



CITY OF VINCENT

AGENDA
Supplementary Reports
Council Briefing
10 March 2020

Time: 6pm
Location: Administration and Civic Centre
244 Vincent Street, Leederville

David MacLennan
Chief Executive Officer

Order Of Business

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6 INFRASTRUCTURE & ENVIRONMENT**6.1 RESPONSE TO PETITION REQUESTING THE RELOCATION OF PARKING ON TURNER STREET, HIGHGATE ADJACENT JACK MARKS RESERVE**

Attachments: Nil

RECOMMENDATION:

That Council:

- 1. NOTES the results of the consultation;**
- 2. DOES NOT APPROVE the relocation of parking as requested in the petition presented to Council at its Ordinary Meeting of 12 November 2019; and**
 - 1.**
- 3. NOTES that Administration will inform the residents, owners and lead petitioner of Council's decision.**

PURPOSE OF REPORT:

To consider the outcome of the consultation regarding the proposal to relocate parking bays in Turner Street, Highgate

BACKGROUND:

The City regularly receives requests for the introduction of, or changes to, parking restrictions in both residential and commercial areas. Administration generally undertakes a range of investigations including parking demand and traffic volume surveys to assess traffic and on street parking conditions. That data is then used to determine whether new or amended restrictions are warranted to improve parking availability and amenity.

DETAILS:

At the City's Ordinary Meeting of Council on 12 November 2019 a petition was received from Ms Lauren Ireland of Turner Street, Highgate, comprising of 109 signatures, requesting Council to consider changing the parking restrictions on Turner Street, Highgate. This would involve moving all on street parking from the north side of Turner Street to the south side of Turner Street. This would also involve moving the 'No Stopping' zone from the south side to the north side due to the narrowness of Turner Street.

Administration considered that there are a number of advantages and disadvantages to the changes proposed in the petition:

Advantages

- Improved access to users of the reserve who choose to drive
- Improved line of site for residents whilst reversing out of driveways
- Increased number of parking bays overall as the park side does not have crossovers

Disadvantages

- Lack of parking directly outside of residences
- Decreased turning circle whilst exiting driveways
- Additional parking may encourage people to drive to the park instead of walking

Administration sought approval at the City's Ordinary Meeting of Council on 3 December 2019 to consult with the residents and owners of properties on Turner Street, Highgate as only 22 signatures of the 109 who signed the petition were from residents surrounding Jack Mark's Reserve.

CONSULTATION/ADVERTISING:

In January 2020 residents and owners of Turner Street and 381 Lord Street were consulted regarding a proposal to relocate the parking in Turner Street, Highgate.

A total of 21 consultation packs were distributed and respondents were asked to support one of the following options;

- Existing parking restrictions (no change)
- Parking changed to the southern side of Turner Street
- Parking changed predominately to the southern side of Turner Street with two spaces on the northern side near Lord Street

At the close of consultation on 7 February 2020, 16 valid responses were received. (A further 15 responses were disregarded as they were not from residents or owners of Turner Street or 381 Lord Street).

Of these responses, ten were in favour of the existing parking restrictions (no change) and six were in favour of moving the parking. Of the six in favour of moving the parking, four were residents of one dwelling.

In the report to Council at its Ordinary meeting of 3 December 2019 the Administration noted that three additional bays would be created if the parking were 'switched' to the southern or park side. This figure was subsequently questioned by resident in favour of the change, with specific reference to bays shown adjacent No. 18 Turner Street. Prior to the recent development at this location 3 vehicles could be accommodated but as a result of the completion of the development and installation of a crossover the existing on-road parking has been reduced by two bays. This would mean in practical terms that there would be five additional parking bays created if the parking were changed to the southern side of Turner Street.

It should be noted that the consultation did not specifically mention the bays that could be provided by changing the parking arrangements and so this is not considered a material issue such that the consultation needs to be repeated.

LEGAL/POLICY:

The *City of Vincent Parking and Parking Facilities Local Law 2007* regulates the parking or standing of vehicles in all or specified thoroughfares and reserves under the care, control and management of the City and provides for the management and operation of parking facilities.

RISK MANAGEMENT IMPLICATIONS:

Low: There is low risk in not changing the current parking restrictions in Turner Street.

STRATEGIC IMPLICATIONS:

This is in keeping with the City's *Strategic Community Plan 2018-2028*:

Accessible City

We have better integrated all modes of transport and increased services through the City.

SUSTAINABILITY IMPLICATIONS:

Nil.









FINANCIAL/BUDGET IMPLICATIONS:

Nil.

COMMENTS:

The consultation has demonstrated that there is no clear support for change from affected residents and owners. Administration therefore recommends that the parking in Turner Street, Highgate is not relocated and remains as existing.

6.2 FLORENCE AND CARR STREETS BIKE NETWORK IMPROVEMENTS

- Attachments:**
1. Carr St Occupancy Studies Summary [↓](#) 
 2. Florence & Carr Streets Bike Network Improvement Letter to Residents Launch Consultation [↓](#) 
 3. Florence & Carr Streets Bike Network Improvement Consultation Feedback Grouped [↓](#) 
 4. Florence & Carr Streets Bike Network Improvement Map of Consultation Responses [↓](#) 
 5. Florence & Carr Streets Bike Network Improvement Cycle Lane Map 1 [↓](#) 
 6. Florence & Carr Streets Bike Network Improvement Cycle Lane Concept 1 [↓](#) 
 7. Florence & Carr Streets Bike Network Improvement Cycle Lane Concept 2 [↓](#) 
 8. DoT Letter Outlining Position re Carr St Cycle Lane [↓](#) 

RECOMMENDATION:**That Council:**

1. **NOTES** the outcome of the Public Consultation for the proposed Florence Street bike friendly improvements and Carr Street protected bike lanes;
2. **APPROVES** the construction this financial year of the Florence and Carr Streets bike network improvements, in line with the \$150,000 grant funding approval provided by the Department of Transport; and
3. **REQUESTS** Administration to advise the Department of Transport and the respondents of its decision.

PURPOSE OF REPORT:

The purpose of this report is to inform Council of the results of the Florence and Carr Streets bike network improvements public consultation and to recommend that the City proceed with construction in March/April 2020.

BACKGROUND:

The City's 2013 Bike Network Plan identified Florence and Carr Streets, West Perth, within the Cleaver Precinct, as an important east-west link but concluded that it was not an attractive cycle route due to high traffic volumes, speeds, and on-road parking. In addition, it was identified as a 'pending priority' by the community as part of the Strategic Community Plan engagement in 2018 to 'connect discontinuous bicycle facilities and link paths to destinations'. The percentage of 'heavy' traffic on Carr Street has declined since 2018 with the opening of the Charles Street bus bridge and re-directing of services away from Carr Street. However, this is seen as an enhancement of the route, by both the Administration and Department of Transport (DoT), as it will make it more attractive and safer for cyclists.

In 2018 the City applied for, and received, grant funding from the DoT for design and construction of an on-road cycle route on Florence and Carr Streets, West Perth.

DETAILS:

The DoT's funding approval was in recognition of Florence and Carr Streets not only being identified as a key route within the City's Bike Network Plan but also their own (DoT's) Long Term Cycle Network Plan.

This route will improve the east-west linkages identified in the Bike Network Plan by providing protected cycle lanes in Carr Street between Florence and Fitzgerald Streets, and traffic calming on Florence Street, similar in concept to that of a Safe Active Street. The project will also improve access to Beatty Park and Robertson Park and further enhance the connectivity of the City's wider cycle network, linking into the new

signalised crossing on Vincent Street and connecting to the shared paths on Vincent Street, Smiths Lake, Charles Veyard Reserve and recently constructed Loftus Street improvements.

The proposed works will also act as a traffic calming measure and reinforce the reduced 40kph speed limit within the precinct through narrowed lane widths and the use of nibs, line-marking and signage to create the protected bike lanes.

Carr Street, Florence Street to Fitzgerald Street

The Carr Street protected bike lanes are funded through the DoTs Perth Bike Network grants which stipulates the provision of separated cycle lanes as a minimum standard where traffic volumes and speeds are not low enough for cyclists to mix with traffic (this requires a target speed of 30km/h as per Shakespeare Street). Cyclists are classified as vulnerable road users as they are at increased risk of serious injury when involved in a collision and need to be provided protection to prevent such collisions and increase the attractiveness of cycling as a means of transport. Research shows that protected/separated cycle lanes encourage more people to use them than unseparated, on road lanes.

The protected cycle lanes chosen for Carr Street are designed to protect cyclists and remove the risk represented by frequent parking manoeuvres, which was highlighted as part of the consultation for the Bike Network Plan, whilst losing as little parking as possible. The design also represents better value for money due to the limited amount of physical, or hard, infrastructure required.

The new on-road protected lanes nominally involve the loss of up to 19 parking bays. Occupancy surveys conducted in May 2018, October 2018 and August 2019 showed that the on-street parking is rarely fully occupied (see **Attachment 1**).

Several residents suggested that the City merely refresh the current cycle lanes or improve them with further signage and paint rather than install protected bike lanes. This no longer meets the DoTs minimum standard and would not be eligible for grant funding. Further, it does not offer cyclists any protection from traffic. The current 'best practice' design principle is to create cycling infrastructure that is safe, accessible and usable by a wide range of cyclists from the confident road cyclists and commuters to families. The existing unprotected on road cycle lanes do not offer this improved amenity and security and are unlikely to encourage a 'mode shift'.

To refresh the cycle lanes in their current format would cost in the order of \$5,000, inclusive of bike symbols and signage. To paint the lanes 'green' using an Australian Standards/Main Roads Approved application (skid resistance, reflectivity etc.) would cost approximately \$90,000 at the City's cost. In addition the City would be responsible for 'renewing' the treatment at end of life, typically 10years.

Florence Street, Vincent Street to Carr Street

In respect of Florence Street, which will be funded through a Safe Active Street grant, the traffic speed and volumes are significantly lower than that of Carr Street and as a result only requires a lower level of intervention, which the existing traffic calming measures already achieve. Therefore the only changes will be the installation of on-road tree wells to accommodate additional street trees.

CONSULTATION/ADVERTISING:

Public consultation regarding the construction of bike network improvements along Florence and Carr Streets began on 15 November 2019 and ran until 9 December 2019. Letters (see **Attachment 2**) were delivered to 615 residents and businesses within the area bounded by Loftus, Newcastle, Fitzgerald and Vincent Streets informing them of the consultation and directing them to the *Imagine Vincent* website. The City also wrote to all non-resident owners in February 2020. Many comments were received outside of these consultation periods and these comments have also been included. All comments have been summarised in **Attachment 3**.

Residents were invited to comment on the planned upgrades -*"Please use the space below to submit any thoughts or comments you would like to share about the planned upgrades to Florence & Carr Street in West Perth."*

The City received 34 responses from the 1454 letters sent to residents, businesses and land owners with the following results. Of the 34 responses received one specifically related to Florence Street and this concern has been addressed. Therefore it is assumed that there were no further objections to this part of the project.

Specific to Carr Street;

- 11 of the 34 responses (32%) supported the proposed upgrade.
- 19 of the 34 responses (56%) opposed the proposed upgrade.
- 4 of the 34 responses (12%) did not support or oppose the proposed upgrade.

The main concern from residents that were against the project focused on the impact of loss of parking and a perceived lack of road space for the new cycle lanes in Carr Street. There was particular focus on the loss of parking between Charles and Fitzgerald Streets, which will be between three and five bays. As a result of these comments, and feedback that previous occupancy studies were not current, the City has undertaken a final occupancy study in February 2020, which again shows that parking is rarely fully occupied (see **Attachment 1**).

During the consultation for the Sustainable Environment Strategy the community requested the following actions:

- Install more bike lanes.
- Improve the pedestrian environment to make it safer and easier to get around.

This was reiterated in the community consultation conducted for the Draft Integrated Transport Strategy. When looking at the network as a whole the following issues were typically highlighted:

- Dissatisfaction with connectivity throughout the City, particularly for east-west and circular public transport, and for connectivity of cycling routes.
- Concern for pedestrian and cycling safety in all areas of the City, including across major streets, at roundabouts, and when using existing cycle lanes.

LEGAL/POLICY:

Not applicable.

RISK MANAGEMENT IMPLICATIONS:

The grant funding received from the Department of Transport has specifically been allocated to the 2019/20 financial year and the Department has repeatedly advised that the project has to be completed this financial year and that it will not carryover over any funds for outstanding works. There is a real risk that if the project is not approved the City will lose the funding. Doing so may also negatively impact on future funding opportunities.

STRATEGIC IMPLICATIONS:

This is in keeping with the City's *Strategic Community Plan 2018-2028*:

Accessible City

Our pedestrian and cyclist networks are well designed, connected, accessible and encourage increased use. We have better integrated all modes of transport and increased services through the City.

SUSTAINABILITY IMPLICATIONS:

The proposed cycle lanes align with the following outcome of the Sustainable Environment Strategy 2019-2024:

- Public and active transport are the modes of choice for staff and community.
- Car dependency is reduced.

FINANCIAL/BUDGET IMPLICATIONS:

The budget for the project comprises \$150,000 DoT grant funding and \$150,000 of municipal funding from cash in lieu for parking.

There are sufficient funds on budget to proceed.

COMMENTS:

Administration recommends that Council proceeds with the construction in 2020 due to its strategic importance and because the project is consistent with the City's Strategic Community Plan and the Sustainable Environment Strategy. The route was identified in the City's Bike Network Plan and forms part of the Department of Transport's Long Term Cycle Network. The proposed project is a key part a route designed to facilitate east-west movements and connect Robertson Park and Northbridge to the rest of the City and currently no other viable alternative east-west route exists.

Occupancy Studies – Carr Street

May 2018

		Location	Bays	9am – 11am	12pm – 2pm	3pm – 5pm	6pm – 9pm
Tues 1 st May 2018	Carr St	Florence St & Charles St	42	17	-	10	22
% Capacity				40%		24%	52%

Thurs 3 rd May 2018	Carr St	Florence St & Charles St	42	18	-	19	21
% Capacity				43%		45%	50%

Fri 4 th May 2018	Carr St	Florence St & Charles St	42	23	-	18	23
% Capacity				55%		43%	55%

		Location	Bays	9am – 11am	12pm – 2pm	3pm – 5pm	6pm – 9pm
Tues 1 st May 2018	Carr St	Charles St & Fitzgerald St	40	33	-	33	35
% Capacity				83%		83%	88%

Thurs 3 rd May 2018	Carr St	Charles St & Fitzgerald St	40	24	-	27	31
% Capacity				60%		68%	78%

Fri 4 th May 2018	Carr St	Charles St & Fitzgerald St	40	31	-	27	34
% Capacity				78%		68%	85%

November 2018

		Location	Bays	9am – 11am	12pm – 2pm	3pm – 5pm	6pm – 9pm
Wed 28th Nov 2018	Carr St	Loftus St & Charles St	73	42	48	50	41
% Capacity				58%	66%	68%	56%

Fri 30th Nov 2018	Carr St	Loftus St & Charles St	73	50	45	54	44
% Capacity				85%	74%	81%	66%

Sat 1st Dec 2018	Carr St	Loftus St & Charles St	73	52	44	43	58
% Capacity				71%	60%	59%	79%

		Location	Bays	9am – 11am	12pm – 2pm	3pm – 5pm	6pm – 9pm
Wed 28th Nov 2018	Carr St	Fitzgerald St & Charles St	39	34	32	32	30
% Capacity				87%	82%	82%	77%

Fri 30th Nov 2018	Carr St	Fitzgerald St & Charles St	39	31	28	31	35
% Capacity				79%	72%	79%	90%

Sat 1st Dec 2018	Carr St	Fitzgerald St & Charles St	39	34	32	31	37
% Capacity				87%	82%	79%	95%

August 2019

		Location	Bays	8am	12pm	2pm	6pm
Mon 12th August 2019	Carr St	Florence St & Charles St	33	16	27	25	15
% Capacity				48%	82%	76%	45%
Tues 13th August 2019	Carr St	Florence St & Charles St	33	20	20	15	14
% Capacity				61%	61%	45%	42%
Wed 14th August 2019	Carr St	Florence St & Charles St	33	14	12	12	14
% Capacity				42%	36%	36%	42%
Thurs 15th August 2019	Carr St	Florence St & Charles St	33	17	19	17	11
% Capacity				52%	58%	52%	33%
Fri 16th August 2019	Carr St	Florence St & Charles St	33	24	15	14	19
% Capacity				73%	45%	42%	58%
Sat 17th August 2019	Carr St	Florence St & Charles St	33	25	16	19	12
% Capacity				76%	48%	58%	36%
Sun 18th August 2019	Carr St	Florence St & Charles St	33	31	21	16	
% Capacity				94%	64%	48%	0.00%

		Location	Bays	8am	12pm	2pm	6pm
Mon 12th August 2019	Carr St	Charles St & Fitzgerald St	40	28	20	19	39
		% Capacity		70%	50%	48%	98%
Tues 13th August 2019	Carr St	Charles St & Fitzgerald St	40	36	31	39	26
		% Capacity		90%	78%	98%	65%
Wed 14th August 2019	Carr St	Charles St & Fitzgerald St	40	29	27	28	26
		% Capacity		73%	68%	70%	65%
Thurs 15th August 2019	Carr St	Charles St & Fitzgerald St	40	26	23	23	28
		% Capacity		65%	58%	58%	70%
Fri 16th August 2019	Carr St	Charles St & Fitzgerald St	40	25	14	11	10
		% Capacity		63%	35%	28%	25%
Sat 17th August 2019	Carr St	Charles St & Fitzgerald St	40	36	22	14	28
		% Capacity		90%	55%	35%	70%
Sun 18th August 2019	Carr St	Charles St & Fitzgerald St	40	32	23	18	
		% Capacity		80%	58%	45%	0.00%

February 2020

		Location	Bays	8am	12pm	2pm	7pm
Thurs 7th February 2020	Carr St	Florence St & Charles St	33	17	13	14	19
		% Capacity		52%	39%	42%	58%
Fri 8th February 2020	Carr St	Florence St & Charles St	33	16	10	9	12
		% Capacity		48%	30%	27%	36%
Sat 9th February 2020	Carr St	Florence St & Charles St	33	19	21	22	29
		% Capacity		58%	64%	67%	88%
Sun 10th February 2020	Carr St	Florence St & Charles St	33	24	30	18	21
		% Capacity		73%	91%	55%	64%
Mon 11th February 2020	Carr St	Florence St & Charles St	33	19	17	17	20
		% Capacity		58%	52%	52%	61%
Tues 12th February 2020	Carr St	Florence St & Charles St	33	16	12	13	14
		% Capacity		48%	36%	39%	42%
Wed 13th February 2020	Carr St	Florence St & Charles St	33	14	15	12	17
		% Capacity		42%	45%	36%	52%

		Location	Bays	8am	12pm	2pm	7pm
Thurs 7th February 2020	Carr St	Charles St & Fitzgerald St	40	27	33	31	31
% Capacity				68%	83%	78%	78%
Fri 8th February 2020	Carr St	Charles St & Fitzgerald St	40	28	27	27	35
% Capacity				70%	68%	68%	88%
Sat 9th February 2020	Carr St	Charles St & Fitzgerald St	40	31	25	24	36
% Capacity				78%	63%	60%	90%
Sun 10th February 2020	Carr St	Charles St & Fitzgerald St	40	29	26	38	35
% Capacity				73%	65%	95%	88%
Mon 11th February 2020	Carr St	Charles St & Fitzgerald St	40	29	36	37	35
% Capacity				73%	90%	93%	88%
Tues 12th February 2020	Carr St	Charles St & Fitzgerald St	40	29	33	36	26
% Capacity				73%	83%	90%	65%
Wed 13th February 2020	Carr St	Charles St & Fitzgerald St	40	27	32	32	37
% Capacity				68%	80%	80%	93%

ENQUIRIES TO: Samuel Jamieson 9273 6000
Infrastructure & Environment



CITY OF VINCENT

15 November 2019

Dear Sir/Madam,

In 2020, the City will be looking to upgrade Florence Street and a section of Carr Street to improve safety for cyclists and provide better east-west cycling connection between Leederville, West Perth and Northbridge.

The upgrades include the addition of traffic calming elements on Florence Street and protected on-road bike lanes on Carr Street, east of Florence.

Carr Street

In the City's Bike Network Plan, Carr Street is classified as a strategic connector and a popular east-west cycling route.

While recent changes have improved traffic flow on Carr Street (speed reduction to 40km/h east of Charles Street and buses re-routed via Charles) it is acknowledged that Carr Street still has a high volume of traffic and is not particularly bike friendly.

An Accessible City

The addition of traffic calming elements to Florence Street and protected on-road bike lanes to Carr Street directly contribute to the second priority of the City's Strategic Community Plan, Accessible City.

Combined with the recently completed signalised pedestrian crossing at the corner of Florence and Vincent Street, these upgrades to Florence and Carr will provide a cycling connection from Vincent Street to Charles and Fitzgerald Streets, and complete the link between Beatty Park Leisure Centre in North Perth and Robertson Park in Northbridge.

This project will also improve on the wider bike network, linking to the recently completed bike lanes on Loftus Street, the bike boulevard on Shakespeare Street and the bike lanes further north on Scarborough Beach Road.

Share your thoughts

To find out more and share your thoughts, visit Imagine Vincent before Monday 9 December.

- www.imagine.vincent.wa.gov.au/florence-carr-upgrades

On this page you will find concept designs for the upgrades and a feedback form if you have any comments, thoughts or questions.

