports Council's commitment to good governance, transparency, and effective resource management by providing oversight of strategic action delivery.

Officer Recommendation

That the Audit, Risk and Improvement Committee recommends that Council accepts the Corporate Business Plan Quarter 1 Progress Report for 1 July - 30 September 2025, as attached 7.2.1.

Background

1. At the Ordinary Council Meeting held 17 September 2024, Council resolved to receive one consolidated quarterly progress report on the actions, projects and outcomes of the Towns adopted plans and strategies.
2. The consolidated reporting approach reduces duplication, strengthens governance, and provides a single point of accountability for tracking purposes.
3. Quarterly progress reports enable Council to:
 - Assess performance against the Corporate Business Plan 2023-2027 and other linked strategies.
 - Identify risks and significant variations in project delivery or budget performance.
 - Receive the information needed to make informed decisions and take action where required.
4. This Quarter 1 report also establishes a baseline for the 2025/26 financial year, enabling subsequent quarters to demonstrate comparative progress and trend analysis.

Discussion

5. An amended Corporate Business Plan 2023-2027 was endorsed by Council on 19 August 2025. Its sets out the Town's medium-term priorities, aligned to the Strategic Community Plan.
6. Attachment 1 provides an update on the progress made toward each goal within the CBP during Quarter 1 of the 2025/26 financial year. Progress is visually represented as a percentage, with colour coding to indicate whether actions are:

- Behind Schedule
- On Track
- Overdue
- Complete

7. Quarter 1 CBP Progress Summary – 2025/26

- The Quarter 1 results for the 2025/26 Corporate Business Plan show strong early progress, with (57) goals reported and an overall completion rate of (29%).
- Most actions are on track or ahead of schedule, reflecting effective early planning and cross-department collaboration.
- Key highlights include strengthened community engagement, advancing and environment initiatives, and notable progress in major infrastructure and activation projects.
- A small number of projects experienced minor delivery slippage, mainly due to resource constraints, staff changes and the Local Government caretaker period. These are being monitored, with mitigation actions in place to ensure Q2 delivery remains achievable.

Strategic outcome	Total Goals	Behind	On-Track	Overdue	Complete
Social	18	3	15	0	0
Economic	5	2	3	0	0
Environment	21	9	12	0	0
Civic Leadership	13	4	9	0	0
Total	57	18	39	0	0

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	Event Description	Risk Rating	Risk Appetite	Risk Mitigation
Financial	Delays in CBP delivery may affect alignment with budgeted projects and priorities.	Moderate	Low	Ensure quarterly tracking and escalate significant slippage.
Environmental	Not applicable.			
Health and safety	Not applicable.			
Data, Information Technology and Cyber	Not applicable.			
Assets	Not applicable.			
Compliance Breach	Incomplete or inaccurate reporting may reduce compliance with legislative requirements.	Low	Low	Validate inputs with SMTs prior to report finalisation.
Reputation	Negative public perception regarding transparency.	Low	Low	Treat: Ensure accuracy in reporting and highlight significant issues.
Service delivery interruption	Not applicable.			

Engagement

Internal engagement	
Governance and Strategy	Coordinated the preparation of this report and progress tracking.
Business Units	Provided quarterly updates on action progress, risks, and achievements.
C-Suite	Validated outcomes to ensure accuracy, accountability, and completeness.

Strategic Alignment

Civic Leadership	
Community Priority	Intended public value outcome/ impact
CL1 – Effectively managing resources and performance.	The council receives timely and accurate updates on CBP progress to support resource planning and performance management.
CL3 - Accountability and good governance.	The Community and Council are provided with increased transparency and accountability regarding strategic actions and outcomes.