Feedback can also be submitted to the City directly via mail@vincent.wa.gov.au

If you have any questions please do not hesitate to contact me on 9273 6000 or samuel.jamieson@vincent.wa.gov.au

Yours sincerely,

Samuel Jamieson
Active Transport Officer
City of Vincent

Administration & Civic Centre
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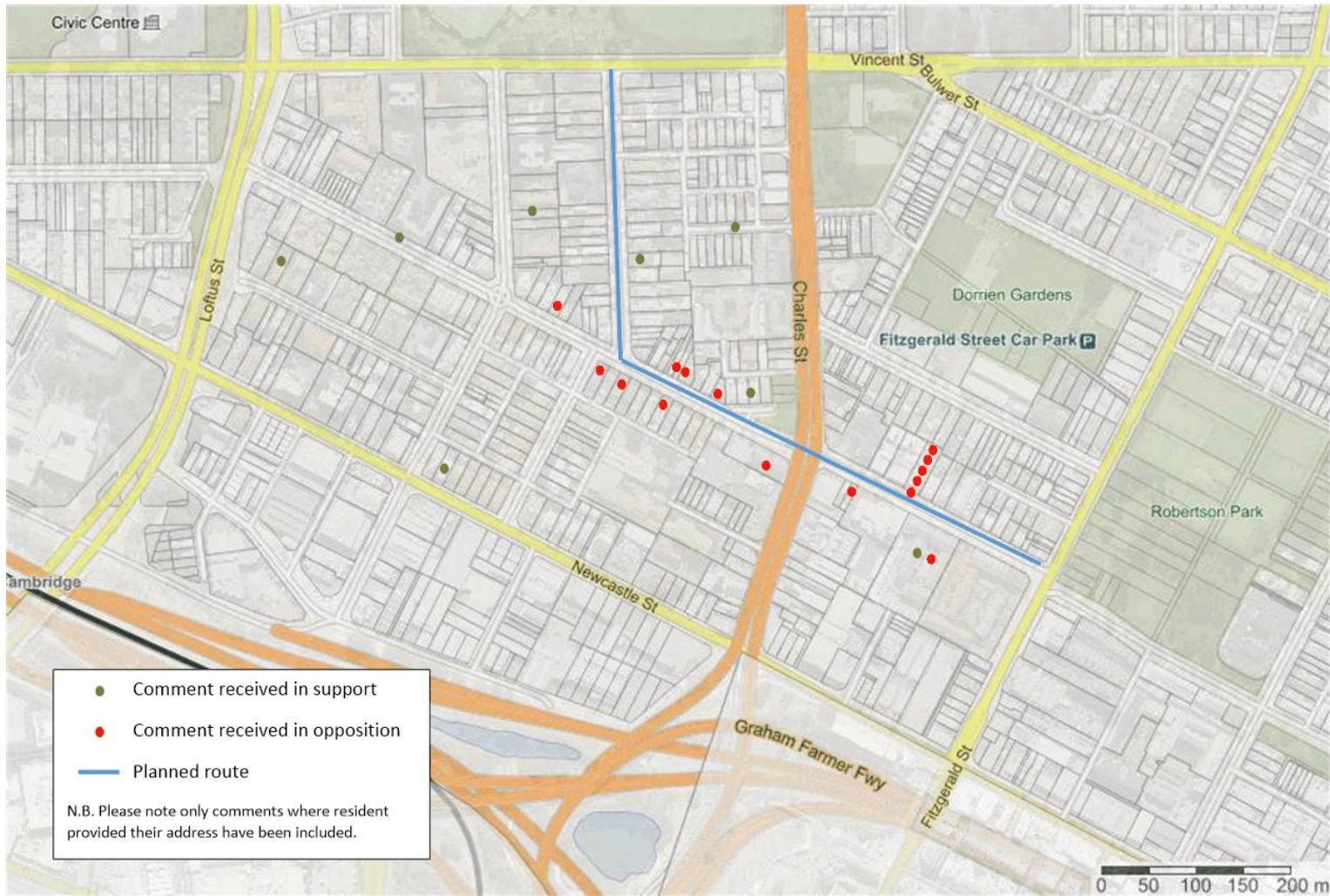
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Comment	Number of respondents that mentioned	Officer Response
Not enough parking/can't afford to lose more parking bays	17	Occupancy studies show that on-street parking on Carr St is rarely at full capacity. The section from Charles to Fitzgerald is busier due to the number of units/complexes but is still rarely fully occupied in the August 2019 or Feb 2020 study. Due to West Perth's proximity to the City and frequent bus services on Charles and Fitzgerald developments are approved with a minimum of one off street parking bay and residents are aware of this when they choose to live there. Planning conditions for these developments prevent residents from obtaining parking permits. Note that one objection to loss of parking came from the Orthodox Church which has 50 off-street parking bays.
Lack of visibility when exiting property	6	The current on-street cycle lane is located between parked cars and the carriageway. Vehicles exiting their properties have restricted views because of the parked cars and may have difficulty seeing cyclists, a vulnerable road user group. By moving the cycle lane between the footpath and parked cars cyclists will be more visible to vehicles exiting residences. Visibility issues caused by the parked cars will remain the same or improve in areas where on street parking is removed.
Current bike lanes are sufficient and could be improved with signage and paint	7	Current lanes do not reach DoT standard for Local or Secondary Routes which are now required to have protected lanes or a Safe Active Street treatment. This means that DoT funding would not be available for current lanes. On top of this MRWA do not support on road bike logo markings or signage making this sort of upgrade difficult. There has also been little evidence to suggest signage makes drivers more respectful. Green paint treatment costs approximately \$100 per metre, costing a total of \$86,000 for Carr St, close to the City's contribution for proposed project but falling far short of the level of service. The route still has relatively high vehicle levels (~2000/day) meaning other treatments such as a safe active street are less appropriate (~800-1000/day on Shakespeare).
Never see riders using street	5	As population continues to grow and urban fill continues providing more space efficient transport options is important (Perth and Peel @ 3.5 million), construction of cycle network therefore needs to be proactive as well as reactive. The Bike Network Plan (BNP) commits the City to improving conditions for cyclists through the creation of protected lanes and continuous routes and criticised current network for being disjointed. More recently the Integrated Transport Strategy sets targets for mode shift away from vehicles to active transport as well reallocating road space, including on-street parking, throughout City according to user hierarchy. In particular the BNP community workshops identified Carr St route as an important route that was not safe. Repeated research has shown that construction of safe, connected cycle routes leads to increase in cycling levels e.g. Seville in southern Spain, where the recent construction of 50 miles of bike lanes led to an 11-fold increase in rider numbers.
Speeds too high and 40km/h not adhered to	4	The proposed upgrade includes many traffic calming measures that should help reduce speeds. The road width will be narrowed and speed cushions installed, both of which should reduce speed. This reduction in speed should reduce the level of rat running as the route becomes less attractive as a short cut. If speeds are high then protecting vulnerable road users is more important.
Bins won't be collected	3	Waste services have seen the plan and are happy. Projects on Scarborough Beach Road and Bulwer Street prove that high quality cycle lanes can be installed without a negative impact on waste collection.
Loss of parking not clear enough	3	EHQ page clearly states the number of bays that will be lost.
The road is too narrow	4	There is sufficient road space for lanes, particularly as the road is no longer a bus route. The design has been peer reviewed by consultants and our engineering team and meets current Australian Standards. Narrowing the road has the added benefit of reducing vehicles speeds, a common complaint from residents in the Cleaver precinct.
Cyclists and drivers do not obey rules/drivers already park illegally	2	Unfortunately discourteous road users exist from all groups. We cannot design infrastructure based on the actions of a minority. If residents have concerns about individuals disobeying laws they can contact WA Police via their website.

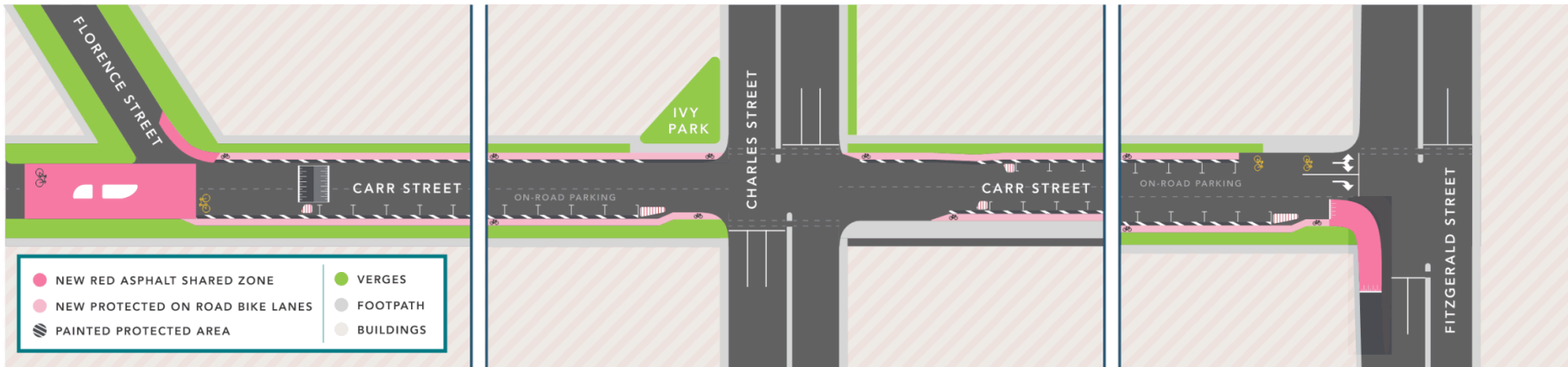
Cyclists need training, not protected lanes, to make them safe	2	City uses a combination of soft and hard measures to improve cyclist safety. We currently fund cycle training for pupils and students in the City as well as for interested adults. These measures however work best in conjunction with each other.
I ride and feel safe already	2	Current design principal is to design cycle lanes that are accessible for 8 year olds to 80 year olds. If one resident feels safe enough to ride does not mean this is shared by others. The proposed cycle lanes also connect two parks and Beatty Park Leisure Centre. It is therefore not unreasonable to assume they may be used by a wider range of cyclists e.g. children and families.
Map included in consultation poor	2	Maps included were simple concept designs to illustrate project. Full plans were available to view at the Admin building on request. City does not regularly share detailed designs during consultation due to their technical nature.
Negative effect on value of property	2	Studies have shown that creation of cycling infrastructure and increases in density of cycling infrastructure have a positive or no impact on the value of adjacent properties
Time frame of consultation inadequate/at busy time of year	2	Consultation lasted three weeks from 15th November to 9th December, beyond the 14 days required by the City's consultation policy.
Waste of City funds	2	Project is match funded by DoT so provides good value for money with City contribution coming from cash in lieu of parking contributions, not rates. Cost is low as it predominantly uses line marking. Estimated to come in significantly under budget. Not proceeding with construction will not only lose funding from DoT but renders other parts of the network as less cost effective as they will remain disjointed. Bike Network Plans biggest criticism of Vincent network was its disconnected nature.
Do not want extra concrete/concrete is dangerous for cars	1	Proposed project is largely created using line marking with parked cars offering protection to cycle lanes. Concrete nibs will only be used to delineate between end of parking bays and road and are a safety feature required by MRWA and will be built to Australian Standards.
Dooring	1	Buffer zone in place to prevent dooring and City plans to implement temporary signage when first installed to raise awareness. This design has been used successfully in eastern states and forms part of City of Melbourne design guidelines. Cyclists currently at risk of dooring with lanes as they are. Education will take place as part of activation of new lane to help prevent this.
Motorist have to pay road fees, not cyclists	1	Whilst registration fees in WA are calculated on the weight of your vehicle (and therefore the wear and tear this causes on the road) the reality is that very little of this fee goes towards road maintenance with the majority going towards administration and third party insurance. Road maintenance is therefore paid for out of general taxation and on a local level through rates payments, which most cyclists will be paying (although they may live outside of Vincent). The majority of households in Perth own a car so it is also safe to assume that cyclists will be paying vehicle registration, even if they do not choose to drive their car every day.
Didn't receive notice of consultation	1	Posted to all addresses in consultation area
Paper mail not appropriate	1	Standard practice to mail notices to residents
Bad for West End Deli	1	Parking will still be available on Strathcona and Carr St outside of the Deli. Occupancy Studies show these bays are underutilised during the day when the Deli is largely open. Note Deli did not respond to the consultation.
Overhanging trees mean road is unsafe for cyclists due to shadows	1	Verge trees will be assessed to ensure the safety of the route.



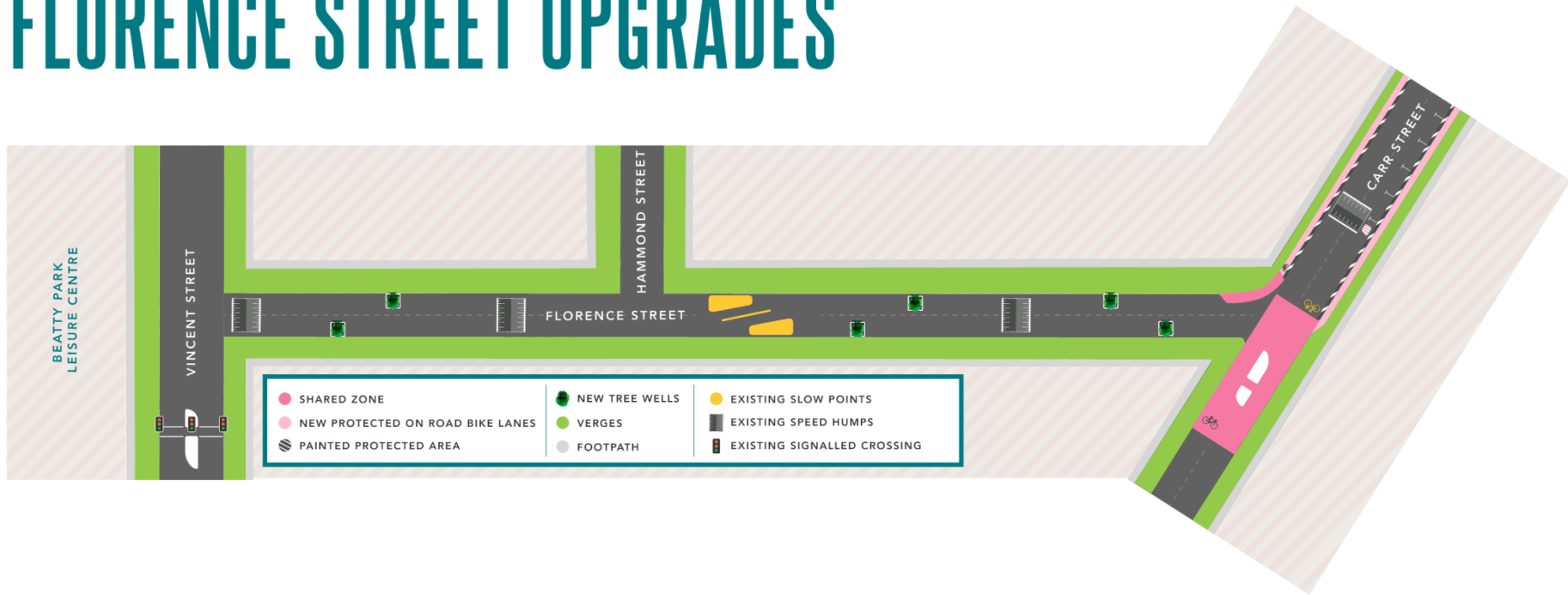


CARR STREET UPGRADES

Florence – Fitzgerald



FLORENCE STREET UPGRADES





Government of **Western Australia**
Department of **Transport**

Urban Mobility

Your ref:

Our ref: A13106258

Enquiries: 6551 6810

Chief Executive Officer
City of Vincent
PO Box 82,
Leederville WA 6902

Dear Mr Maclennon

Support for the delivery of the Carr Street protected bike lanes

The Department of Transport (DoT) strongly supports the City of Vincent's Carr Street protected bike lanes project between Florence Street in West Perth and Fitzgerald Street in Perth.

This project is currently co-funded by the Department of Transport through a WA Bicycle Network (WABN) Grant to be constructed by June 2020. Funding is limited to the current financial year and is not able to be carried over, with future funding unable to be guaranteed.

The route has previously been supported by DoT and the City through the development of the City of Vincent's bike plan, and has also been identified as a local route within the DoT's Draft Long-Term Cycle Network.

This project will provide the following benefits:

- Increasing safety for people on bikes and reducing traffic congestion;
- Improving the cycle connections to Vincent Street, and;
- Improving the cycle connections to strategic destinations such as; Beatty Park Reserve; North Perth Primary School, Robertson Park Tennis Club (parks and sporting clubs/venues) as well as shops on Carr Street.

We look forward to seeing this priority project being delivered in the 2019-20 financial year.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'Danielle Stone'.

Danielle Stone
A/Coordinator Perth Bike Network and Programs

25/02/2020

140 William Street Perth Western Australia 6000
Telephone (08) 6551 6810 bronwyn.neville@transport.wa.gov.au
www.transport.wa.gov.au ABN 27 285 643 255

6.3 WASTE STRATEGY PROJECT - 8 COMMERCIAL WASTE COLLECTIONS OPTIONS APPRAISAL

Attachments: 1. **Business Case - Commercial Waste Collections Options Appraisal** [↓](#) 

RECOMMENDATION:

That COUNCIL:

1. NOTES:

- 1.1 the commercial waste collection options appraisal which was a key action from the City's Waste Strategy;
- 1.2 that the City's current commercial waste service is no longer viable as it does not meet the objectives of the City's Waste Strategy and as a result of the adoption of a FOGO third bin in October 2020;
- 1.3 that administration will provide a communications plan to Council which supports implementation of any of these options apart from retaining status quo; and
- 1.4 that rebate considerations from operational savings will be determined and approved as part of the Council budget setting process; and

2. **APPROVES** the business case to discontinue commercial waste collection from 3 August 2020.

PURPOSE OF REPORT:

To present the outcome of Waste Strategy Project 8, the options appraisal for City commercial waste collections.

BACKGROUND:

The City currently provides a commercial waste collection service for both rubbish and recycling inclusive of the businesses rateable charge. Each rate-paying business may receive a capacity allowance which is calculated using historical methods based on premise type and size (floor space m²) and commercial premises can also request additional capacity for a fee.

The service provided is not based on the best environmental outcome in terms of materials recovery, and the City does not currently have the ability to provide such a service. The current service is one that is suitable for domestic homes and has been extended to commercial premises, which may have been appropriate when waste was collected in a single bin destined for landfill. This single service approach has introduced inefficiency, does not incentivise landfill diversion and does not support the City's vision of zero waste to landfill.

The City has an obligation to collect domestic waste; there is no obligation to provide a commercial waste service and businesses are not compelled to use the City's waste service. The City has 2488 commercial premises paying business rates. Approximately 15% (377) of businesses do not use the City's service and others purchase additional services from private providers on top of what the City provides. Private waste companies provide a wide ranging service that is tailored to the needs of a business and costed in a way that incentivises material recovery.

Project 8 of the City's Waste Strategy 2018 – 2023 "Commercial Waste Collections Options Appraisal" was established to investigate the value of providing the existing commercial service in this capacity and review alternative options.

With FOGO being rolled out to all residential properties from October 2020 there is a further reason to review how the City provides commercial waste collection in the future as the standard domestic 3-bin system will not be suitable for commercial premises. On that basis there is a need for the City to have clear direction on

the future of its waste services so that any transition can take place before the introduction of the domestic three bin FOGO service.

DETAILS:

The City does not have a separate commercial waste collection service and commercial tonnages are currently collected comingled with domestic waste in the same vehicle.

The City's waste team has undertaken a review of the current services as well as a commercial rubbish truck trial and presents the following key findings:

1. Bin Capacity Allowance

Each rate-paying business has a bin capacity allowance which was calculated using historical methods based on premises type and size (floor space). Due to inadequately designed bin stores capacity and limited verge presentation space, many locations are also being serviced multiple times per week (without additional charges applied). It is worth noting that whilst the City's commercial customers only account for 12% of the City's total rateable properties, in terms of bin lifts they account for around 21%, demonstrating a disparity in service provision between commercial and residential customers. Additionally, commercial customers are also receiving inconsistent and varied services which are not based on the value of the property or rates paid.

Work undertaken by the City has identified a variance between commercial and domestic bin weights, i.e. commercial bins are on average 6kg heavier than the equivalent domestic bin, thereby resulting in higher disposal costs.

Collection costs are also generally higher for commercial properties as they are often situated in high density areas and cannot be collected by a side lift truck. The rear-lift rounds are more expensive to operate, as extra personnel are required for bin servicing and servicing times per premise are generally longer. In total approximately 36% of the total commercial lifts are undertaken by the rear lift vehicles.

2. Historical Data and records

The site audit highlighted that it is difficult to monitor the Commercial Asset Register due to the fact that commercial and domestic bin infrastructure is currently the same. Additionally, bins are constantly going missing or relocated. This is increasingly problematic at mixed use premises, where bin stores and/or presentation points may be shared and people simply use/take the nearest bin.

Waste Census data provision is currently optional, however the new DWER Approved Methods for Mandatory Reporting under the WARR Regulations 2008, which is effective from July 2020, will require more robust/accurate reporting on commercial waste tonnages and collection costs, which the City would currently struggle to provide with the existing collection methodology. If the service was to continue, it would ideally need to be resourced appropriately with a dedicated truck, appropriate bin infrastructure, personnel and business system to capture and maintain asset information.

3. The current commercial service does not align with the City's Waste Strategy.

The City currently only provides a limited commercial service. To provide a competitive, cost effective and contemporary service, would require a complete overhaul of existing services and collection methodologies.

A contemporary commercial service should be tailored to the client's requirements, offering collection of variable waste and recycling streams, variable (including larger than 360 litre) infrastructure and collection frequencies that meet their waste generation needs (which may include shifts, 7 days per week). This would subsequently be charged at appropriate commercial rates for the variable waste streams collected.

To provide such a professional commercial service for the City of Vincent would require dedicated vehicles, larger bin infrastructure, a dedicated Commercial Waste Officer with some administrative support to manage the waste contracts/payments, client relationships and waste education to ensure correct bin usage.

Contamination is currently an on-going issue at our commercial properties, as the standard "bin allowance" system does not incentivise correct waste behaviour/bin usage. A commercial service that is tailored to the needs of the business, would have bin configuration and charges that would maximise recovery.

The implementation of a standard domestic FOGO system from October 2020 is not suitable for commercial businesses. For example, restaurants would have large volumes of food waste, which would not align with FOGO system collection frequencies and permissible bin weights. Each property would need an individual, tailored approach (as outlined above) to ensure cost efficiency and resource recovery to align with the City's Waste Strategy targets.

OPTIONS APPRAISAL:

Outlined below are the options considered, the associated advantages and disadvantages of each option and any potential cost implications:-

Option	Advantages	Disadvantages	Cost / Savings \$
1. No change to current service	<ul style="list-style-type: none"> No change for commercial customers 	<ul style="list-style-type: none"> Service continues to be limited and not fit for purpose. It does not incentivise correct waste behaviours, so will not achieve waste diversion/recovery rates and the City's target of zero waste to landfill by 2028. Service continues to be subsidised and inequitable. Due to methodologies in the calculation of bin allowances, majority of the existing properties are receiving a far more superior service than residential ratepayers Unable to separate commercial and residential waste collection data for Census information Impact negatively on upcoming contracts as domestic 3 bin system with associated collection frequencies is not compatible with commercial collections; does not align with a domestic service High contamination rates of commercial bins will continue 	Collection cost likely to increase due to increased inefficiency and cost rises in disposal and recycling processing
2. City provides a fit for purpose commercial service	<ul style="list-style-type: none"> Tailored service with the result of better resource recovery 	<ul style="list-style-type: none"> Significant increase in costs to set up service and operate Cost of new service would be borne by commercial service users This would typically involve collection of six waste streams (general waste, commingled recycling, green waste, food (only), paper/cardboard and glass recycling) as well as variable bin sizes, operating seven days a week and has sufficient staff to support commercial customers. Unlikely to be competitive with private sector and so fees will be higher than private operators; high risk of losing customers so not viable for a small local government with a small commercial customer base. Currently no business system or staff in place to support a commercial service 	Significant service cost increase by the City.
3. Provide limited charged service as per residential customers (new three bin domestic FOGO service)	<ul style="list-style-type: none"> May suit smaller, non-food premises/businesses such as very small offices. 	<ul style="list-style-type: none"> Standard domestic FOGO 3- bin service is not designed for commercial customers i.e. general waste bin (140lt) collected fortnightly will be problematic and likely to result in higher contamination levels of all three waste streams Not aligned with the City's target of zero waste to landfill by 2028. Audit required to review suitability when service requested May be seen as inequitable as not provided to all businesses 	\$0

<p>4. Discontinue existing commercial service</p>	<ul style="list-style-type: none"> • Businesses would be able to received tailored waste service which increases landfill diversion • Data collection for Census: able to provide accurate residential waste data only • Operational savings • Capital expenditure reduction 	<ul style="list-style-type: none"> • Commercial customers would need to arrange and pay separately for a private service 	<p>\$921,000 p.a. reduction in operational cost</p>
<p>5. Discontinue existing commercial service with rate rebate</p>	<ul style="list-style-type: none"> • Advantages as per Option 4, but with rate rebate provided from operational saving • Rebate compensates for discontinuation of service 	<ul style="list-style-type: none"> • Commercial Customers would need to arrange and pay separately for a private service 	<p>\$0 savings to the City</p>

Discussion of Options

The service currently offered (option 1) is limited and not fit for purpose. It does not incentivise recycling and material recovery and is not consistent with the City’s Waste Strategy and its vision of zero waste to landfill. The service is subsidised and inequitable as the service is not consistent and is not provided to 15% of businesses. Operationally it is not compatible with domestic services as collection frequencies and waste streams are very different and this gap and inefficiency will worsen when the City introduces the domestic three bin system later this year. For these reasons option 1 is not seen as viable.

Option 2 would involve the setting up of a fit for purpose City collection service to provide a contemporary commercial service that increases resource recovery. The service would not be based on a capacity allowance but on the needs of individual businesses and fees charged would incentivise and increase resource recovery. This service would involve the collection of up to 6 different waste streams (general waste, comingled recycling, paper/cardboard, food, glass and green waste) via a range of bin sizes. It would involve significant up-front investment in plant and infrastructure and would require additional staff and a business system. The City would have a small customer base that would not be compelled to use the City for this service and so the number of participating businesses would be difficult to predict. As this is not core business for the City and it does not have the economies of scale of private providers it is highly unlikely that the City would be competitive in a highly competitive market. This option is not seen as viable for a small Local Government and therefore is not the recommended option.

Option 3 would involve providing a limited charged service for very small businesses that could accommodate the new three bin system e.g. a general waste -140l bin collected fortnightly. This would be considered on a case by case basis and would require individual audit to review suitability so will be resource intensive and difficult to quantify. It is not aligned with the City’s vision of zero waste to landfill as is not as good an option as a commercial service tailored to the needs of an individual business and therefore is not the recommended option.

Options 4 and 5 are similar in that they involve the discontinuation of the City’s activity in the commercial waste market. The result would be that businesses would receive a tailored waste service which would incentivise and deliver increased waste diversion which is consistent with the City’s Waste Strategy. It would deliver substantial operational and capital savings and allow the City to accurately collect domestic waste data required for the waste census and enable the City to accurately calculate its waste diversion. The downside for businesses is that they would need to source and agree a service from the open market and the service would no longer be included as part of rates. This can be abated to some extent by providing early notice of any change in service to businesses with additional support and also by selecting option 5 over option 4 where rates could be rebated to compensate for the service reduction. Option 4 or 5 is recommended as they are the options that best meet the City’s Waste Strategy vision of zero waste to landfill.

It is impossible to calculate the financial impact on individual businesses as a commercial service is tailored to the businesses, the market is very competitive and rates charged are commercially sensitive and not published. It is likely that many businesses will see an overall cost increase if the City discontinues the service (options 4 and 5) or if the City were to provide a fit for purpose service (option 2) because the service will no longer be subsidised and provided by the City as part of rates.

CONSULTATION/ADVERTISING:

It will be essential that the City develops a comprehensive communications plan to inform, educate and support commercial businesses during any service change. A Communications Plan will be prepared for the selected option apart from retaining status quo.

LEGAL/POLICY:

Waste Policy 2.1.11 will need to be reviewed as the operational elements of the policy will significantly change when the 3-bin FOGO system is introduced. Additionally much of the content is replicated in the Health Local Law and so are superfluous.

RISK MANAGEMENT IMPLICATIONS:

- Medium** There will be negative feedback from some commercial businesses should the recommended option be agreed and the City discontinues the waste service to commercial customers.
- High** There is a high risk that the City will not be able to deliver a fit for purpose commercial waste service or a service that meets the City's strategic aims to increase diversion to landfill and achieve its target of zero waste to landfill by 2028.
- Low** There is a very low risk that a commercial business will not be able to find a private service provider.

STRATEGIC IMPLICATIONS:

This is in keeping with the City's *Strategic Community Plan 2018-2028*:

Enhanced Environment

We have improved resource efficiency and waste management.

By discontinuing the commercial waste service, commercial customers will be provided with a tailored, contemporary waste service that incentivises and delivers diversion from landfill, which the City would be unable to deliver without significant investment and high risk.

The City's Waste Strategy 2018-2023 has a vision of zero waste to landfill through maximising recovery and avoidance and cost effective, sustainable and contemporary waste services.

The City's Sustainable Environment Strategy 2019-2024 has identical aims and sets the target of zero waste to landfill by 2028.

SUSTAINABILITY IMPLICATIONS:

By ceasing the internal services, our commercial customers will have access to tailored waste packages, inclusive of variable recoverable/recyclable waste streams, which in turn will provide a cost effective collection services which incentivise correct waste behaviours; thus facilitating increased diversion from landfill and assisting in the delivery of our Sustainable Environment Strategy 2019-2024 Target of zero waste to landfill by 2028.

FINANCIAL/BUDGET IMPLICATIONS:

There is the opportunity to reduce base operating costs by circa \$921,000 per annum by discontinuing the current in-house commercial service.

In addition, capital savings of circa \$470,000 for truck replacement costs could be retained in the waste reserve and be used to offset FOGO implementation costs.

The opportunity for cost savings to be offered as a rebate can be considered by Council as part of the budget setting process.

COMMENTS:

A review of the City's commercial waste collection service has been undertaken and an options appraisal carried out as required by the City's Waste Strategy. The need for change has been identified and the option to discontinue the City's commercial waste collection service is recommended.



PROJECT MANAGEMENT FRAMEWORK
CONFIRMATION: BUSINESS CASE



Has Finance confirmed that funding is available for this project? NOT APPLICABLE

	05/03/2020
Project Name:	Waste Strategy Project 8: Commercial Waste Collections Options Appraisal
Project Manager:	Manager Waste and Recycling
Directorate:	Infrastructure & Environment
Project Code:	(only enter if funding is required)
Accountable Director:	Executive Director Infrastructure and Environment
Sponsor:	Executive Director Infrastructure and Environment

Priority Rating:		Click on icon to calculate the Priority Rating and Score
Priority Score:	38	

Estimated Timeframe:	6 MONTHS	Completion date	SEPTEMBER 2020
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Total Expenditure:	\$10,000 – for bin retrieval	Click on icon to calculate the internal Resource Cost
Total Salary Cost:	\$	
Total Project Cost:	\$	Click on icon for Resource Cost example
Number of FTE	Internal Waste Team	

OBJECTIVES

Description
 Project 8 of the City’s new Waste Strategy 2018 – 2023 “Commercial Waste Collections Options Appraisal” was established to investigate the value of providing the existing commercial service in its current capacity and review alternative options.

The objectives of this project are:

- Review Current Commercial Services
- Investigate alternative options to ensure provision of “cost effective, sustainable and contemporary waste services” in line with our Waste Strategy 2018-23 objective.
- Propose recommendations and implementation plan for the same

BENEFITS, DELIVERABLES, MEASURABLES

Problem Definition and Urgency
The City currently provides a limited commercial waste collection service for both rubbish and recycling inclusive of the businesses rateable charge. This service is effectively a domestic service which has been extended to commercial users, which may have been appropriate when waste was collected in a single bin destined for landfill. This approach has introduced inefficiency, does not incentivise landfill diversion and does not support the City’s vision of zero waste to landfill.

The City has an obligation to collect domestic waste; there is no requirement to provide a commercial waste service and businesses are not compelled to use the City’s waste service. The City has 2488 commercial dwellings paying business rates. Approximately 15% (377) of businesses do not use the City’s service and others purchase additional services from private providers on top of what the City provides. Private waste companies provide a wide ranging service that is tailored to the needs of a business and costed in a way that incentivises material recovery.

The Commercial Options Appraisal identified 5 options for consideration (the advantages and disadvantages of each option are outlined below):

1. No change to service
2. City provides a fit for purpose service
3. City provides a limited charged service as per residential customers (three bin FOGO service)
4. Discontinue existing commercial service
5. Discontinue existing commercial service with rate rebate

With FOGO being rolled out to all residential properties from October 2020 there is an urgent need to review how the City provides commercial waste collection in the future (or indeed if the City is best placed to provide this service), as the standard domestic 3-bin system will not be suitable for commercial premises. Any approved changes would be best implemented prior to the FOGO implementation/roll out in October.

The benefits of the project are:

- If the recommended option to discontinue the service is approved, Commercial Customers will receive sustainable and contemporary waste collection services, which the City is not in a position to provide without significant capital and operational investment.
- Increased diversion from landfill, which aligns with our waste strategy Vision to achieve “zero Waste to Landfill by 2028”
- Equitable service charge for residential rate payers

How does the project align to the Strategic Community Plan?

This is in keeping with the City’s Strategic Community Plan 2018-2028: [Enhanced Environment](#)

We have improved resource efficiency and waste management. By ceasing the commercial waste service, commercial customers will be provided by cost effective, sustainable and contemporary waste services, which the City would be unable to deliver without significant investment.

The project deliverables are:

- Anticipated Operational Cost Savings in the region of \$921,000 per annum
- Releases one vehicle for auction (plus savings in fleet renewal program budget of \$470,000)
- Potential Rates Adjustment (Options to be considered/approved as part of the budget setting process).
- Stakeholder Engagement (Internal: Rates, Marketing, IT, Planning, Engineering, Finance).
- Communications Strategy (to communicate and support transition arrangements).
- Review Waste Policy 2.1.11
- On-going Waste Education/support for businesses
- Improved visual amenity

How will the success of this project be measured?

What will success look like? How and when will the benefits of the project be realised?

The success of the project will be measured by the following:

- Increased diversion from landfill (Waste Census Data)
- Better visual amenity – less bins presented for collection at kerbside (contractor offer larger infrastructure and property drive on collection options).
- Increased Customer Satisfaction - Commercial contractors are able to offer a full suite of waste collections, variable bin size options and at a desired collection frequency (including weekends). Some providers also offer environmental reporting, which is of benefit for those Customers pursuing ISO Environmental Accreditation.

If applicable, outline how the project will impact or be impacted by other departmental or government initiatives

Changes will need to be implemented ahead of FOGO rollout to ensure a smooth transition

APPROACH

Recommended option and reason:

In summary, the current service is not fit for purpose, is expensive and inequitable and does not deliver the desired environmental outcomes. Administration therefore recommend that we cease providing the service from 3 August 2020, with appropriate ongoing communication of transition arrangements and support to our existing commercial customers. This is aligned with our Waste Strategy Vision/Objectives and budget priorities.

The advantages and disadvantages for each option are summarised below:

Option 1: No Change to current service

Advantages:

- No change for commercial customers

Disadvantages:

- Service continues to be limited and not fit for purpose. It does not incentivise correct waste behaviours, so will not achieve waste diversion/recovery rates and the City’s target of zero waste to landfill by 2028.
- Service continues to be subsidised and inequitable. Due to methodologies in the calculation of bin allowances, majority of the existing properties are receiving a far more superior service than residential ratepayers
- Unable to separate commercial and residential waste collection data for Census information
- Impact negatively on upcoming contracts as domestic 3 bin system with associated collection frequencies is not compatible with commercial collections; does not align with a domestic service.

Option 2: City provides a fit for purpose commercial service

Advantages:

- Tailored service with the result of better resource recovery

Disadvantages:

- Significant increase in costs to set up service and operate
- Cost of new service would be borne by commercial service users
- This would typically involve collection of six waste streams (general waste, comingled recycling, green waste, food (only), paper/cardboard and glass recycling) as well as variable bin sizes, operating seven days a week and has sufficient staff to support commercial customers.
- Unlikely to be competitive with private sector and so fees will be higher than private operators; high risk of losing customers so not viable for a small local government with a small commercial customer base.
- Currently no business system or staff in place to support a commercial service.

Option 3: Provide a limited charged service as per residential customers (three bin FOGO service)

Advantages:

- May suit smaller, non-food premises/businesses such as very small offices. All businesses would be a charged service

Disadvantages:



- Standard domestic FOGO 3- bin service is not designed for commercial customers i.e. general waste bin (140lt) collected fortnightly will be problematic and likely to result in higher contamination levels of all three waste streams
- Not aligned with the City’s target of zero waste to landfill by 2028.
- Audit required to review suitability when service requested May be seen as inequitable as not provided to all businesses

Option 4: Discontinue existing commercial service	
Advantages: <ul style="list-style-type: none"> • Businesses would be able to received tailored waste service which increases landfill diversion • Data collection for Census: able to provide accurate residential waste data only • Operational savings • Capital expenditure reduction 	Disadvantages: <ul style="list-style-type: none"> • Commercial Customers would need to arrange and pay separately for a private service
Option 5: Discontinue existing commercial service with rate rebate	
Advantages: <ul style="list-style-type: none"> • Advantages as per Option 4, but with rate rebate provided from operational saving • Rebate compensates for discontinuation of service 	Disadvantages: <ul style="list-style-type: none"> • Commercial Customers would need to arrange and pay separately for a private service

SCOPE																		
<p>What will be included as part of this project?</p> <ul style="list-style-type: none"> • Stakeholder Engagement (Internal: Rates, Marketing, IT, Planning, Engineering, Finance. External: Commercial Ratepayers, Commercial Waste Collection companies). • Communications Strategy (to communicate and support transition arrangements). • Bin Audit: Complete mixed-use site assessments, to ensure adequate resources/servicing • Establishment review - Rescheduling of existing domestic truck rounds to remove commercial properties • Potential Rates Adjustment (Options to be considered/approved as part of the budget setting process). • Update Records (CRM/Waste Register) • Review Waste Policy • On-going Waste Education/support for businesses (Programme to be developed) • Removal and reuse/recycling of old bin stock • Auction released vehicle (following rescheduling -1 truck) <p>What will not be included as part of this project?</p> <ul style="list-style-type: none"> • Cannot recommend specific commercial waste contractors, but will provide support with the transition (including education program regarding potential recoverable waste streams). <p>Project Timeline - Cease Commercial Collection Services</p> <table border="1"> <thead> <tr> <th style="background-color: #003366; color: white;">Key Tasks</th> <th style="background-color: #003366; color: white;">Description</th> <th style="background-color: #003366; color: white;">When</th> </tr> </thead> <tbody> <tr> <td colspan="3" style="background-color: #ADD8E6;">Pre-launch</td> </tr> <tr> <td>Develop Stakeholder Engagement Plan</td> <td>Develop Stakeholder Engagement Plan</td> <td>Mid March 2020 – End June 2020</td> </tr> <tr> <td>Communications Strategy</td> <td>Develop communication and education material and deliver (refer to detailed Communications Plan)</td> <td>Mid March 2020 – End June 2020</td> </tr> <tr> <td>Bin Audit</td> <td>Bin audit to confirm bins: Commercial properties and Mixed Use Properties</td> <td>Mid March 2020 to Mid May 2020</td> </tr> <tr> <td>Establishment Review</td> <td>Remove commercial properties from existing domestic rounds. Identify resources to be auctioned. Redeploy displaced staff into appropriate vacant positions</td> <td>Mid March 2020 to Mid May 2020</td> </tr> </tbody> </table>	Key Tasks	Description	When	Pre-launch			Develop Stakeholder Engagement Plan	Develop Stakeholder Engagement Plan	Mid March 2020 – End June 2020	Communications Strategy	Develop communication and education material and deliver (refer to detailed Communications Plan)	Mid March 2020 – End June 2020	Bin Audit	Bin audit to confirm bins: Commercial properties and Mixed Use Properties	Mid March 2020 to Mid May 2020	Establishment Review	Remove commercial properties from existing domestic rounds. Identify resources to be auctioned. Redeploy displaced staff into appropriate vacant positions	Mid March 2020 to Mid May 2020
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Establishment Review	Remove commercial properties from existing domestic rounds. Identify resources to be auctioned. Redeploy displaced staff into appropriate vacant positions	Mid March 2020 to Mid May 2020																

Rates/Finance	Update Rates database and approve rebates	Mid May – End June 2020
Records	Update CRM and Waste register database	Mid May 2020 to End July 2020
Policy	Review waste policy 2.1.11	June 2020
Bin retrieval	Commence with bin retrieval by collection area 1-5 and arrange collection and recycling of old bin stock	Mon 03/08/2020 (est. 4-5 weeks)
Post launch		
Compliance Audit	Waste to monitor collections and where a business hasn't arranged direct collection services the waste team will need to liaise on case by case basis to assist.	September – October 2020
	Ongoing education material via website/business e-news/rates	Ongoing

7 COMMUNITY & BUSINESS SERVICES**7.5 MAJOR PUBLIC ARTWORK COMMISSION ARTIST AND DESIGN SELECTION**

- Attachments:**
1. **Major Public Artwork Commission EOI**  
 2. **Major Public Artwork Panel Recommendation Background - Confidential**
 3. **Major Public Artwork Panel Scoring - Confidential**
 4. **Major Public Artwork Recommended Concept Design - Confidential**

RECOMMENDATION:

That Council ENDORSES the Major Public Artwork commission for progression to development, fabrication and instalment, as recommended by the tender evaluation panel, and detailed in Confidential Attachments 2, 3 and 4.

PURPOSE OF REPORT:

To inform Council of the process and outcome of the Major Public Artwork commission and to provide the relevant information needed for Council to endorse the successful artist/s and concept design.

BACKGROUND:

The Arts Development Action Plan 2018-2020, endorsed by Council in August 2018, included a key project of commissioning a major public artwork. The project was identified as a priority due to its inclusion in the Corporate Business Plan and the City's long-term goal of commissioning an 'entry statement' artwork. Through discussion with the Arts Advisory Group, the project developed into commissioning an iconic large-scale artwork for the City. The commission is funded by cash-in-lieu payments to the Percent for Art policy and is valued at \$200,000.

DETAILS:**Creative Brief**

The creative brief was kept deliberately open to allow a wide scope of artistic responses and capture the most genuine and creative ideas from artists.

The brief called for an artwork that has the potential to become iconic in the community and fits Vincent's inner-city location and the diversity of the local community. The brief highlighted the engaged community, use of public spaces, and vibrant places. An artwork that starts conversations and encourages viewers to dig deeper was called for.

Location

Locations were suggested by the Infrastructure team and met the following criteria:

- An entry statement with high visibility from an access point and/or a Town Centre location;
- Provides access for construction and maintenance;
- Land owned and managed by the City; and
- Accessible to power.