7.3 Final Audit Report - Assessment of Operational Risk

Location	Town-wide
Reporting officer	Audit, Risk and Assurance Advisor
Responsible officer	Chief Executive Officer
Voting requirement	Simple majority
Attachments	1. CONFIDENTIAL REDACTED - Town of Victoria Park - Assessment of Operational Risk - Final Internal Audit Report 2025 [7.3.1 - 17 pages]

Summary

Australian Audit delivered the *Final Audit Report - Assessment of Operational Risk* on 4 August 2025, as part of the 2023-2026 Internal Audit Program. The audit confirmed that the Town has an operational risk framework in place and identified recommendations to enhance consistency, accountability, and oversight across the Town.

Recommendation

That the Audit, Risk and Improvement Committee recommends that Council:

1. Notes the *Town of Victoria Park - Assessment of Operational Risk – Final Internal Audit Report 2025* as contained in Attachment 7.3.1; and
2. Notes the two Moderate audit recommendations identified and that these will be added to the Audit Action Register.

Background

1. The audit was conducted under the 2023-2026 Internal Audit Program to assess the effectiveness, maturity, and consistency of operational risk practices across the Town.
2. The review included:
 - Examination of key documents including the Risk Management Practice and Operational Risk Register.
 - Engagement with relevant staff across business units to understand operational risk processes.
 - Assessment of roles and responsibilities for operational risk management.
 - Evaluation of risk monitoring and reporting mechanisms, including reporting to Audit, Risk and Improvement Committee.
3. The final report was delivered on 4 August 2025.

Discussion

4. The audit confirmed that the Town has an operational risk management framework in place, supported by policy and practice.
5. The audit identified two Moderate findings to strengthen operational risk practices.
6. Management has reviewed and accepted all audit recommendations.

7. Agreed actions will be implemented to strengthen operational risk practices across the Town.
8. Progress will be monitored and reported to the Audit, Risk and Improvement Committee on a quarterly basis.

Relevant Documents

Attachment 7.3.1 - Final Audit Report - Assessment of Operational Risks.

Legal and Policy Compliance

Not applicable.

Financial Implications

Current budget impact	Existing budget allocations can accommodate the recommended process improvements.
Future budget impact	Not applicable.

Risk Management Considerations

Risk impact category	Risk event description	Risk rating	Risk appetite	Risk Mitigation
Financial	Not applicable.			
Environmental	Not applicable.			
Health and Safety	Not applicable.			
Data, Information Technology and Cyber	Not applicable.			
Assets	Not applicable.			
Compliance Breach	Failure to strengthen operational risk practices could reduce oversight of organisational risks.	High	Low	Implement audit recommendations and monitor progress.
Reputation	Not addressing recommendations could undermine stakeholder confidence in governance and risk management.	High	Low	Ensure regular oversight and reporting to ARIC.

Service Delivery Interruption	Not applicable.
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Engagement

Internal Engagement	Comments
Business Units	Key staff and managers were consulted during the audit process.
Information Management	Supplied requested records and commentary.
C-Suite	Informed of final audit outcomes.

Strategic Alignment

Civic Leadership	
Community Priority	Intended Outcome/ Impact
CL1 – Effectively managing resources and performance	Internal audits support integrity and identify areas for improvement.
CL3 - Accountability and good governance	Audits provide a disciplined approach to improving risk management, internal controls, and governance processes, adding value to Town operations.

7.4 2024/25 Interim Audit

Location	Town-Wide
Reporting officer	Manager Finance
Responsible officer	Chief Financial Officer
Voting requirement	Simple Majority
Attachments	1. CONFIDENTIAL REDACTED - 2024 25 Interim Management Letter [7.4.1 - 6 pages]

Summary

The purpose of an interim audit is to assess the effectiveness of internal financial controls within a government entity, identifying weaknesses in time to allow for remedial action before year-end financial statements are prepared.

The 2024/25 Interim Audit was undertaken by RSM Australia on behalf of the OAG (Office of Auditor General) in May 2025, whereby 3 findings were identified for Council's attention together with responses from Management.

Recommendation

That the Audit Risk and Improvement Committee recommends that Council receives the findings and recommendations from the independent interim auditor's report for 2024/25 and endorses management responses and actions to the auditor's findings.