The four locations proposed in the tender were Birdwood Square, Beatty Park Reserve, Ivy Park and the corner of Bulwer and Vincent streets. Artists were invited to respond to the site/s that best fit their vision.

Evaluation Process

In consultation with the Arts Advisory Group, an expression of interest (**Attachment 1**) was put together and advertised in the July – September 2019 period. On 11 September a panel made up of City of Vincent staff, Arts Advisory Group members and two external public art consultants met to assess the 38 submissions based on the evaluation criteria - approach to the creative brief, artistic excellence and experience.

Three (3) submitted concept designs were assessed using the expression of interest criteria and weightings:

- Concept: the artwork is designed by an artist that shows strong vision, innovation, and excellent craftsmanship. The proposed artwork is unique and provides an opportunity for public engagement – 30%
- Context: the artwork is site-specific and considers the relevant themes, architectural, historical, geographical and/or sociocultural context of the site and community identity—30%
- Public safety: the artwork is designed, constructed and installed with best practice risk management and the artwork does not present a hazard to public safety—20%
- Longevity: the artwork is designed to be structurally sound and resistant to theft, vandalism, weathering and excessive maintenance—20%

The three short listed artists were given seven weeks to develop concept designs.

Following presentation of the concept designs at a Council Workshop, further information was sought from two of the shortlisted artist teams. This additional information was provided to the panel and they were asked to re-assess the submissions.

The panel's revised weighted average scores and individual scores are included as **Attachment 3 – Weighted Average 2**.

The commissioning process followed by the selection panel, complies with the National Association for the Visual Arts' best practice guidelines.

The panel's recommended submission is included as **Attachment 4**, with background information included as **Attachment 2**.

Approvals Under Delegation

The expression of interest's shortlisting process, evaluation criteria, short listed artist list and panel recommendation was reviewed and approved under delegated authority on 28 February 2020.

CONSULTATION/ADVERTISING:

Industry knowledge and expertise - The Arts Advisory Group provided input into the creative brief.

Tender evaluation panel - The tender evaluation panel included staff from City of Vincent teams with expertise in Arts and Activation, Marketing, Community Partnerships, Engineering, and Parks. The panel also included representatives from the Arts Advisory Group and two external public art consultants with experience in commissioning major public artworks—Helen Curtis from Apparatus Consulting and Nathan Giles from Perth Public Art Foundation.

Community consultation - Community opinions on public artworks are necessarily diverse and often passionate. This major public artwork commission includes a requirement to integrate community contributions into the development of the work. The City will organise these community engagement sessions which will create the opportunity for interested community members to hear from the artists, ask questions, and provide input into the community dimension of the installation. A strong communications plan will support the build and installation of the artwork, including regular community updates providing insight into the artwork's progress and thematic references.

LEGAL/POLICY:

The Major Public Artwork commission relates to three City of Vincent policies:

- 3.10.7 – Art Collection Policy;
- 3.10.8 – Public Art; and
- 7.5.13 – Percent for Public Art.

The draft commission contract was provided to all applicants with the tender package, and shortlisted artists were required to acknowledge that they had read the contract and did not have any queries or requests for changes. The contract template was acquired from Arts Law and adapted to suit the City of Vincent's processes and policies. The contract represents best practice in commissioning major public artworks.

The expression of interest and shortlist complies with regulation 23 of the *Local Government (Functions and General) Regulations 1996*.

RISK MANAGEMENT IMPLICATIONS:

The commission contract mitigates potential risks, with the artists taking responsibility for safe fabrication, installation, and minimising ongoing public risk.

City of Vincent Engineering and Parks staff were part of the selection panel, which allowed for safety, installation and maintenance risks to be identified and mitigated through the EOI. Final submissions have been reviewed to ensure they meet the requirements of Main Roads and provide no foreseeable risk to public safety.

There is a risk that community may not appreciate the art work, or may not approve of the funds being spent on public artwork. Public perceptions are partly mitigated by the communications plan. Funding issues are mitigated by communicating that the budget comes from the developer contributions to the Percent for Art policy.

STRATEGIC IMPLICATIONS:

This is in keeping with the City's *Strategic Community Plan 2018-2028*:

Enhanced Environment

Our parks and reserves are maintained, enhanced and well utilised.

Connected Community

An arts culture flourishes and is celebrated in the City of Vincent.

Thriving Places

Our town centres and gathering spaces are safe, easy to use and attractive places where pedestrians have priority.

Innovative and Accountable

Our community is aware of what we are doing and how we are meeting our goals.

SUSTAINABILITY IMPLICATIONS:

The Major Public Artwork brief includes that the artwork must be made from durable, long-lasting materials that can withstand the weather and the community uses of the site, and do not require excessive maintenance. The City of Vincent is required to have maintenance carried out on the artwork as per the maintenance manual provided by the artist—this will ensure the longest artwork lifetime possible.

FINANCIAL/BUDGET IMPLICATIONS:

The budget for this commission is allocated from the Percent for Art cash-in-lieu payment reserves. There will be some additional costs related to marketing, the community engagement sessions, artwork transportation and installation, which will be met from within the City's operational budget.



CITY OF VINCENT

MAJOR PUBLIC ARTWORK COMMISSION

1. CLOSING TIME AND DATE

4.00PM (WST)

MONDAY, 9TH SEPTEMBER 2019

2. LODGEMENT OF RESPONSES

Submissions should be either:

Lodged online via the Tenderlink Portal;

or

Enclosed in a plain envelope endorsed with the tender number and name; *and*

Delivered to:

TENDER BOX

City of Vincent, 244 Vincent Street
Leederville WA; *OR*

Posted to:

TENDER BOX

City of Vincent, PO Box 82
Leederville 6902

Submissions are to be received by the closing time and date. Late Tenders will not be accepted. No facsimile or e-mail Tenders will be accepted.

ENQUIRIES:

Tegan Patrucco, Arts and Activation Officer

Tel: 9273 6000

Email: arts@vincent.wa.gov.au**VINCENT.WA.GOV.AU**

BACKGROUND

In August of 2018, the City of Vincent endorsed the Arts Development Action Plan 2018-2020, underpinned by the vision to 'embed creativity in everything we do, to make Vincent the arts capital of Perth'.

The plan recognises the power of high-quality public art to create and reflect strong artistic communities, and increase the artistic literacy of all community members. The City of Vincent continues to seek public artworks which play a role in creating a vibrant and thriving city and a sense of belonging.

This major public artwork commission is drawing on funds collected by cash-in-lieu payments for the City's Percent for Art Policy. The policy recognises that building developments which increase the amount of people using the City of Vincent to live, work, and play creates an increased need for high-quality public art.



Phil and Dawn Gamblen – 'Downlounge'
Photo by Johnathan Trasko

DESIRED OUTCOMES

The City of Vincent is seeking to commission an artwork that has the potential to become iconic in the community, and the location instantly recognisable.

The design should fit Vincent's inner-city location and the diversity of our local community. Vincent residents are highly engaged in their neighbourhoods, enjoy using our public green spaces, and make use of the safe and vibrant Town Centres. They value the arts and the potential for artworks to create a sense of connection and inclusivity. The artwork should start conversations and encourage viewers to dig deeper.

The artwork should enhance the surroundings of its location, and have a high visibility presence both daytime and night-time. The possible locations all have both highly visibility from traffic, and walkability/foot traffic—the artwork should have a good profile for both. Materials should be durable and weather-proof, and not require excessive maintenance. The intended life of the artwork is a minimum of 15 years.

COMMUNITY ENGAGEMENT REQUIREMENTS

The City of Vincent is aiming for a completed artwork that has a high level of community investment. Local residents will be encouraged to follow the journey of the artwork from design to installation. The successful artist will be required to:

- Take into account the perspectives of relevant Town Team representatives at the Artist Briefing
- Conduct their own research into the location and community while developing their concept design
- Participate in two community engagement sessions (approx. 2 hrs each), offering the community insight into their design/completed artwork. The City of Vincent will organise and facilitate these sessions.
- Be available for media opportunities at key points throughout the process

LOCATIONS

The City of Vincent is providing four possible locations for this artwork. Artists can respond to the location that most suits their practice and vision, or can respond to multiple locations. There is an open site selection for the defined locations below—final placement of the artwork will be determined in consultation with the artist and relevant City of Vincent employees.

BIRDWOOD SQUARE

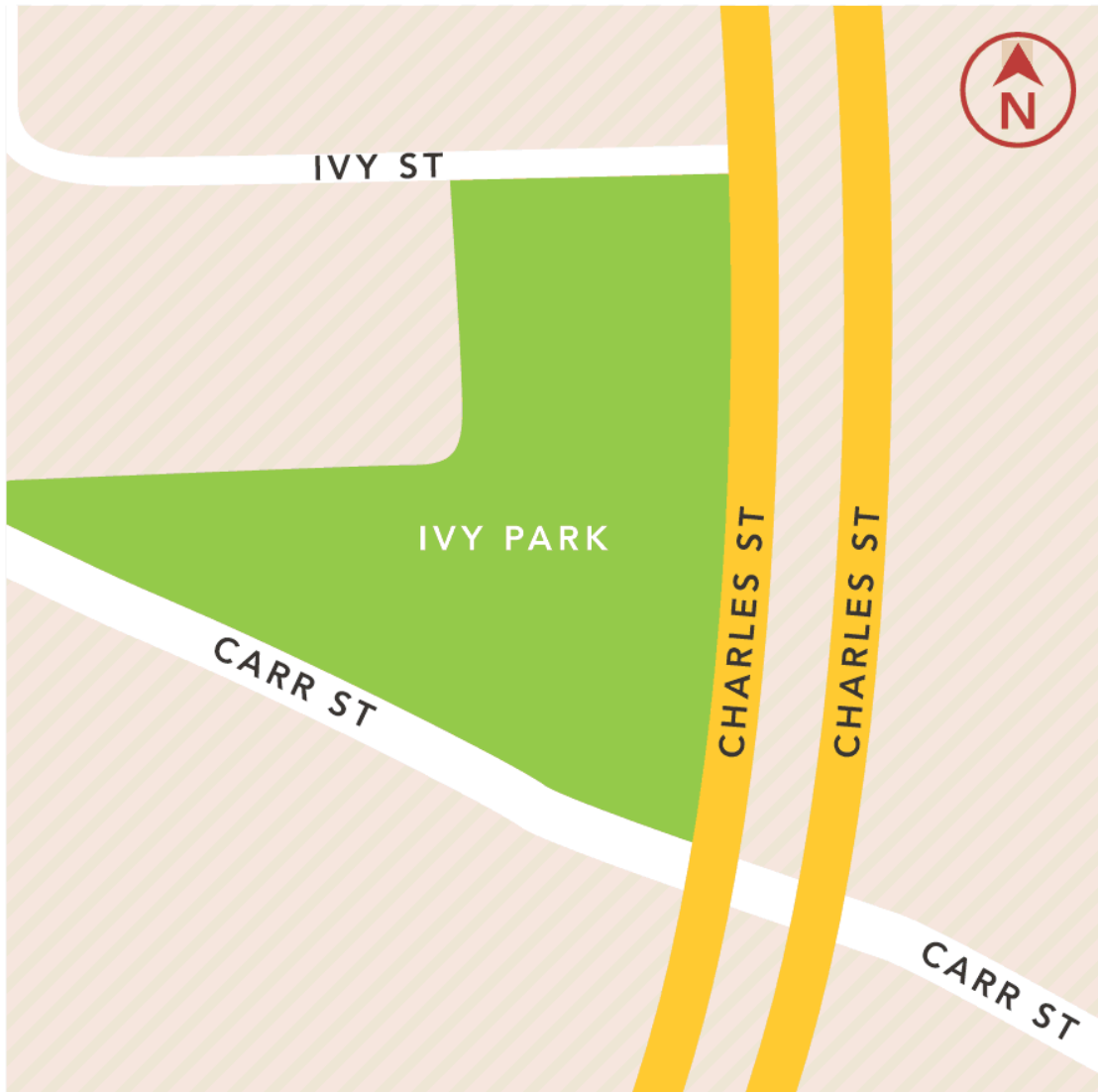
Corner Beaufort Street and Brisbane Street, Perth



CORNER VINCENT ST AND BULWER ST

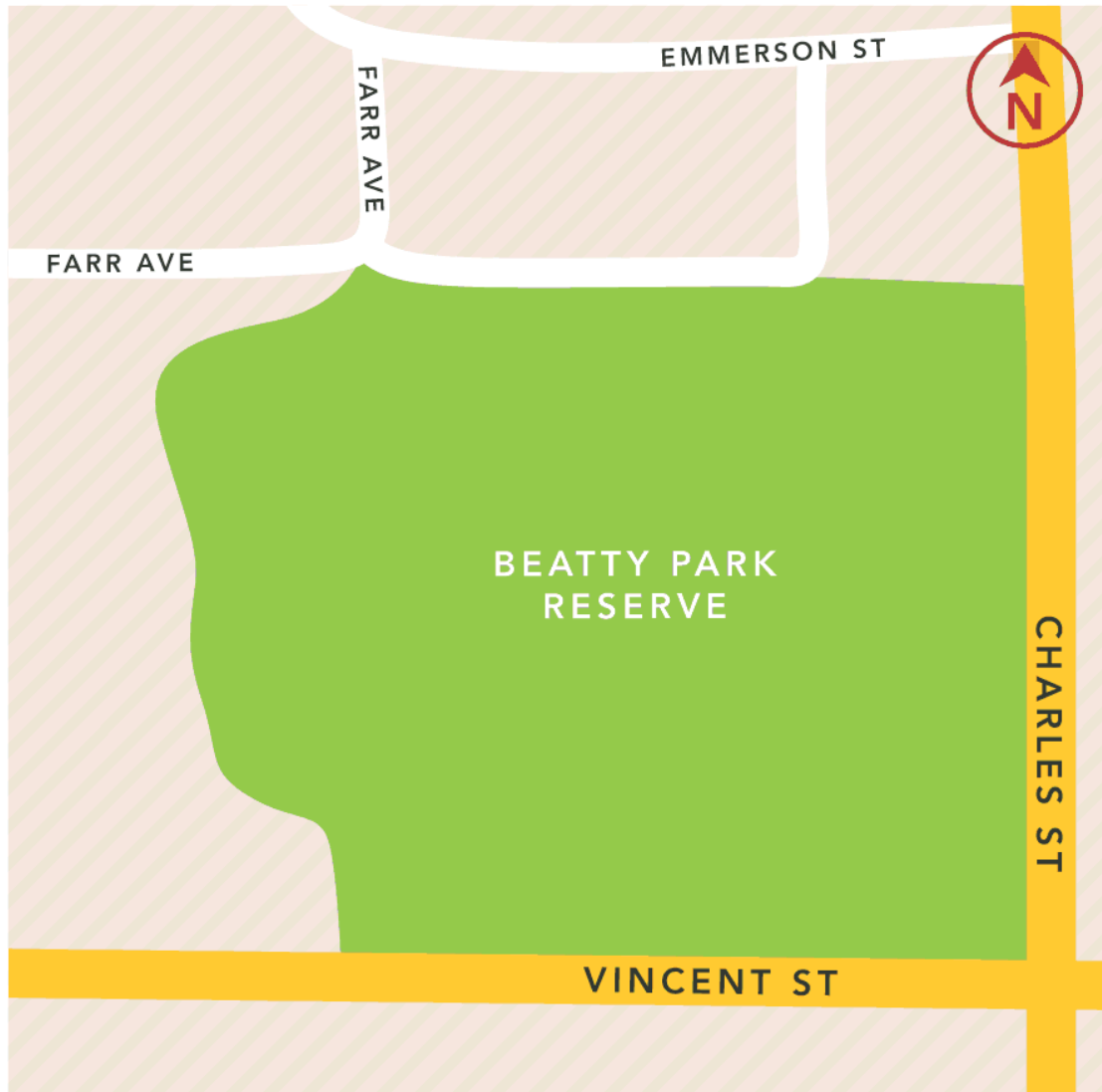


IVY PARK *Corner Charles Street and Carr Street, West Perth*



BEATTY PARK RESERVE

Corner Vincent Street and Charles Street



TIMELINE

Overview

- **24/07/2019 – 09/09/2019** Expressions of Interest Open
- **11/09/2019** Artist Shortlisting
- **18/09/2019** Briefing with Shortlisted Artists
- **19/09/2019 – 14/11/2019** Design Concepts Developed
- **15/11/2019** Concept Design Presentations
- **18/11/2019** Artists notified of outcome
- **19/11/2019 – 31/05/2020** Development and Fabrication
- **17/01/2020** Community Engagement Session
- **28/05/2020** Community Engagement Session
- **June 2020** Installation

Please note that some elements of the timeline are flexible and will be negotiated with the successful artist.

SELECTION PROCESS

Stage one: Expression of Interest

The City of Vincent is seeking Expressions of Interest (EOIs) through an open competition process. Artists are invited to submit their EOI for review by the Selection Panel. No payment will be offered for this stage. A shortlist of three artists will be created to proceed to the next stage. A minimum of one shortlisted artist will be a resident of Western Australia. Unsuccessful artists will be notified via email.

EOI Submission requirements:

- CV showing relevant artistic experience, including name and contact details
- Up to 6 examples of previous works with image details
- Short statement (maximum of one page) responding to the brief/themes/locations and outlining any artist connection to Western Australia
- Confirmation of artist availability in the timeframe outlined

EOI Selection Criteria:

- Approach to the project/response to the creative brief **30%**
- Demonstrated artistic excellence **30%**
- Demonstrated experience delivering artistic projects within budget and timeframes **40%**

Please submit EOIs via the lodgement details on the cover page of this document.

Enquiries: arts@vincent.wa.gov.au

EOI Closing: Monday, 9th September 2019, 4pm WST

Stage two: Concept Design Proposal

Concept Design Proposals will be requested from three shortlisted artists. A payment of \$2,000 + GST will be offered for each shortlisted Artist or Artist Team.

A briefing session will be held on the 18th September 2019. Shortlisted Artists must attend this session in person or via teleconference. The briefing session will include important information for the development of the artwork as well as short presentations from key community stakeholders.

The shortlisted Artists will be invited to present their concept designs to the Selection Panel in person on the 15th November 2019. The Selection Panel will make their assessment and notify Artists of the result on the 18th November 2019.

Concept design requirements:

- **Artwork Documentation:** Detailed sketches and 3D renderings of the proposed work showing both day and night views, plans to scale showing dimensions, materials and colours, a site plan showing the artwork location.
- **Written Response:** Provide insight into how the artwork responds to the brief and any research undertaken.
- **Materials Information:** Description of the materials proposed and the fabrication process, including any fittings, lighting and technology.
- **Installation Details:** Proposed transport and installation plan.
- **Supplier and Sub-Contractor Details:** Details of proposed suppliers and sub-contractors, including confirmation their costs are included in the budget.
- **Confirmation of Timeline:** Acknowledgement that the timeframe outlined in this document is achievable and details of any key milestones in artwork creation.
- **Budget:** A detailed budget breakdown including all items listed in the 'budget inclusions' section of this document.
- **Maintenance:** An estimation of ongoing maintenance required on the artwork.
- **Artist Contract:** Acknowledgement that the artist contract has been reviewed, with any suggested revisions.



Si Hummeston – 'Robotopia'
Photo by Johnathan Trasko

Concept design Selection Criteria:

- **Concept:** the artwork is designed by an artist that shows strong vision, innovation, and excellent craftsmanship. The proposed artwork is unique and provides an opportunity for public engagement. **30%**
- **Context:** the artwork is site specific and considers the relevant themes, architectural, historical, geographical and/or sociocultural context of the site and community identity. **30%**
- **Public safety:** the artwork is designed, constructed and installed with best practice risk management and the artwork does not present a hazard to public safety. **20%**
- **Longevity:** the artwork is designed to be structurally sound and resistant to theft, vandalism, weathering and excessive maintenance. **20%**

Please submit Concept Designs as a single PDF document to the below email address. Please note that other formats cannot be accepted.

Contact: arts@vincent.wa.gov.au

Due by: Thursday 14th November 2019, 1pm AWST

Selection Panel

- City of Vincent Art and Activation Officers x 2
- City of Vincent Marketing and Communications Manager
- City of Vincent Engineering representative
- City of Vincent Community Partnerships representative
- Arts Advisory Group representatives x 3
- Nathan Giles, Perth Public Art Foundation
- Helen Curtis, Apparatus

BUDGET

The artist commission budget is \$200,000.00 + GST.

Inclusions:

- Artist fees for design development, project management and administration
- Construction and safety documentation fees
- Materials and fabrication
- Installation costs including but not limited to machinery for installation, site safety inductions and all structures supporting the artwork
- Appropriate insurance (as per contract)
- Lighting requirements
- Sub-contractor's fees
- Travel expenses
- Delivery of Maintenance Manual
- 2 x community engagement sessions (approx. 2 hrs each) organised and facilitated by the City of Vincent

Exclusions (to be covered by the City of Vincent):

- Transport of artwork to site (within WA)
- Traffic management costs if required for installation
- Site preparation
- Photography and marketing

Attachments

Attachment A: Draft Artist Contract



Attachment B: City of Vincent Arts Development Action Plan 2018-2020

Enquiries

Tegan Patrucco, Art and Activation Officer, City of Vincent
08 9273 6000

arts@vincent.wa.gov.au

7.6 DRAFT CITY PROPERTY MANAGEMENT FRAMEWORK

- Attachments:**
1. **Council Policy No. 1.2.1 - Terms of Leases** [↓](#) 
 2. **Property Management Framework** [↓](#) 
 3. **List of City properties** [↓](#) 
 4. **Community Benefit Matrix** [↓](#) 
 5. **Five year forecasted financials** [↓](#) 

RECOMMENDATION:**That Council:**

1. **RESCINDS Council Policy No. 1.2.1 – Terms of Leases; and**
2. **ENDORSES the adoption and implementation of the City of Vincent Property Management Framework.**

PURPOSE OF REPORT:

To seek Councils endorsement of the City's Property Management Framework and approves the rescindment of *Council Policy No. 1.2.1 – Terms of Leases (Attachment 1)*, which is now superseded.

BACKGROUND:

The City currently has lease/licence arrangements with a range of not-for-profit community organisations, sport and recreation clubs, government agencies and commercial entities. These arrangements were based on the City's existing *Council Policy No. 1.2.1 – Terms of Leases ("Policy")*.

The City has experienced issues in administering the Policy as it provides little clarity on the terms of the lease arrangement, and potential variations of those terms based upon the type of organisation, type of activity, or value to the community.

DETAILS:

The City has prepared a Property Management Framework (**Attachment 2**) to ensure any City property that is leased or licenced is managed in a consistent, fair and transparent manner, along with providing an equitable methodology for calculating lease and licence charges.

Historically there has been no rationale or strategy behind the assignment of leases and licences. The current Policy has been inadequate and simply states that:

- Any new lease granted by the Council shall usually be limited to a five year period and any option to renew shall usually be limited to no more than a ten year period; and
- Council may consider longer periods where the Council is of the opinion that there is a benefit or merit for providing a longer lease term.

The City has completed a comprehensive review of existing leases, and reviewed the application of the Policy to those leases.

Review of current leases and licenses

There are currently 41 leases or licenses (**Attachment 3**) to organisations for community (13), sport and recreation (17), government and commercial (11) purposes. The current annual rental income from these arrangements is approximately \$1,294,005.49 with government leases alone totalling \$728,637.33.

The City does not currently make a clear distinction between commercial and community leases. Defined terms are broadly the same across both categories of leases, with the main difference being that rent is traditionally higher for commercial properties.

Under current arrangements, the City has a range of lease fees from community leases (peppercorn rent) to commercial (e.g. Telstra who pay \$27,500 per annum). When determining the applicable lease fees for club or community groups, the City considers:

- The group's capacity to create an income from the premises;
- Likely community benefit; and
- Community need for the facility.

There is some disparity across the community agreements for example, Leederville Tennis Club pays \$1.00 per annum whereas other Tennis Clubs are averaging around \$1,155.44 per annum.

Until recently, existing leases were silent with respect to fair wear and tear, and made no provision for repair and maintenance responsibilities. Where a club or community group has built their premises and occupied the premises since construction, the City's approach has been for the club or community group to be responsible for the repair and maintenance, with a nominal rent payable.

Management of lease obligations and responsibilities has led to lessee dissatisfaction, resulting in a reluctance and/or financial inability to pay associated costs. Additionally this occasionally results in groups refusing to enter into new agreements. The main lease terms in dispute are the:

- Emergency Services Levy;
- Building insurance premiums;
- Annual RCD (residual current device), smoke alarm and emergency exit light testing;
- Biannual fire appliance testing;
- Annual termite treatments;
- Quarterly rodent treatments;
- Security and alarm call outs;
- General maintenance;
- Repair and replacement due to fair wear and tear;
- Bore replacement; and
- Structural maintenance works and upgrades.

Industry Standards

Research across the Local Government sector has identified that there are a wide range of approaches and options applied to leases. However, there is a consistent theme of:

- Providing a fair and equitable outcome for community organisations and sporting clubs;
- Delivering a balance between revenue and community value for government organisations; and
- Providing market competitive conditions for commercial enterprises.

Property Management Framework

The City proposes rescindment of the existing Policy and the endorsement of the Property Management Framework. The Property Management Framework ("**Framework**") aims to:

- Meet growing community needs and to maximise community benefit by prioritising City owned and managed properties for use where occupancy arrangements include co-location, shared-use and highest community utilisation;
- Meet the Strategic Community Plan's objectives of 'Connected Community' and 'Thriving Places' by making City owned and managed properties primarily available for local not-for-profit organisations, community groups and other community purposes;
- Ensure transparency and equity by recognising all financial and in-kind subsidisation by the City where City owned and managed properties are used to meet community needs;
- Ensure sustainable management of City owned and managed property by requiring effective asset management and demonstrated sound financial management; and
- Identifying specific City owned and managed properties that can be made available for commercial activities, supporting income generation and encouraging a sustainable asset management portfolio at aggregate level.

The Framework provides:

- Definitions of occupancy agreement types;
- Tenancy fee methodology;
- Annual Property Management reporting;
- Leasing incentives for small community groups, sporting clubs and community groups and organisations;
- Four tenant classifications with accompanying lease terms;
- Clarity of both tenant and City responsibilities within the lease.

To assist the City in monitoring the financial viability of clubs and community groups, they will be required to complete an annual health check which includes:

- Provision of an annual report or audited financial statements;
- Current contact details and responsibilities of office bearers;
- Certificate of Currency (Public Liability Insurance);
- A breakdown of the membership base including young people, seniors, and social members; and
- Postcodes of all registered members.

Community groups with leases that have recently expired are on short-term leasing arrangements pending the adoption of this Framework.

The proposed Property Management Framework will provide clear direction to Administration on matters that require Council discretion.

CONSULTATION/ADVERTISING:

The City has held discussions with all community groups and sporting clubs within categories 1 and 2 who hold a lease or licence. Feedback from these groups has been reviewed and considered and (where appropriate) incorporated within the Framework. Notably the following has been amended following community feedback:

- Inclusion of an assessment criteria within the Community Benefit Matrix, which is used to determine the subsidy level applied (**Attachment 4**);
- Removal of the assessment criteria relating to funding; and
- Defining capital upgrades and cap renewals.

Commercial entities and government agencies will be informed of the Framework during the negotiation of lease renewal.

RISK MANAGEMENT IMPLICATIONS:

Low: There is a low risk to Council considering adoption of a new Property Management Framework.

LEGAL/POLICY:

This paper recommends rescinding *Council Policy No. 1.2.1 – Terms of Leases* which is superseded by the implementation of the *Property Management Framework*.

STRATEGIC IMPLICATIONS:

This is in keeping with the City's *Strategic Community Plan 2018-2028*:

Connected Community

Our community facilities and spaces are well known and well used.

Thriving Places

Our physical assets are efficiently and effectively managed and maintained.

Innovative and Accountable

We are open and accountable to an engaged community.

SUSTAINABILITY IMPLICATIONS:

Nil

FINANCIAL/BUDGET IMPLICATIONS:

Under the proposed model, the City will generate an additional \$7,903.36 in the first year with \$42,090.97 over a five year period. Category one – small community groups have a financial benefit with this framework. The framework also allows for a maximum subsidy of 50% for category one groups and up to 25% subsidy for category two groups (**Attachment 5**)

POLICY NO: 1.2.1**TERMS OF LEASES****OBJECTIVES**

To encourage proper stewardship of Council property and provide satisfactory and traditional lessees with security of tenure.

POLICY STATEMENT

1. Any new lease granted by the Council shall usually be limited to a five year period, and any option to renew shall usually be limited to no more than a ten year period.
2. Council may consider longer periods where the Council is of the opinion that there is benefit or merit for providing a longer lease term.

Date Adopted:	11 October 1999
Date Amended:	-
Date Reviewed:	22 June 2004, 1 February 2010
Date of Next Review:	February 2015
(Original Policy Rescinded	11 October 1999)



CITY OF VINCENT

PROPERTY MANAGEMENT FRAMEWORK

BACKGROUND

A review of the management of City properties was undertaken and a revised and structured leasing and licencing framework (Framework) will be implemented to ensure that the City is meeting the demands and needs of the ever changing community. The Framework is supported by a policy which contains the overarching principles as well as an administrative procedure which details specific lease and licence details and processes. The Framework provides a classification for leases and licences, along with an equitable methodology for calculating annual lease and licence fees.

The City's forty eight (48) properties are leased or licenced to a range of community organisations, sport and recreation clubs or associations, government agencies and commercial entities.

The Framework requires that all community group tenants demonstrate the benefits to the community arising from their use of the property. The Framework also establishes the terms and conditions the City will use as the basis for negotiating all leases and licences whether community, government or commercial.

GUIDING PRINCIPLES – OBJECTIVES

The objectives of the Framework are:

- To meet growing community needs and to maximise community benefit, City owned and managed properties will be prioritised for use where occupancy arrangements include co-location, shared-use and highest community utilisation;

- To meet the Strategic Community Plan's objectives of 'Connected Community' and 'Thriving Places', City owned and managed properties will primarily be available for local not-for-profit organisations, community groups and other community purposes;
- To ensure transparency and equity, all financial and in-kind subsidisation by Council will be recognised where City owned and managed properties are used to meet demonstrated community needs;
- To ensure sustainable City owned and managed properties, effective asset management and demonstrated sound financial management will be prioritised; and
- Where appropriate, specific City owned and managed properties may be identified and made accessible for commercial activities for income generation to support and encourage sustainable City owned asset management.

TYPES OF OCCUPANCY AGREEMENTS

The main types of occupancy agreements include:

- **Lease** – proprietary right to exclusive occupation and use;
- **Licence** – contractual right to non-exclusive occupation and/or use; and
- **Management agreement** – contractual arrangement outlining the terms and conditions associated with usage, as negotiated.

Property hire (regular or occasional use of a property to deliver community based programs, events and activities) is not covered within the Framework as it is dealt with

separately under Policy No. 2.1.7 – parks Reserves and Hall Facilities – Conditions of Hire and Use.

LEASES

A lease creates a proprietary right to exclusive use and occupation of a property for an agreed period, usually in return for rent. The tenant has exclusive use and occupation of the property, although the City may require the tenant to encourage other use and subletting can occur if mutually agreeable.

LICENCES

A licence creates a contractual right to use a property for an agreed purpose for a stated period and can include seasonal licences. It does not confer a right to exclusive possession or occupation of the property. The City's approach in respect to granting a licence is to enable access to property by the broader community outside of the licensee's usage times.

MANAGEMENT AGREEMENT

A management agreement is a contractual arrangement between the City and a property user that outlines the terms and conditions associated with usage. The terms and conditions are not standard and are negotiated between the two parties.

PROPERTY MANAGEMENT RESPONSIBILITIES

ANNUAL TENANCY FEE METHODOLOGY

The City is committed to providing access to property for the benefit of the Vincent community. The City does not seek to derive profit from leases in categories one (1) or two (2).

The annual fee methodology is based on the Gross Rental Value (GRV) of the property with a subsidisation applied based on a community benefit matrix.

Organisations located in categories three (3) and four (4) are responsible for all costs associated with the property and the charging methodology is based on market valuation with the terms negotiated. Organisations within these categories will not be subject to a Management Agreement.

ANNUAL PROPERTY MANAGEMENT REPORTING

A report will be submitted to Council annually on organisations with occupancy agreements detailing:

- the occupancy agreement;
- revenue and expenditure; and
- level of subsidisation.

COMMUNITY BENEFIT MATRIX

In order to make City properties accessible and readily available, incentives are available to categories one (1) and two (2).

INCENTIVE FORMULA

The City will credit a tenant’s account with the appropriate percentage reduction based on the community benefit matrix.

ELIGIBILITY & APPLICATION

In order for community groups and clubs to be assessed for the community benefit incentive, the tenant must provide the required documentation. Examples of this are annual Community Groups and Sporting Club Health Checks, Profit & Loss Statements, copies of constitutions etc.

CLASSIFICATION OF TENANT

Under this framework, all tenants or prospective tenants of City properties will fall into one of four (4) categories which describe the primary purpose of the tenant.

The categories are:

Category One	Small community groups
Category Two	Sporting clubs and community groups and organisations
Category Three	Commercial entities & large clubs, associations and community organisations
Category Four	Government agencies

ATTACHMENTS

Essential term templates

- a. Category One (1)
- b. Category Two (2)
- c. Category Three (3)
- d. Category Four (4)



CATEGORY ONE (1) – SMALL COMMUNITY GROUPS

Eligibility Criteria	
Community Benefit	The service is unique, specific and meets a high level of need, or the service meets identified social/community needs. This type of service would not be provided unless supported by City.
Shared Use	Given the size of the facilities and level of use by the tenant, hiring to the community outside the tenant's agreed usage is not a requirement.
Revenue	The group has limited or no capacity to generate revenue from on-site use or activities and the income of the group is generally restricted to low membership fees.
Membership	Demonstrates minimal membership regime, good governance and facilitates programs and activities that add value to the social and community fabric of the City and are specifically targeted towards local residents.
Operational	Not-for-profit organization, community group or club run solely by volunteers
Organisational Structure	The organisation is locally based, stand alone and not-for-profit. It has a voluntary management committee, comprised mainly of local area representatives
Examples	Examples of community groups within this category are playgroups, toy libraries, community gardens, men's sheds and organisations specifically targeting social isolation.

Agreement Type	Outgoings	Statutory Compliance	Pest inspection	Rubbish & recycling bins	Emergency Services Levy	Building Insurance	Public Liability Insurance	Minor maintenance & repairs	Capital upgrades	Tenancy Fee
Management Agreement	X	X	X	X	✓	X	✓	X	X	10% GRV
Licence	✓	✓	✓	✓	✓	X	✓	✓	X	10% GRV
Lease	✓	✓	✓	✓	✓	✓	✓	✓	✓	10% GRV

A Management Agreement is likely for this category.

CATEGORY TWO (2) – SPORTING CLUBS, COMMUNITY GROUPS AND ORGANISATIONS

Eligibility Criteria	
Community Benefit	The service is unique, specific and meets high a level of need, or the service meets identified social/community needs. This type of service would not be able to be provided unless supported by City.
Shared Use	Given the size of the facilities and level of use by the tenant, hiring to the community outside the tenant's usage times on a fee for service basis (based on the City's Schedule of Fees and Charges for similar properties) is a requirement.
Revenue	The tenant has the capacity to generate revenue from its use of the property (i.e. membership, bar or kitchen facilities) or activities consistent with the organisational purpose of the tenant.
Membership	Demonstrates an affordable membership regime, good governance and facilitates programs and activities that add value to the social and community fabric of the City.
Operational	Not-for-profit organisation, community group or club run by volunteers or paid workers
Organisational Structure	The organisation is a locally based service, outlet or project that is part of a larger not-for-profit organisation. There is limited or no local area representation of the group/organisation.
Examples	Small sporting clubs, community groups, youth & day centres and community centres.

Agreement Type	Outgoings	Statutory Compliance	Pest inspection	Rubbish & recycling bins	Emergency Services Levy	Building Insurance	Public Liability Insurance	Minor maintenance & repairs	Capital upgrades	Tenancy Fee
Management Agreement	✓	X	X	✓	✓	X	✓	X	X	✓
Licence	✓	✓	✓	✓	✓	X	✓	✓	✓	✓
Lease	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

CATEGORY THREE (3) – COMMERCIAL ENTITIES AND LARGE CLUBS, ASSOCIATIONS AND COMMUNITY ORGANISATIONS

Eligibility Criteria	
Community Benefit	The provision of the service is generally not within the remit of local government and there may not be a direct local community benefit due to the nature of the group or organisation.
Revenue	Does not rely on Council for funding. Generates its own revenue, for example, by collecting membership fees, holding events, allowing venue hire, offering services or products for sale or is externally funded.
Organisational Structure	Includes corporations, incorporated associations, large not-for-profit organisations and private business owners.
Examples	Commercial recreation and leisure centres, for profit day care centres, state-wide or national not-for-profit organisations, medical practitioners, car parking licences, retail shops and office accommodation.

Agreement Type	Outgoings	Statutory Compliance	Pest inspection	Rubbish & recycling bins	Emergency Services Levy	Building Insurance	Public Liability Insurance	Minor maintenance & repairs	Capital upgrades	Tenancy Fee
Licence	✓	✓	✓	✓	✓	X	✓	✓	✓	Negotiated
Lease	✓	✓	✓	✓	✓	✓	✓	✓	✓	Negotiated by reference to Market Valuation

CATEGORY FOUR (4) – GOVERNMENT AGENCIES

Eligibility Criteria	
Community Benefit	The provision of the service is generally not within the remit of local government and there may not be a direct local community benefit.
Revenue	Receives significant funding from the State Government or organisations other than City.
Organisational Structure	Government department or Government agency operated.
Examples	Kindergartens, child health clinics and government sporting venues.

Agreement Type	Outgoings	Statutory Compliance	Pest inspection	Rubbish & recycling bins	Emergency Services Levy	Building Insurance	Public Liability Insurance	Minor maintenance & repairs	Capital upgrades	Tenancy Fee
Licence	✓	✓	✓	✓	✓	✓	✓	✓	✓	Negotiated
Lease	✓	✓	✓	✓	✓	✓	✓	✓	✓	Negotiated by reference to Market Valuation



GLOSSARY

PROPRIETARY RIGHT

A right to use or occupy property which allows exclusion of others from use, alienates other interests and is enforceable against all except those with a better proprietary right.

CAPITAL UPGRADE

Refers to enhancements to the existing facility to provide a higher level of service and/or enhancement which extends the original functionality or space. Capital upgrades extend the asset to cater for growth or additional service levels. Capital upgrades are at the City's sole discretion and must demonstrate an alignment with the City's Strategic Objectives.

CAPITAL RENEWAL

Relates to expenses incurred to restore the original function of the facility by replacing elements that have a life cycle shorter than planned for the entire facility. For example, replacing carpets.

CONTRACTUAL RIGHT

A right arising out of a contractual arrangement, for example the right to non-exclusive use of a property under a Licence or Management Agreement.

GROSS RENTAL VALUE

The Gross Rental Value is an annual rental value for a property determined by the Valuer General once every 3 years in the metropolitan area. This means that properties are valued on their potential rental income rather than their capital value.

EMERGENCY SERVICES LEVY (ESL)

The Emergency Services Levy (ESL) is a Department of Fire & Emergency Services compulsory levy for all buildings, which funds Western

Australia's fire and emergency services, including career fire stations, volunteer fire brigades, State Emergency Service units, the Volunteer Marine Rescue Service and the multi-purpose Volunteer Emergency Service units.

OUTGOINGS

Outgoings are fees or charges associated with the usage of a property. These may include utilities such as water, electricity and gas. Outgoings are charged in addition to Rent, Licence Fees and Rates and Taxes. The City may require Outgoings to be paid by instalments, based on an annual estimated budget for the premises (Variable Outgoings). Outgoings and Variable Outgoings are subject to annual review.

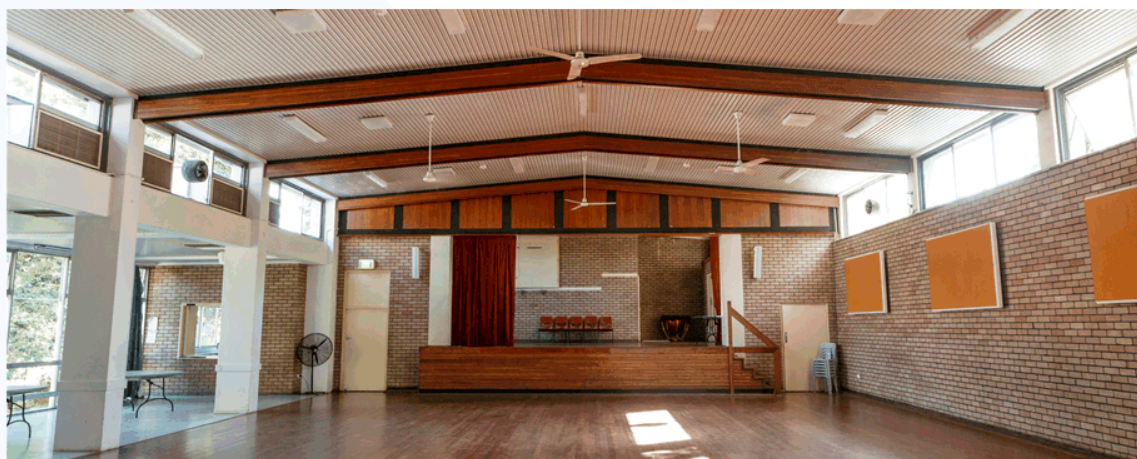
HEALTH CHECK

The Health Check is a document required by all sporting clubs and community groups leasing City of Vincent property each year. It includes information on contact details, committee members, club management, sustainability, membership and financial performance. The Health Check will be provided to tenants each year (generally sent out in the second quarter) and must be completed and returned to the City with the required supporting information within a reasonable time.