Background

Each year, an Interim Audit is undertaken by the OAG to identify areas of improvement associated with the Town's internal controls, systems and procedures. This was undertaken by RSM Australia on behalf of the OAG, for the financial year ending 30 June 2025.

The findings received from RSM were assessed by Management and appropriate actions undertaken as required. The findings of the Interim Audit together with responses from Management are presented in this Report, for the Committee's consideration and recommendation to Council.

In May 2025, Council was informed via a memo from RSM, of the External Audit Plan for the year ending 30 June 2025. This plan outlined the following three key areas of focus and considerations in relation to the audit for the Town of Victoria Park.

1. Management override of controls
2. Revenue recognition – Grants, subsidies and contributions
3. Infrastructure and Property, Plant and Equipment

Discussion

The Interim Audit is primarily concerned with a review of controls/practices/procedures and Management's compliance with those controls. The external auditor's interim audit and report is also scoped to cover a review of the accounting and internal control procedures in operation, as well as testing of transactions. The interim audit reports on an exception basis, those matters that the external auditor believes Council should be aware of and/or requiring action by Management.

The review also covered an examination of some compliance matters, which are required under the Local Government Act 1995 (as amended) and Local Government (Financial Management) Regulations 1996.

The recommendations and actions agreed to by the Management will be reviewed by the external auditor and the status of the implementation of the actions will be reported back to the Audit and Risk Committee.

Relevant documents

Not applicable.

Legal and policy compliance

Local Government Act 1995

- Section 7.1A – Audit Committee - [LOCAL GOVERNMENT ACT 1995 - SECT 7.1A](#)
- Section 7.1C – Decisions of audit committees - [LOCAL GOVERNMENT ACT 1995 - SECT 7.1C](#)
- Section 7.9 – Audit to be conducted - [LOCAL GOVERNMENT ACT 1995 - SECT 7.9](#)
- Section 7.12A – Duties of local government with respect to audits - [LOCAL GOVERNMENT ACT 1995 - SECT 7.12A](#)

Financial implications

Current budget impact	Sufficient funds exist within the annual budget to address these findings.
Future budget impact	<i>Not applicable.</i>

Risk management consideration

Risk impact category	Risk event description	Risk rating	Risk appetite	Risk Mitigation
Financial	Misstatement or significant error in annual and monthly reports.	High	Low	TREAT risk by conducting daily and monthly reconciliations and have an internal and external audit program.
Environmental	Not applicable.		Medium	

Health and safety	Not applicable.	Low	
Data, Information Technology and Cyber	Not applicable.	Medium	
Assets	Not applicable.	Medium	
Compliance Breach	Not meeting the statutory reporting deadline of 31 December, for the Annual Financial report	Low	TREAT risk by ensuring that appropriate financial controls are put in place to ensure that all financial information is captured and processed in a timely manner.
Reputation	Delays in producing the Annual Financial Report	Low	TREAT risk by continually engaging with external auditors on outstanding matters or issues identified during audits.
Service delivery interruption	Not applicable.	Medium	

Engagement

Internal engagement

Stakeholders	Service area leaders were consulted and engaged during the external audit to provide information and responses to auditor queries.
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External engagement

Stakeholders	OAG (Office of the Auditor General) RSM Australia (OAG appointed external auditors)
Period of engagement	<i>Interim Audit – May 2025</i>
Level of engagement	Involve
Methods of engagement	<i>On-site in-person visits and email correspondence</i>
Advertising	<i>Not applicable.</i>
Submission summary	<i>Not applicable.</i>
Key findings	<i>As per attached letter from RSM Australia</i>

Strategic alignment

Civic Leadership	
Community Priority	Intended public value outcome or impact
CL3 – Accountability and good governance.	Ensure the Town meets its legislative responsibility in accordance with Part 7 of the Local Government Act 1995

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