ESSENTIAL TERM TEMPLATE - CATEGORY ONE (1) - SMALL COMMUNITY GROUPS

Initial term	5 years
Option	Up to 2 x 5 years options (at the City's discretion)
Responsibilities of Tenant	<p>PAYMENTS</p> <ul style="list-style-type: none"> • Emergency Services Levy (ESL); • \$20 million public liability insurance; • rent or licence fee; • all Outgoings, rates, taxes and insurances associated with the property; • pest inspections (including termite inspections) and treatment; • rubbish and recycling bin charges; • cost of statutory compliance (RCD, smoke alarm, emergency exit and fire hydrant testing); and • building insurance. <p>REPAIR/MAINTENANCE</p> <ul style="list-style-type: none"> • General minor maintenance of premises which includes replacement of fittings and fixtures including light globes and taps; and • cleaning (internal and external including carpets annually) ; <p>INSPECTIONS</p> <ul style="list-style-type: none"> • The City will inspect the premises annually (or as required) and will give the tenant appropriate notice in accordance with the lease terms. <p>CITY ACKNOWLEDGEMENT</p> <ul style="list-style-type: none"> • The tenant will acknowledge the City's contribution.
Responsibilities of the City	<p>PAYMENT (FOR MANAGEMENT AGREEMENTS ONLY)</p> <ul style="list-style-type: none"> • All Outgoings, rates, taxes and insurances associated with the property; • pest inspections(including termite inspections) and treatment; • rubbish and recycling bin charges; • cost of statutory compliance (RCD, smoke alarm, emergency exit and fire hydrant testing); and • building insurance. <p>REPAIR/MAINTENANCE</p> <ul style="list-style-type: none"> • Re-painting of premises to ensure they remain in good repair; • maintenance of roofing, mechanical services and the main structure (unless damage caused by tenant/licensor); and • Capital Renewal of existing assets. <p>CAPITAL UPGRADES</p> <ul style="list-style-type: none"> • Capital Upgrade and capital expansion of all assets within the leased area at the City's discretion. <p>INSPECTIONS</p> <ul style="list-style-type: none"> • The City will inspect the premises annually (or as required) and will give the tenant appropriate notice in accordance with the lease terms.
Licence Fee/Rent	10% GRV



ESSENTIAL TERM TEMPLATE – CATEGORY TWO (2) – SPORTING CLUBS AND COMMUNITY GROUPS AND ORGANISATIONS

Initial term	5 years
Option	Up to 2 x 5 years options (at the City's discretion)
Responsibilities of Tenant	<p>PAYMENTS</p> <ul style="list-style-type: none"> All Outgoings, rates, taxes and insurances; cost of statutory compliance including RCD, smoke alarm, emergency exit and fire hydrant testing (with the exception of groups on a Management Agreement); pest inspections (including termite inspections) and treatment (with the exception of groups on a Management Agreement); rubbish and recycling bin charges; Emergency Services Levy (ESL); building insurance (with the exception of groups on a Licence or Management Agreement); and \$20 million public liability insurance. <p>REPAIR/MAINTENANCE</p> <ul style="list-style-type: none"> General minor maintenance of premises which includes replacement of fittings and fixtures including light globes and taps (with the exception of groups on a Management Agreement); re-painting of premises to ensure they remain in good repair; and cleaning (internal and external including carpets annually); <p>CAPITAL UPGRADES</p> <ul style="list-style-type: none"> Capital Upgrade and capital expansion of all assets within the leased or licenced area. <p>INSPECTIONS</p> <ul style="list-style-type: none"> The City will inspect the premises annually (or as required) and will give the tenant appropriate notice in accordance with the lease terms. <p>CITY ACKNOWLEDGEMENT</p> <ul style="list-style-type: none"> The tenant will acknowledge the City's contribution.
Responsibilities of the City	<p>REPAIR/MAINTENANCE</p> <ul style="list-style-type: none"> Maintenance of roofing, mechanical services and the main structure (unless damage caused by Lessee/ Licensor); and Capital Renewal of existing assets at the City's discretion.
Licence Fee/Rent	10% GRV



ESSENTIAL TERM TEMPLATE – CATEGORY THREE (3) – COMMERCIAL ENTITIES & LARGE SPORTING CLUBS, ASSOCIATIONS AND ORGANISATIONS

Initial term	Up to a maximum of 10 years.
Option	Up to a maximum of 10 years.
Responsibilities of Tenant	<p>UNLESS OTHERWISE AGREED BETWEEN THE PARTIES:</p> <p>PAYMENTS</p> <ul style="list-style-type: none"> All Outgoings, rates and taxes, including rubbish and recycling bin charges; cost of statutory compliance (RCD, smoke alarm, emergency exit and fire hydrant testing); pest inspections (including termite inspections) and treatment; Emergency Services Levy (ESL); building insurance, premium and excess; and \$20 million public liability insurance. <p>REPAIR/MAINTENANCE</p> <ul style="list-style-type: none"> General minor maintenance of premises which includes replacement of fittings and fixtures including light globes and taps; re-painting of premises to ensure they remain in good repair; cleaning (internal and external including carpets annually); and line-marking of parking bays in car parks (if applicable). <p>CAPITAL UPGRADES</p> <ul style="list-style-type: none"> Capital Upgrade and capital expansion of all assets within the leased or licenced area; and maintenance of fit-out. <p>INSPECTIONS</p> <ul style="list-style-type: none"> The City will inspect the premises annually (or as required) and will give the tenant appropriate notice in accordance with the lease terms.
Responsibilities of the City	<p>REPAIR/MAINTENANCE</p> <ul style="list-style-type: none"> Maintenance of roofing, mechanical services and main structure (unless damage caused by Lessee/Licensor); <p>CAPITAL RENEWAL</p> <ul style="list-style-type: none"> Capital Renewal of existing assets at the City's discretion.
Obligations of Tenant and default provisions	<ul style="list-style-type: none"> The tenant is responsible for paying any Licence Fees/Rent and any other monies owing under the agreement within 14 days of the due date. If the tenant fails to pay an invoice within the 14 day grace period, interest at a prescribed rate (as set by the agreement) will accrue on the outstanding amount until it is paid for in full. Continued failure to pay monies due and owing under the agreement may result in the City terminating the agreement due to the tenant's default. If the tenant disputes any amount due and owing under the agreement, the tenant must notify the City accordingly. In the absence of manifest error, the tenant must pay the outstanding amount on the due date and any dispute about the amount will be resolved with the City following payment.
Licence Fee/Rent	By negotiation and based on current market valuation obtained at the tenant's cost.



ESSENTIAL TERM TEMPLATE – CATEGORY FOUR (4) – GOVERNMENT AGENCIES

Initial term	Up to a maximum of 10 years.
Option	Up to a maximum of 10 years.
Responsibilities of Tenant	<p>UNLESS OTHERWISE AGREED BETWEEN THE PARTIES:</p> <p>PAYMENTS</p> <ul style="list-style-type: none"> All Outgoings, rates and taxes, including rubbish and recycling bin charges; cost of statutory compliance (RCD, smoke alarm, emergency exit and fire hydrant testing) pest inspections (including termite inspections) and treatment; Emergency Services Levy (ESL); building insurance; and \$20 million public liability insurance. <p>REPAIR/MAINTENANCE</p> <ul style="list-style-type: none"> General minor maintenance of premises which includes replacement of fittings and fixtures including light globes and taps; re-painting of premises to ensure they remain in good repair; cleaning (internal and external including carpets annually); and line-marking of parking bays in car parks (if applicable). <p>CAPITAL UPGRADES</p> <ul style="list-style-type: none"> Capital Upgrade and capital expansion of all assets within the leased or licenced area; and maintenance of fit-out. <p>INSPECTIONS</p> <ul style="list-style-type: none"> The City will inspect the premises annually (or as required) and will give the tenant appropriate notice in accordance with the lease terms. <p>CITY ACKNOWLEDGEMENT</p> <ul style="list-style-type: none"> If less than the market rent is being paid by the tenant, the tenant will acknowledge the City's support through signage or other means as agreed by the City.
Obligations of Tenant and default provisions	<ul style="list-style-type: none"> The tenant is responsible for paying any Licence Fees/Rent and any other monies owing under the agreement within 14 days of the due date. If the tenant fails to pay an invoice within the 14 day grace period, interest at a prescribed rate (as set by the agreement) will accrue on the outstanding amount until it is paid for in full. Continued failure to pay monies due and owing under the agreement may result in the City terminating the agreement due to the tenant's default. If the tenant disputes any amount due and owing under the agreement, the tenant must notify the City accordingly. In the absence of manifest error, the tenant must pay the outstanding amount on the due date and any dispute about the amount will be resolved with the City following payment.
Responsibilities of the City	<p>REPAIR/MAINTENANCE</p> <ul style="list-style-type: none"> Maintenance of roofing, mechanical services and main structure (unless damage caused by tenant/licensor). <p>CAPITAL RENEWAL</p> <ul style="list-style-type: none"> Capital Renewal of existing assets at the City's discretion.
Lease Fee/Rent	By negotiation and based on current market valuation obtained at the tenant's cost.



APPENDIX 1

LIST OF PROPERTIES

Property Type	Facility Name
Bowling Club	Portion of 10 Farmer Street, North Perth
Child Health Clinic	244A Vincent Street, Leederville
Child Health Clinic	4 Broome Street, Highgate
Child Health Clinic	84 Harold Street, Highgate
Child Health Clinic	Portion of 99 Loftus Street, Leederville
Child Health Clinic	Portion of Mt Hawthorn Community Centre, 197 Scarborough Beach Road, Mt Hawthorn
Clinic and offices	Portion of Beatty Park Leisure Centre, 220 Vincent Street, North Perth
Community Centre	Portion of 10 Farmer Street, North Perth
Community Centre	62 Frame Court, Leederville
Community Centre	413 Bulwer Street, West Perth
Community Centre	Portion of 99 Loftus Street, Leederville
Community Facility	38 Kalgoorlie Street, Mount Hawthorn
Community Facility	Portion of 176 Fitzgerald Street, Perth
Community Garden	Portion of 10 Farmer Street, North Perth
Croquet Club	66 Harold Street, Mt Lawley
Dental Clinic	31 Sydney Street, North Perth
Kindergarten	45 Richmond Street, Leederville
Men's Shed	Portion of 10 Farmer Street, North Perth
Office	286 Beaufort Street, Perth
Offices	246 Vincent Street, Leederville
Offices	4 View Street, North Perth
Playgroup	15 Haynes Street, North Perth
Playgroup	87 The Boulevard, Mt Hawthorn
Playgroup	Portion of Forrest Park Pavilion, 127 Wright Street, Highgate
Playgroup	Portion of Mt Hawthorn Community Centre, 197 Scarborough Beach Road, Mt Hawthorn
Sporting facilities	180 Charles Street, West Perth
Sporting facilities	Portion of 99 Loftus Street, Leederville
Sporting facilities	39 Britannia Road, Leederville
Sporting facilities	55 Albert Street, North Perth
Sporting facilities	Portion of 244 Vincent Street, Leederville
Sporting facilities	Portion of 244 Vincent Street, Leederville
Sporting facilities	Portion of Forrest Park Pavilion, 127 Wright Street, Highgate
Sporting facilities	41 Britannia Street, Leederville
Sporting facilities	315 Bulwer Street, Perth
Sporting facilities	Portion of 3 Lawley Street, West Perth
Tennis Club	Portion of 176 Fitzgerald Street, Perth
Tennis Club	150 Richmond Street, Leederville
Tennis Club	176 Fitzgerald Street, Perth
Tennis Club	310 Pier Street, Perth
Tennis Club	Portion of 10 Farmer Street, North Perth
Toy Library	Portion of Mt Hawthorn Community Centre, 197 Scarborough Beach Road

Attachment 3 – Matrix – Criteria for determining level of subsidy for Leases and Licences for not-for-profit organisations					
Criteria	Each answer worth 4 points	Each answer worth 3 points	Each answer worth 2 points	Each answer worth 1 point	Score
Organisational Status & Structure	The organisation is locally based, stand alone and not-for-profit. It has a voluntary management committee, comprised mainly of local area representatives	The organisation is locally based, has a regional focus, is stand alone and not-for-profit. It has a voluntary management committee, comprised partly of local area representative	The organisation is a locally based service, outlet, program or project that is part of a larger not-for-profit organisation, it has a voluntary advisory committee, comprised partly of local area representatives	The organisation is a locally based service, outlet, program or project that is part of a larger not-for-profit organisation. There is limited or no local area representation on the advisory committee or similar	
Capacity to undertake range of administrative and management responsibilities	Dependant on assistance from volunteers for all administrative and management functions	Paid staff undertakes some of the administrative and management functions and volunteers assist with the other tasks	Staff undertake majority of administrative and management functions with additional assistance provided by umbrella organisation.	Umbrella organisation carries out majority of administrative and management functions	
Extent of service provided by organisation	The broader community is a beneficiary of services provided by the organisation	Service is significantly used by number of specific sections of the local community	While the organisation provides a direct service to only a small number in the local community, it forms a part of a larger service provision	Service is only used by a small number of the local community	
Extent of accessibility of facility to the Community	Facilities are available and accessible to many in the local community	Facilities are generally available and accessible to the local community	Facilities have limited accessibility and availability to others in the local community	Facilities not accessible or available to others in the local community or limited access	
Social and community benefit	Service is unique, specific and meets a high level of need; or service meets identified social / community needs, with most-service users from low socio-economic or disadvantaged backgrounds	Service meets identified social / community needs, with service users from a range of socio-economic backgrounds	Service meets a broad social / community need	Service is valued by community but it is not focused on meeting an identified social / community need	
Ability to charge fees and raise revenue	Limited or no ability to raise revenue	Some ability to raise revenue and charge fees which may be varied to reflect ability of clients to pay	Has ability to charge fees and raise revenue	Operate on a profit basis	
Diversity, Access, Inclusion and Equity	Actively promotes inclusiveness to all members of the community, including females, people with disability, people from culturally and linguistically diverse background, and the LGBTIQ+ community	The majority of activities and services promote and encourage greater participation by the City's diverse community.	Activities and services encourage limited inclusiveness to members of the community however, organisation is progressing towards increasing level of diversity.	Activities and services do not integrate or encourage the inclusiveness of all members of the community. Organisation will progress towards increasing level of diversity.	
Link to Strategic Community Plan	Integrates directly into the Strategic Community Plan	Services provided do not integrate into the current Strategic Community Plan but do provide significant benefits to the community which are considered to reduce the burden on the City's budget	Services provided do not integrate into the Strategic Community Plan but do provide significant benefits to the community	Little or no direct or integrated targets within the Strategic Community Plan	
Total Score	0				
Subsidy	0%				
Points of Range	25 - 32	16 - 24	9 - 15	8 points & below	
Range of Subsidy	35 - 50%	25 - 34%	6 - 25%	0%	

Attachment 5 - Draft City Property Management Framework

Category 1 - Small community groups

Current Charging Methodology

Community Group	Lease date	Current Lease/Licence Fee	Water	Gas	Electricity	Insurance	Rubbish Removal	Annual Pest Inspection	Service Fire Equipment	Current Annual Charges
North Perth Community Garden	2/10/15 to 1/10/18	\$ 1.00					\$ 445.00			\$ 446.00
Mt Hawthorn Playgroup	1/01/16 to 31/12/20	\$ 1,042.32	\$ 145.00			\$ 301.00	\$ 350.00			\$ 1,838.32
Mt Hawthorn Toy Library	1/02/16 to 31/01/21	\$ 181.75								\$ 181.75
Highgate Forrest Park Playgroup	01/01/16 to 01/01/21	\$ 920.00	\$ 721.00		\$ 719.61	\$ 283.57	\$ 700.00		\$ 93.00	\$ 3,437.18
North Perth Playgroup	01/01/19 to 30/06/21	\$ 952.24	\$ 193.00	\$ 132.00	\$ 634.00	\$ 237.00	\$ 445.00			\$ 2,593.24
Earlybirds Playgroup	01/07/17 to 30/06/22	\$ 1,013.92	\$ 449.32		\$ 1,035.35	\$ 242.85	\$ 510.00	\$ 135.58	\$ 47.47	\$ 3,434.49
Vincent Men's Shed	2/10/15 to 01/10/25	\$ 1.00	\$ 67.58			\$ 347.21	\$ 445.00		\$ 113.96	\$ 974.75
ANZAC Cottage - Vietnam Veterans	01/10/05 to 30/09/41	\$ 1.00	\$ 1,391.76		\$ 453.50	\$ 358.61	\$ 350.00		\$ 79.54	\$ 2,634.41
		\$ 4,113.23	\$ 2,967.66	\$ 132.00	\$ 2,842.46	\$ 1,770.24	\$ 3,245.00	\$ 135.58	\$ 333.97	\$ 15,540.14

Proposed Charging Methodology - 10% GRV

Community Group	Lease date	Proposed Tenancy Fee (10% GRV)
North Perth Community Garden	2/10/15 to 1/10/18	\$ 488.50
Mt Hawthorn Playgroup	1/01/16 to 31/12/20	\$ 951.00
Mt Hawthorn Toy Library	1/02/16 to 31/01/21	\$ 283.00
Highgate Forrest Park Playgroup	01/01/16 to 01/01/21	\$ 3,085.00
North Perth Playgroup	01/01/19 to 30/06/21	\$ 722.00
Earlybirds Playgroup	01/07/17 to 30/06/22	\$ 802.50
Vincent Men's Shed	2/10/15 to 01/10/25	\$ 2,019.00
ANZAC Cottage - Vietnam Veterans	01/10/05 to 30/09/41	\$ 1,768.00
		\$ 10,119.00

Financial Implication between current and proposed charging methodology

Community Group	Lease date	Proposed Annual charge without subsidy	Maximum 50% subsidy	Annual payment to City
North Perth Community Garden	2/10/15 to 1/10/18	\$ 488.50	\$ 244.25	\$ 244.25
Mt Hawthorn Playgroup	1/01/16 to 31/12/20	\$ 951.00	\$ 475.50	\$ 475.50
Mt Hawthorn Toy Library	1/02/16 to 31/01/21	\$ 283.00	\$ 141.50	\$ 141.50
Highgate Forrest Park Playgroup	01/01/16 to 01/01/21	\$ 3,085.00	\$ 1,542.50	\$ 1,542.50
North Perth Playgroup	01/01/19 to 30/06/21	\$ 722.00	\$ 361.00	\$ 361.00
Earlybirds Playgroup	01/07/17 to 30/06/22	\$ 802.50	\$ 401.25	\$ 401.25
Vincent Men's Shed	2/10/15 to 01/10/25	\$ 2,019.00	\$ 1,009.50	\$ 1,009.50
ANZAC Cottage - Vietnam Veterans	01/10/05 to 30/09/41	\$ 1,768.00	\$ 884.00	\$ 884.00
		\$ 10,119.00	\$ 5,059.50	\$ 5,059.50

Attachment 5 - Draft City Property Management Framework
Category 2 - Sporting clubs, community groups and organisations

Current Charging Methodology

Sporting Club/Community Group Category Two	Lease date	Current Lease/Licence Fee
North Perth Tennis Club	01/04/09 to 31/03/16	\$969.14
Forrest Park Croquet Club	1/01/17 to 31/12/18	\$1,121.00
North Perth Cricket Club	01/10/18 to 31/03/19	\$4,350.00
Leederville Tennis Club	01/09/14 to 31/08/19	\$1.00
Modernians Hockey Club	01/04/18 to 30/09/19	\$2,175.00
Mt Hawthorn Cardinals JFC	01/04/18 to 30/09/19	\$2,175.00
Floreat Athena Football Club	01/07/15 to 30/06/20	\$2,009.33
Azzurri Bocce Club	1/09/16 to 31/8/21	\$5,151.35
Leederville Cricket Club	01/04/17 to 31/03/22	\$1,929.58
North Perth Bowling and Recreation Club	01/09/17 to 31/08/22	\$3,148.37
Perth Soccer Club	01/01/10 to 31/12/25	\$1,883.75
Loton Park Tennis Club	1/11/15 to 31/10/30	\$1,119.88
View Street Facility	TBD	\$16,474.81
Farmer Street Facility	TBD	\$4,405.82
		\$46,914.03

Proposed Charging Methodology - 10% GRV

Sporting Club/Community Group Category Two	Lease date	Proposed Tenancy Fee (10% GRV)
North Perth Tennis Club	01/04/09 to 31/03/16	\$3,845.00
Forrest Park Croquet Club	1/01/17 to 31/12/18	\$7,550.00
North Perth Cricket Club	01/10/18 to 31/03/19	\$4,405.00
Leederville Tennis Club	01/09/14 to 31/08/19	\$4,990.00
Modernians Hockey Club	01/04/18 to 30/09/19	\$2,202.50
Mt Hawthorn Cardinals JFC	01/04/18 to 30/09/19	\$2,202.50
Floreat Athena Football Club	01/07/15 to 30/06/20	\$3,550.00
Azzurri Bocce Club	1/09/16 to 31/8/21	\$7,151.00
Leederville Cricket Club	01/04/17 to 31/03/22	\$3,550.00
North Perth Bowling and Recreation Club	01/09/17 to 31/08/22	\$5,229.00
Perth Soccer Club	01/01/10 to 31/12/25	\$2,405.00
Loton Park Tennis Club	1/11/15 to 31/10/30	\$4,250.00
View Street Facility	TBD	\$2,860.00
Farmer Street Facility	TBD	\$5,016.00
		\$59,206.00

Financial Implication between current and proposed charging methodology

Sporting Club/Community Group Category Two	Lease date	Proposed Tenancy Fee (10% GRV)	Maximum 25% subsidy	Annual payment to City
North Perth Tennis Club	01/04/09 to 31/03/16	\$3,845.00	\$961.25	\$2,883.75
Forrest Park Croquet Club	1/01/17 to 31/12/18	\$7,550.00	\$1,887.50	\$5,662.50
North Perth Cricket Club	01/10/18 to 31/03/19	\$4,405.00	\$1,101.25	\$3,303.75
Leederville Tennis Club	01/09/14 to 31/08/19	\$4,990.00	\$1,247.50	\$3,742.50
Modernians Hockey Club	01/04/18 to 30/09/19	\$2,202.50	\$550.63	\$1,651.88
Mt Hawthorn Cardinals JFC	01/04/18 to 30/09/19	\$2,202.50	\$550.63	\$1,651.88
Floreat Athena Football Club	01/07/15 to 30/06/20	\$3,550.00	\$887.50	\$2,662.50
Azzurri Bocce Club	1/09/16 to 31/8/21	\$7,151.00	\$1,787.75	\$5,363.25
Leederville Cricket Club	01/04/17 to 31/03/22	\$3,550.00	\$887.50	\$2,662.50
North Perth Bowling and Recreation Club	01/09/17 to 31/08/22	\$5,229.00	\$1,307.25	\$3,921.75
Perth Soccer Club	01/01/10 to 31/12/25	\$2,405.00	\$601.25	\$1,803.75
Loton Park Tennis Club	1/11/15 to 31/10/30	\$4,250.00	\$1,062.50	\$3,187.50
View Street Facility	TBD	\$2,860.00	\$715.00	\$2,145.00
Farmer Street Facility	TBD	\$5,016.00	\$1,254.00	\$3,762.00
		\$59,206.00	\$14,801.50	\$44,404.50

8 CHIEF EXECUTIVE OFFICER**8.12 LOCAL GOVERNMENT STATUTORY COMPLIANCE AUDIT RETURN 2019**

Attachments: 1. Compliance Audit Return 2019  

RECOMMENDATION:**That Council:**

1. **ADOPTS** the City of Vincent's Compliance Audit Return for the period 1 January 2019 to 31 December 2019, at Attachment 1, noting the three areas of non-compliance reported; and
2. **AUTHORISES** the Compliance Audit Return in recommendation 1. above to be certified by the Mayor and Chief Executive Officer in accordance with Regulation 15 of the *Local Government (Audit) Regulations 1996*.

PURPOSE OF REPORT:

To adopt the City's Compliance Audit Return for 2019 (CAR).

BACKGROUND:

Section 7.13(1)(i) of the *Local Government Act 1995* (Act) requires local governments to undertake an audit of compliance "in the prescribed manner and in a form approved by the Minister". In accordance with section 7.13(1)(i) of the Act, the Department of Local Government, Sport and Cultural Industries (DLGSC) requires that all local governments complete a CAR by 31 March 2020.

In accordance with Regulation 14(3a) of the *Local Government (Audit) Regulations 1996*, the Audit Committee reviewed the CAR at its meeting held on 3 March 2020 and resolved to recommend to Council that it adopts the CAR, noting the areas of non-compliance reported.

DETAILS:

The 2019 CAR contains the following compliance categories:

- Commercial enterprises by Local Governments;
- Delegation of power/duty;
- Disclosure of interest;
- Disposal of property;
- Elections;
- Finance;
- Integrated planning and reporting
- Local Government employees;
- Official conduct;
- Tenders for providing goods and services; and
- Optional Questions.

Administration has identified three areas of non-compliance, as detailed below:

1. Disclosure of Interest – Question 6

Section 5.75 of the Act requires Elected Members and designated employees to complete a disclosure of financial interest by way of a Primary Return within 3 months of their start date. Administration did not receive a Primary Return from one of the new Elected Members by the due date, which was 20 January 2020. The completed Primary Return was submitted on 11 February 2020.

Administration reported this non-compliance to the Corruption and Crime Commission, as required under the Act, on 24 February 2020.

The Elected Member has been advised that the non-compliance has been reported to the DLGSC by way of the CAR and reported as a serious breach to the Corruption and Crime Commission as required under the Act.

2. Finance - Question 8 and 9

Section 7.12a(4) of the Act requires local governments to prepare a report addressing any matters identified as significant by the auditor in the audit report, and stating what action the local government has taken or intends to take with respect to each of those matters. The local government must then present a copy of the report to the Minister within 3 months after the audit report is received.

The auditor's report dated 27 November 2019 identified the City's asset sustainability ratio as an issue.

Administration wrote to the Minister for Local Government on 28 February 2020, which is within the 3 month period, and advised that the City's Asset Sustainability Action Plan would be considered by the Audit Committee at its 3 March 2020 meeting and Council at its 17 March 2020 meeting. Following Council's consideration at the Asset Sustainability Action Plan it would be provided to the Minister for Local Government.

Due to the timing of the City's Audit Committee and Council Meetings, a formal response will not be provided to the Minister until after the 17 March 2020 Council Meeting, which is in breach of section 7.12(a)(4) of the Act.

3. Optional Questions – Question 1

Regulation 5(2)(c) of the *Local Government Financial Management Regulations 1996* requires the CEO to undertake reviews of the appropriateness and effectiveness of the financial management systems and procedures of the local government regularly (not less than once every 3 financial years) and report to the local government the results of those reviews.

The City's internal audit plan 2016-2020 was not fully implemented and therefore it does not appear that the City has complied with reg 5(2)(c).

The City has engaged Stantons International to perform this review between February 2020 and June 2020. A new internal audit plan for 2020/21 to 2023/24 will be developed following the completion of the review.

CONSULTATION/ADVERTISING:

Not applicable.

LEGAL/POLICY:

Regulation 14 of the *Local Government (Audit) Regulations 1996* requires that the Audit Committee reviews the completed CAR and reports the results to Council. Following Council's adoption of the CAR, the CAR must be submitted to the Department by 31 March 2020. A certified copy means a copy which is signed by the Mayor or President and the CEO.

RISK MANAGEMENT IMPLICATIONS:

Low: It is low risk for Council to consider the CAR.

STRATEGIC IMPLICATIONS:

This is in keeping with the City's *Strategic Community Plan 2018-2028*:

Innovative and Accountable

We are open and accountable to an engaged community.

SUSTAINABILITY IMPLICATIONS:

An effective system of compliance auditing helps to ensure that the City is sustainable in the long term.

FINANCIAL/BUDGET IMPLICATIONS:

Nil.

Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



Department of
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Vincent - Compliance Audit Return 2019

Certified Copy of Return

Please submit a signed copy to the Director General of the Department of Local Government, Sport and Cultural Industries together with a copy of section of relevant minutes.

Commercial Enterprises by Local Governments					
No	Reference	Question	Response	Comments	Respondent
1	s3.59(2)(a)(b)(c) F&G Reg 7,9	Has the local government prepared a business plan for each major trading undertaking in 2019?	N/A	No major land transactions or trading undertaken in 2019.	Meluka Bancroft - Executive Manager, Corporate Strategy and Governance
2	s3.59(2)(a)(b)(c) F&G Reg 7,10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2019?	N/A	No major land transactions or trading undertaken in 2019.	Meluka Bancroft - Executive Manager, Corporate Strategy and Governance
3	s3.59(2)(a)(b)(c) F&G Reg 7,10	Has the local government prepared a business plan before entering into each land transaction that was preparatory to entry into a major land transaction in 2019?	N/A	No major land transactions or trading undertaken in 2019.	Meluka Bancroft - Executive Manager, Corporate Strategy and Governance
4	s3.59(4)	Has the local government complied with public notice and publishing requirements of each proposal to commence a major trading undertaking or enter into a major land transaction for 2019?	N/A	No major land transactions or trading undertaken in 2019.	Meluka Bancroft - Executive Manager, Corporate Strategy and Governance
5	s3.59(5)	Did the Council, during 2019, resolve to proceed with each major land transaction or trading undertaking by absolute majority?	N/A	No major land transactions or trading undertaken in 2019.	Meluka Bancroft - Executive Manager, Corporate Strategy and Governance

Delegation of Power / Duty					
No	Reference	Question	Response	Comments	Respondent
1	s5.16, 5.17, 5.18	Were all delegations to committees resolved by absolute majority?	Yes	At the OMC 25 June 2019 Council approved a new delegation to the City's Audit Committee. This was resolved absolute majority Item 12.5 - D19/92612	Emma Simmons - Governance Projects Officer
2	s5.16, 5.17, 5.18	Were all delegations to committees in writing?	Yes	Provided in the Register of Delegations, Authorisations and Appointments (D19/124523)	Emma Simmons - Governance Projects Officer
3	s5.16, 5.17, 5.18	Were all delegations to committees within the limits specified in section 5.17?	Yes		Emma Simmons - Governance Projects Officer

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No	Reference	Question	Response	Comments	Respondent
4	s5.16, 5.17, 5.18	Were all delegations to committees recorded in a register of delegations?	Yes	D19/124523	Emma Simmons - Governance Projects Officer
5	s5.18	Has Council reviewed delegations to its committees in the 2018/2019 financial year?	Yes	Note comments in response 1.	Emma Simmons - Governance Projects Officer
6	s5.42(1),5.43 Admin Reg 18G	Did the powers and duties of the Council delegated to the CEO exclude those as listed in section 5.43 of the Act?	Yes		Emma Simmons - Governance Projects Officer
7	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO resolved by an absolute majority?	Yes	resolved absolute majority at the OMC 25 June 2019 - Item 12.5 - D19/92612	Emma Simmons - Governance Projects Officer
8	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO in writing?	Yes	Provided in the Register of Delegations, Authorisations and Appointments (D19/124523)	Emma Simmons - Governance Projects Officer
9	s5.44(2)	Were all delegations by the CEO to any employee in writing?	Yes	Provided in the Register of Delegations, Authorisations and Appointments (D19/124523)	Emma Simmons - Governance Projects Officer
10	s5.45(1)(b)	Were all decisions by the Council to amend or revoke a delegation made by absolute majority?	Yes	at the OMC 17 September 2019 Council revoked delegation 2.1.1 to the audit committee,	Emma Simmons - Governance Projects Officer
11	s5.46(1)	Has the CEO kept a register of all delegations made under the Act to him and to other employees?	Yes	Register of Delegations, Authorisation and Appointments - D19/124523	Emma Simmons - Governance Projects Officer
12	s5.46(2)	Were all delegations made under Division 4 of Part 5 of the Act reviewed by the delegator at least once during the 2018/2019 financial year?	Yes	The review was conducted in March 2019. Presented to Council at the 25 June 2019 OMC.	Emma Simmons - Governance Projects Officer
13	s5.46(3) Admin Reg 19	Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record as required?	Yes	Sample testing of delegation listed in the City's Register of Delegations, Authorisations and Appointments is currently being undertaken	Emma Simmons - Governance Projects Officer

Disclosure of Interest

No	Reference	Question	Response	Comments	Respondent
1	s5.67	If a member disclosed an interest, did he/she ensure that they did not remain present to participate in any discussion or decision-making procedure relating to the matter in which the interest was disclosed (not including participation approvals granted under s5.68)?	Yes	All disclosure are registered in the Register of Interests Disclosed at Council Meetings (D16/43908) - available on the City's website	Emma Simmons - Governance Projects Officer

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Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



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No	Reference	Question	Response	Comments	Respondent
2	s5.68(2)	Were all decisions made under section 5.68(1), and the extent of participation allowed, recorded in the minutes of Council and Committee meetings?	Yes	Recorded in OMC minutes 5 March 2019 and "Register of Interests disclosed at Ordinary and Special Council Meetings" (D16/43908).	Emma Simmons - Governance Projects Officer
3	s5.73	Were disclosures under section 5.65 or 5.70 recorded in the minutes of the meeting at which the disclosure was made?	Yes	Recorded in relevant minutes and "Register of Interests disclosed at Ordinary and Special Council Meetings" (D16/43908).	Emma Simmons - Governance Projects Officer
4	s5.73	Where the CEO had an interest relating to a gift under section 5.71A(1), was written notice given to the Council?	N/A	No interest disclosed	Emma Simmons - Governance Projects Officer
5	s5.73	Where the CEO had an interest relating to a gift in a matter in respect of a report another employee is providing advice on under section 5.71A (3), was the nature of interest disclosed when the advice or report was provided?	N/A	No interests disclosed	Emma Simmons - Governance Projects Officer
6	s5.75(1) Admin Reg 22 Form 2	Was a primary return lodged by all newly elected members within three months of their start day?	No	One of the City's newly elected members did not submit a primary return within 3 months. This was received by administration 11/02/2020.	Emma Simmons - Governance Projects Officer
7	s5.75(1) Admin Reg 22 Form 2	Was a primary return lodged by all newly designated employees within three months of their start day?	Yes	Refer to "Primary and Annual Returns Register" (SC2692).	Emma Simmons - Governance Projects Officer
8	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all continuing elected members by 31 August 2019?	Yes	Refer to "Primary and Annual Returns Register" (SC2692).	Emma Simmons - Governance Projects Officer
9	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all designated employees by 31 August 2019?	Yes	Refer to "Primary and Annual Returns Register" (SC2692).	Emma Simmons - Governance Projects Officer
10	s5.77	On receipt of a primary or annual return, did the CEO, (or the Mayor/ President in the case of the CEO's return) on all occasions, give written acknowledgment of having received the return?	Yes	Refer to "Primary and Annual Returns Register" (SC2692).	Emma Simmons - Governance Projects Officer
11	s5.88(1)(2) Admin Reg 28	Did the CEO keep a register of financial interests which contained the returns lodged under section 5.75 and 5.76?	Yes	Refer to "Primary and Annual Returns Register" (SC2692).	Emma Simmons - Governance Projects Officer
12	s5.88(1)(2) Admin Reg 28	Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70 and 5.71, in the form prescribed in Administration Regulation 28?	Yes	All disclosure are registered in the Register of Interests Disclosed at Council Meetings (D16/43908) - available on the City's website	Emma Simmons - Governance Projects Officer
13	s5.89A Admin Reg 28A	Did the CEO keep a register of gifts which contained a record of disclosures made under section 5.71A, in the form prescribed in Administration Regulation 28A?	Yes	Form 4 Regulation 28A D19/183319	Emma Simmons - Governance Projects Officer

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No	Reference	Question	Response	Comments	Respondent
14	s5.88 (3)	Has the CEO removed all returns from the register when a person ceased to be a person required to lodge a return under section 5.75 or 5.76?	Yes	Refer to "Primary and Annual Returns Register" (SC2692). Digital copies moved to SC401-02 and hard copies in Day Box 71.	Emma Simmons - Governance Projects Officer
15	s5.88(4)	Have all returns lodged under section 5.75 or 5.76 and removed from the register, been kept for a period of at least five years, after the person who lodged the return ceased to be a council member or designated employee?	Yes	Returns are moved from register SC2692 to container SC401-02	Emma Simmons - Governance Projects Officer
16	s5.103 Admin Reg 34C & Rules of Conduct Reg 11	Where an elected member or an employee disclosed an interest in a matter discussed at a Council or committee meeting where there was a reasonable belief that the impartiality of the person having the interest would be adversely affected, was it recorded in the minutes?	Yes	Recorded in the relevant minutes	Emma Simmons - Governance Projects Officer
17	s5.70(2)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to the Council or a Committee, did that person disclose the nature of that interest when giving the advice or report?	Yes	Recorded in relevant minutes and "Register of Interests disclosed at Ordinary and Special Council Meetings" (D16/43908).	Emma Simmons - Governance Projects Officer
18	s5.70(3)	Where an employee disclosed an interest under s5.70(2), did that person also disclose the extent of that interest when required to do so by the Council or a Committee?	Yes	Recorded in relevant minutes and "Register of Interests disclosed at Ordinary and Special Council Meetings" (D16/43908).	Emma Simmons - Governance Projects Officer
19	s5.103(3) Admin Reg 34B	Has the CEO kept a register of all notifiable gifts received by Council members and employees?	Yes	Refer to "Register of Gifts" (D16/32718) which is also available on the City's website.	Emma Simmons - Governance Projects Officer

Disposal of Property

No	Reference	Question	Response	Comments	Respondent
1	s3.58(3)	Was local public notice given prior to disposal for any property not disposed of by public auction or tender (except where excluded by Section 3.58(5))?	N/A	No disposition was undertaken that was not exempt under Regulation 30 of the Local Government (Functions and General) Regulations 1996	Meluka Bancroft - Executive Manager, Corporate Strategy and Governance
2	s3.58(4)	Where the local government disposed of property under section 3.58(3), did it provide details, as prescribed by section 3.58(4), in the required local public notice for each disposal of property?	N/A	No disposition was undertaken that was not exempt under Regulation 30 of the Local Government (Functions and General) Regulations 1996	Meluka Bancroft - Executive Manager, Corporate Strategy and Governance

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Elections					
No	Reference	Question	Response	Comments	Respondent
1	Elect Reg 30G (1) (2)	Did the CEO establish and maintain an electoral gift register and ensure that all 'disclosure of gifts' forms completed by candidates and received by the CEO were placed on the electoral gift register at the time of receipt by the CEO and in a manner that clearly identifies and distinguishes the candidates?	Yes	D19/138077	Emma Simmons - Governance Projects Officer
2	Elect Reg 30G(3) & (4)	Did the CEO remove any 'disclosure of gifts' forms relating to an unsuccessful candidate or a successful candidate that completed the term of office from the electoral gift register, and retain those forms separately for a period of at least 2 years?	Yes		Emma Simmons - Governance Projects Officer
Finance					
No	Reference	Question	Response	Comments	Respondent
1	s7.1A	Has the local government established an audit committee and appointed members by absolute majority in accordance with section 7.1A of the Act?	Yes	Appointed by absolute majority at the OMC - 12 November 2019 - Item 12.6	Emma Simmons - Governance Projects Officer
2	s7.1B	Where a local government determined to delegate to its audit committee any powers or duties under Part 7 of the Act, did it do so by absolute majority?	Yes	At the OMC 25 June 2019 Council approved a new delegation to the City's Audit Committee. This was resolved absolute majority Item 12.5 - D19/92612	Emma Simmons - Governance Projects Officer
3	s7.3(1)	Was the person(s) appointed by the local government under s7.3(1) to be its auditor, a registered company auditor?	Yes	Moore Stephens were appointed by absolute majority at the OMC - 4 April 2017	Emma Simmons - Governance Projects Officer
4	s7.3(1), 7.6(3)	Was the person or persons appointed by the local government to be its auditor, appointed by an absolute majority decision of Council?	Yes	Moore Stephens were appointed by absolute majority at the OMC - 4 April 2017	Emma Simmons - Governance Projects Officer
5	Audit Reg 10	Was the Auditor's report(s) for the financial year(s) ended 30 June received by the local government within 30 days of completion of the audit?	Yes		Vanisha Govender - Executive Manager Financial Services
6	s7.9(1)	Was the Auditor's report for the financial year ended 30 June 2019 received by the local government by 31 December 2019?	Yes	Audit report received on the 27/11/2019	Vanisha Govender - Executive Manager Financial Services

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No	Reference	Question	Response	Comments	Respondent
7	S7.12A(3)	Where the local government determined that matters raised in the auditor's report prepared under s7.9 (1) of the Act required action to be taken, did the local government, ensure that appropriate action was undertaken in respect of those matters?	Yes		Vanisha Govender - Executive Manager Financial Services
8	S7.12A (4)	Where the auditor identified matters as significant in the auditor's report (prepared under s7.9(1) of the Act), did the local government prepare a report stating what action had been taken or it intended to take with respect to each of the matters and give a copy to the Minister within 3 months after receipt of the audit report?	No	The City is presenting a report to the Audit Committee at its 3 March meeting to address the actions listed in the auditor's report.	Meluka Bancroft - Executive Manager, Corporate Strategy and Governance
9	S7.12A (5)	Within 14 days after the local government gave a report to the Minister under s7.12A(4)(b), did the CEO publish a copy of the report on the local government's official website?	N/A	The City is presenting a report to the Audit Committee at its 3 March meeting to address the actions listed in the auditor's report.	Meluka Bancroft - Executive Manager, Corporate Strategy and Governance
10	Audit Reg 7	Did the agreement between the local government and its auditor include the objectives of the audit?	Yes		Vanisha Govender - Executive Manager Financial Services
11	Audit Reg 7	Did the agreement between the local government and its auditor include the scope of the audit?	Yes		Vanisha Govender - Executive Manager Financial Services
12	Audit Reg 7	Did the agreement between the local government and its auditor include a plan for the audit?	Yes		Vanisha Govender - Executive Manager Financial Services
13	Audit Reg 7	Did the agreement between the local government and its auditor include details of the remuneration and expenses to be paid to the auditor?	Yes		Vanisha Govender - Executive Manager Financial Services
14	Audit Reg 7	Did the agreement between the local government and its auditor include the method to be used by the local government to communicate with, and supply information to, the auditor?	Yes		Vanisha Govender - Executive Manager Financial Services

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Integrated Planning and Reporting						
No	Reference	Question	Response	Comments	Respondent	
1	s5.56 Admin Reg 19DA (6)	Has the local government adopted a Corporate Business Plan. If Yes, please provide adoption date of the most recent Plan in Comments?	Yes	Corporate Business Plan 2018/19-2021/22 adopted at Ordinary Council Meeting - 26 June 2018.	Emma Simmons - Governance Projects Officer	
2	s5.56 Admin Reg 19DA (4)	Has the local government reviewed the Corporate Business Plan in the 2018-2019 Financial Year. If Yes, please provide date of Council meeting the review was adopted at?	Yes	Reviewed at the Ordinary Meeting of Council - 20 August 2019 - Item 12.3	Emma Simmons - Governance Projects Officer	
3	s5.56 Admin Reg 19C	Has the local government adopted a Strategic Community Plan. If Yes, please provide adoption date of the most recent Plan in Comments?	Yes	SCP 2018-2028 was adopted at Ordinary Council Meeting - 16 October 2018.	Emma Simmons - Governance Projects Officer	
4	s5.56 Admin Reg 19C (4)	Has the local government reviewed the current Strategic Community Plan. If Yes, please provide date of most recent review by Council in Comments. Note: If the current Strategic Community Plan was adopted after 1/1/2016, please respond N/A and provide adoption date in Comments?	N/A	SCP 2018-2028 was adopted at Ordinary Council Meeting - 16 October 2018.	Emma Simmons - Governance Projects Officer	
5	S5.56 Admin Reg 19DA (3)	Has the local government developed an Asset Management Plan(s) that covers all asset classes. If Yes, please provide the date of the most recent Plan adopted by Council in Comments?	Yes	Adopted at Ordinary Council Meeting - 23 April 2013. Currently being reviewed.	Emma Simmons - Governance Projects Officer	
6	S5.56 Admin Reg 19DA (3)	Has the local government developed a Long Term Financial Plan. If Yes, please provide the adoption date of the most recent Plan in Comments?	Yes	Adopted at the Ordinary Council Meeting - 26 July 2018	Emma Simmons - Governance Projects Officer	
7	S5.56 Admin Reg 19DA (3)	Has the local government developed a Workforce Plan. If Yes, please provide adoption date of the most recent Plan in comments?	Yes	Adopted at Ordinary Council Meeting - 23 April 2013. Currently being reviewed.	Emma Simmons - Governance Projects Officer	

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Local Government Employees					
No	Reference	Question	Response	Comments	Respondent
1	Admin Reg 18C	Did the local government approve the process to be used for the selection and appointment of the CEO before the position of CEO was advertised?	N/A	CEO Recruitment took place in 2018	Nathan Stokes - Executive Manager Human Resources
2	s5.36(4) s5.37(3), Admin Reg 18A	Were all vacancies for the position of CEO and other designated senior employees advertised and did the advertising comply with s.5.36(4), 5.37(3) and Admin Reg 18A?	Yes	New Executive Director Community & Business Services was appointed in December 2019. (10 December 2019 - Confidential Item 17.1)	Nathan Stokes - Executive Manager Human Resources
3	Admin Reg 18F	Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position of CEO under section 5.36(4)?	Yes		Nathan Stokes - Executive Manager Human Resources
4	Admin Regs 18E	Did the local government ensure checks were carried out to confirm that the information in an application for employment was true (applicable to CEO only)?	N/A		Nathan Stokes - Executive Manager Human Resources
5	s5.37(2)	Did the CEO inform Council of each proposal to employ or dismiss a designated senior employee?	Yes	Executive Director Corporate Services Exit (30 April 2019 - Confidential Item 18.4) and Executive Director Community & Business Services appointment (10 December 2019 - Item 17.1)	Nathan Stokes - Executive Manager Human Resources

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Official Conduct					
No	Reference	Question	Response	Comments	Respondent
1	s5.120	Where the CEO is not the complaints officer, has the local government designated a senior employee, as defined under s5.37, to be its complaints officer?	N/A	CEO is the complaints officer.	Emma Simmons - Governance Projects Officer
2	s5.121(1)	Has the complaints officer for the local government maintained a register of complaints which records all complaints that result in action under s5.110(6)(b) or (c)?	Yes	See "Register of Complaints Referred to under Local Government Act S5.121" (D16/107330).	Emma Simmons - Governance Projects Officer
3	s5.121(2)(a)	Does the complaints register maintained by the complaints officer include provision for recording of the name of the council member about whom the complaint is made?	Yes	Information would be collected under the "Details" column.	Emma Simmons - Governance Projects Officer
4	s5.121(2)(b)	Does the complaints register maintained by the complaints officer include provision for recording the name of the person who makes the complaint?	Yes	Information would be collected under the "Details" column.	Emma Simmons - Governance Projects Officer
5	s5.121(2)(c)	Does the complaints register maintained by the complaints officer include provision for recording a description of the minor breach that the standards panel finds has occurred?	Yes	Information would be collected under the "Details" column.	Emma Simmons - Governance Projects Officer
6	s5.121(2)(d)	Does the complaints register maintained by the complaints officer include the provision to record details of the action taken under s5.110(6)(b) or (c)?	Yes	Information would be collected under the "Details" column.	Emma Simmons - Governance Projects Officer

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Optional Questions					
No	Reference	Question	Response	Comments	Respondent
1	Financial Management Reg 5 (2)(c)	Did the CEO review the appropriateness and effectiveness of the local government's financial management systems and procedures in accordance with Local Government (Financial Management) Regulation 5 (2)(c) within the 3 years prior to 31 December 2019? If yes, please provide date of Council resolution in comments?	No	The City has engaged Stantons International to perform this review between February and June 2020.	Meluka Bancroft - Executive Manager, Corporate Strategy and Governance
2	Audit Reg 17	Did the CEO review the appropriateness and effectiveness of the local government's systems and procedures in relation to risk management, internal control and legislative compliance in accordance with Local Government (Audit) Regulation 17 within the 3 years prior to 31 December 2019? If yes, please provide date of Council resolution in comments?	Yes	Refer Item 5.2 of the Audit Committee Minutes 20 March 2018	Meluka Bancroft - Executive Manager, Corporate Strategy and Governance
3	Financial Management Reg 5A.	Did the local government provide AASB 124 related party information in its annual report(s) tabled at an electors meeting(s) during calendar year 2019?	Yes	As per the 2019 Annual Financial statements	Meluka Bancroft - Executive Manager, Corporate Strategy and Governance
4	S6.4(3)	Did the local government submit to its auditor by 30 September 2019 the balanced accounts and annual financial report for the year ending 30 June 2019?	Yes	Draft 2019 Financials was forwarded to the auditors on the 17.9.2019	Meluka Bancroft - Executive Manager, Corporate Strategy and Governance

Tenders for Providing Goods and Services					
No	Reference	Question	Response	Comments	Respondent
1	s3.57 F&G Reg 11	Did the local government invite tenders on all occasions (before entering into contracts for the supply of goods or services) where the consideration under the contract was, or was expected to be, worth more than the consideration stated in Regulation 11(1) of the Local Government (Functions & General) Regulations (Subject to Functions and General Regulation 11(2))?	Yes		Jeremy Chalmers Procurement and Contracts Officer
2	F&G Reg 12	Did the local government comply with F&G Reg 12 when deciding to enter into multiple contracts rather than inviting tenders for a single contract?	N/A	No multiple contracts were entered into.	Jeremy Chalmers Procurement and Contracts Officer
3	F&G Reg 14(1) & (3)	Did the local government invite tenders via Statewide public notice?	Yes	The City invited 10 tenders via Statewide public notice	Jeremy Chalmers Procurement and Contracts Officer

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No	Reference	Question	Response	Comments	Respondent
4	F&G Reg 14 & 15	Did the local government's advertising and tender documentation comply with F&G Regs 14, 15 & 16?	Yes		Jeremy Chalmers Procurement and Contracts Officer
5	F&G Reg 14(5)	If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents or each acceptable tenderer, notice of the variation?	Yes	Addenda Notices were distributed on TenderLink and emailed to all tenderers who registered tender documents.	Jeremy Chalmers Procurement and Contracts Officer
6	F&G Reg 16	Did the local government's procedure for receiving and opening tenders comply with the requirements of F&G Reg 16?	Yes	Please refer CM D18/89294	Jeremy Chalmers Procurement and Contracts Officer
7	F&G Reg 18(1)	Did the local government reject the tenders that were not submitted at the place, and within the time specified in the invitation to tender?	Yes		Jeremy Chalmers Procurement and Contracts Officer
8	F&G Reg 18 (4)	In relation to the tenders that were not rejected, did the local government assess which tender to accept and which tender was most advantageous to the local government to accept, by means of written evaluation criteria?	Yes		Jeremy Chalmers Procurement and Contracts Officer
9	F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of F&G Reg 17 and did the CEO make the tenders register available for public inspection?	Yes	An up to date register is available on the City's website.	Jeremy Chalmers Procurement and Contracts Officer
10	F&G Reg 19	Did the CEO give each tenderer written notice advising particulars of the successful tender or advising that no tender was accepted?	Yes	Written notice was issued to all tenderers.	Jeremy Chalmers Procurement and Contracts Officer
11	F&G Reg 21 & 22	Did the local governments advertising and expression of interest documentation comply with the requirements of F&G Regs 21 and 22?	Yes		Jeremy Chalmers Procurement and Contracts Officer
12	F&G Reg 23(1)	Did the local government reject the expressions of interest that were not submitted at the place and within the time specified in the notice?	Yes		Jeremy Chalmers Procurement and Contracts Officer
13	F&G Reg 23(4)	After the local government considered expressions of interest, did the CEO list each person considered capable of satisfactorily supplying goods or services?	Yes		Jeremy Chalmers Procurement and Contracts Officer
14	F&G Reg 24	Did the CEO give each person who submitted an expression of interest, a notice in writing in accordance with Functions & General Regulation 24?	N/A	EOI currently under evaluation	Jeremy Chalmers Procurement and Contracts Officer
15	F&G Reg 24AC (1) & (2)	Has the local government established a policy on procurement of goods and services from pre-qualified suppliers in accordance with the regulations?	Yes	This information is included in the City's Purchasing Policy no.1.2.3	Jeremy Chalmers Procurement and Contracts Officer

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and Cultural Industries

No	Reference	Question	Response	Comments	Respondent
16	F&G Reg 24AD(2)	Did the local government invite applicants for a panel of pre-qualified suppliers via Statewide public notice?	N/A	The City did not request any panel of pre-qualified suppliers in 2019	Jeremy Chalmers Procurement and Contracts Officer
17	F&G Reg 24AD(4) & 24AE	Did the local government's advertising and panel documentation comply with F&G Regs 24AD(4) & 24AE?	N/A	The City did not request any panel of pre-qualified suppliers in 2019	Jeremy Chalmers Procurement and Contracts Officer
18	F&G Reg 24AF	Did the local government's procedure for receiving and opening applications to join a panel of pre-qualified suppliers comply with the requirements of F&G Reg 16 as if the reference in that regulation to a tender were a reference to a panel application?	N/A	The City did not request any panel of pre-qualified suppliers in 2019	Jeremy Chalmers Procurement and Contracts Officer
19	F&G Reg 24AD(6)	If the local government sought to vary the information supplied to the panel, was every reasonable step taken to give each person who sought detailed information about the proposed panel or each person who submitted an application, given notice of the variation?	N/A	The City did not request any panel of pre-qualified suppliers in 2019	Jeremy Chalmers Procurement and Contracts Officer
20	F&G Reg 24AH(1)	Did the local government reject the applications to join a panel of pre-qualified suppliers that were not submitted at the place, and within the time specified in the invitation for applications?	N/A	The City did not request any panel of pre-qualified suppliers in 2019	Jeremy Chalmers Procurement and Contracts Officer
21	F&G Reg 24AH(3)	In relation to the applications that were not rejected, did the local government assess which application (s) to accept and which application(s) were most advantageous to the local government to accept, by means of written evaluation criteria?	N/A	The City did not request any panel of pre-qualified suppliers in 2019	Jeremy Chalmers Procurement and Contracts Officer
22	F&G Reg 24AG	Did the information recorded in the local government's tender register about panels of pre-qualified suppliers, comply with the requirements of F&G Reg 24AG?	N/A	The City did not request any panel of pre-qualified suppliers in 2019	Jeremy Chalmers Procurement and Contracts Officer
23	F&G Reg 24AI	Did the CEO send each person who submitted an application, written notice advising if the person's application was accepted and they are to be part of a panel of pre-qualified suppliers, or, that the application was not accepted?	N/A	The City did not request any panel of pre-qualified suppliers in 2019	Jeremy Chalmers Procurement and Contracts Officer
24	F&G Reg 24E	Where the local government gave a regional price preference, did the local government comply with the requirements of F&G Reg 24E including the preparation of a regional price preference policy?	N/A		Jeremy Chalmers Procurement and Contracts Officer
25	F&G Reg 24F	Did the local government comply with the requirements of F&G Reg 24F in relation to an adopted regional price preference policy?	N/A		Jeremy Chalmers Procurement and Contracts Officer

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Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



Department of
**Local Government, Sport
and Cultural Industries**

No	Reference	Question	Response	Comments	Respondent
26	F&G Reg 11A	Does the local government have a current purchasing policy that comply with F&G Reg 11A(3) in relation to contracts for other persons to supply goods or services where the consideration under the contract is, or is expected to be, \$150,000 or less?	Yes	Purchasing Policy 1.2.3	Jeremy Chalmers Procurement and Contracts Officer
27	F&G Reg 11A	Did the local government comply with it's current purchasing policy in relation to the supply of goods or services where the consideration under the contract is, or is expected to be \$150,000 or less or worth \$150,000 or less?	Yes		Jeremy Chalmers Procurement and Contracts Officer

I certify this Compliance Audit return has been adopted by Council at its meeting on _____

Signed Mayor / President, Vincent

Signed CEO, Vincent

8.13 REPORT AND MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON 3 MARCH 2020

- Attachments:**
1. **Minutes - Audit Committee - 3 March 2020** [↓](#) 
 2. **Minutes Attachments - Audit Committee Meeting 3 March 2020** [↓](#) 

RECOMMENDATION:**That Council:**

1. **RECEIVES** this report from the Audit Committee meeting of 3 March 2020 and the minutes of that meeting at Attachment 1; and
2. **NOTES** the recommendations of the Audit Committee in respect to the City's Compliance Audit Return 2019, which is the subject of a separate item on this Council Agenda.

PURPOSE OF REPORT:

To report to Council the proceedings of the Audit Committee at its meeting held on 3 March 2020 in accordance with clause 2.21(1) of the City's Meeting Procedures Local Law 2008.

BACKGROUND:

The City's Audit Committee is a statutory committee of Council, established in accordance with section 7.1A of the *Local Government Act 1995*. The primary objectives of the Audit Committee are to:

- accept responsibility for the annual external audit; and
- liaise with the local government's internal and external auditors so that Council can be satisfied with the performance of the local government in managing its affairs.

The Audit Committee meets approximately every two months and comprises of three external independent members (one of which is the Audit Committee Chair) and four Elected Members.

DETAILS:

At its meeting on 3 March 2020, the Audit Committee considered seven agenda items as follows:

- 5.1 Roads to Recovery Breach
- 5.2 Asset Sustainability Ratio - Action Plan
- 5.3 City's Corporate Risk Register
- 5.4 Update on the internal audit process and reg 5 and reg 17 reviews
- 5.5 Local Government Statutory Compliance Audit Return
- 5.6 Review of the City of Vincent Audit Log
- 5.7 Application of the changes to the new accounting standards

A summary of the discussion relating to several of the above items is included below:

Item 5.1 - Roads to Recovery Breach

The Audit Committee was provided with the City's response to the Department of Infrastructure, Transport, Cities and Regional Development (Department), dated 28 February 2020, in respect to the City's participation in the Roads to Recovery program. The response requested that:

- the City's reference amount for the funding be recalculated; and
- the revised reference amount be based on the period 2014/15 to 2018/19, as previous years' data is not readily accessible.

The Department confirmed by email on 4 March 2020 that the reference amount can be recalculated based on the period 2011/12 to 2015/16. Administration is in the process of recalculating the reference amount, which will then be reviewed by the City's auditor.

Item 5.2 – Asset Sustainability Ratio - Action Plan

The Audit Committee considered the Asset Sustainability Ratio non-compliance and the Asset Sustainability Ratio Action Plan, which indicates that the Asset Sustainability Ratio will return to compliance by 2021/22. The Audit Committee also reviewed the City's letter to the Minister for Local Government dated 28 February 2020, which was required to be provided by the 28 February 2020 in accordance with section 7.12A of the *Local Government Act 1995*. The letter noted that the Action Plan will be provided to the Minister following Council's approval of the Audit Committee minutes at its 17 March 2020 Meeting.

CONSULTATION/ADVERTISING:

Nil.

LEGAL/POLICY:

Clause 2.21 of the City's Meeting Procedures Local Law 2008 states:

"2.21 Presentation of committee reports

(1) *Every committee is to cause:-*

- (a) *a report with recommendations and suitable preamble;*
- (b) *minutes of the committee's proceedings and transactions;*

to be presented to the Council by the presiding member of each committee concerned, or in his or her absence, a member of the committee in the form of a motion; "That the report be received and the recommendation be adopted".

(2) *No objection to the receipt of a report of any committee, or any part of it, shall be raised when such reports are presented to the Council, except for reasons arising out of such reports.*

(3) *The presiding member is to:-*

- (a) *put the motion that the report be received;*
- (b) *call for a motion to be moved by any member pursuant to clause 5.6(1), with the exception of item (a) of that clause, with respect to any recommendation contained in the report;*
- (c) *put the motion that the recommendation be adopted in relation to the recommendations contained in the report, apart from a recommendation or recommendations which are the subject of a motion by a member pursuant to the preceding item of this sub-clause; and*
- (d) *ensure that the motions are debated and dealt with in accordance with these Standing Orders in relation to a recommendation or those recommendations in the report which are the subject of a motion or motions by a member or members pursuant to clause 5.6."*

The Audit Committee Terms of Reference governs the functions, powers and membership of the Audit Committee.

RISK MANAGEMENT IMPLICATIONS:

Low: It is low risk for Council to consider the report and minutes of the Audit Committee meeting on 3 March 2020.

STRATEGIC IMPLICATIONS:

This is in keeping with the City's *Strategic Community Plan 2018-2028*:

Innovative and Accountable

Our resources and assets are planned and managed in an efficient and sustainable manner.

We are open and accountable to an engaged community.

SUSTAINABILITY IMPLICATIONS:

Nil.

FINANCIAL/BUDGET IMPLICATIONS:

Nil.



CITY OF VINCENT

MINUTES

Audit Committee

3 March 2020

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AUDIT COMMITTEE MINUTES

3 MARCH 2020

**MINUTES OF CITY OF VINCENT
AUDIT COMMITTEE
HELD AT THE COMMITTEE ROOM, ADMINISTRATION AND CIVIC CENTRE
244 VINCENT STREET, LEEDERVILLE
ON TUESDAY, 3 MARCH 2020 AT 1PM**

PRESENT:	Cr Joshua Topelberg	South Ward, Deputy Chair (Acting Presiding Member)
	Mr Conley Manifis	External Member, Chair (via teleconference)
	Cr Ashley Wallace	South Ward
	Cr Susan Gontaszewski	South Ward
	Mr Robert Piper	External Member
IN ATTENDANCE:	David MacLennan	Chief Executive Officer
	Vanisha Govender	Executive Manager Financial Services
	Virginia Miltrup	Executive Director Community & Business Services
	Meluka Bancroft	Executive Manager Corporate Strategy & Governance
	Wendy Barnard	Council Liaison Officer

1 INTRODUCTION AND WELCOME

The Chair, Conley Manifis, attended via teleconference so Cr Joshua Topelberg, Deputy Chair, acted as the Presiding Member and declared the meeting open at 1.04pm and read the following Acknowledgement of Country statement:

"The City of Vincent would like to acknowledge the Traditional Owners of the land, the Whadjuk people of the Noongar nation and pay our respects to Elders past, present and emerging".

2 APOLOGIES / MEMBERS ON APPROVED LEAVE OF ABSENCE

Cr Dan Loden	North Ward	Approved leave of absence
Ms Elizabeth Hunt	External Member	Apology

3 DECLARATIONS OF INTEREST

Conley Manifis declared an impartiality interest. The extent of his interest is that his company is contracted by the Office of the Auditor General to complete external audits.

4 CONFIRMATION OF MINUTES**RECOMMENDATION**

That the Minutes of the Audit Committee held on 26 November 2019 be confirmed.



The minutes of the Audit Committee Meeting held on 26 November 2019 were not received by all members. Therefore the Presiding Member requested that the minutes be circulated via email and members provide confirmation within 7 days of the email date.

NOTE: The minutes were circulated by email on 3 March 2020.

AUDIT COMMITTEE MINUTES

3 MARCH 2020

5 BUSINESS ARISING**5.1 ROADS TO RECOVERY BREACH**

- Attachments:
1. Roads to Recovery Breach Advice Correspondence 
 2. Response to Department of Infrastructure, Transport, Cities & Regional Development on Roads to Recovery breach 

COMMITTEE DECISION ITEM 5.1

That the Audit Committee recommends to Council that it:

1. RECEIVES the update on the City's failure to meet the Australian Government "Roads to Recovery" expenditure maintenance requirements for 2018-19; and
2. NOTES the City's response to the Department of Infrastructure, Transport, Cities and Regional Development, at Attachment 2.

Moved: Cr Gontaszewski, **Seconded:** Mr Piper

That the recommendation be adopted.

CARRIED UNANIMOUSLY (5-0)

For: Mr Manifis, Cr Wallace, Cr Gontaszewski, Mr Piper and Cr Topelberg

Against: Nil


(Cr Loden was on approved leave of absence for the Meeting.)

(Ms Hunt was an apology for the Meeting.)

AUDIT COMMITTEE MINUTES

3 MARCH 2020

5.2 ASSET SUSTAINABILITY RATIO - ACTION PLAN

- Attachments:
1. Letter to Hon. David Templeman MLA 
 2. Draft Asset Sustainability Ratio - Action Plan 

RECOMMENDATION:

That the Audit Committee recommends to Council that it:

1. RECEIVES the City of Vincent response to the Minister for Local Government, at Attachment 1, explaining the City's non-compliance with the Asset Sustainability Ratio, in accordance with section 7.12A of the *Local Government Act 1995*;
2. ADOPTS the Asset Sustainability Ratio Action Plan at Attachment 2; and
3. NOTES that the Asset Sustainability Ratio Action Plan, supported by current Long Term Financial Plan forecasts, indicates that the Asset Sustainability Ratio will return to compliance by 2021/22.

Moved: Cr Gontaszewski, Seconded: Mr Wallace

That the recommendation be adopted.

AMENDMENT

Moved: Cr Gontaszewski, Seconded: Mr Piper

That the recommendation be amended as follows, in **red**:

1. RECEIVES the City of Vincent response to the Minister for Local Government, at Attachment 1, explaining the City's non-compliance with the Asset Sustainability Ratio, in accordance with section 7.12A of the *Local Government Act 1995*;
2. ADOPTS the Asset Sustainability Ratio Action Plan at Attachment 2; and
3. NOTES that the Asset Sustainability Ratio Action Plan, supported by **the current draft update to the** Long Term Financial Plan, indicates that the Asset Sustainability Ratio will return to compliance by 2021/22.

AMENDMENT CARRIED (5-0)

For: Mr Manifis, Cr Wallace, Cr Gontaszewski, Mr Piper and Cr Topelberg

Against: Nil

(Cr Loden was on approved leave of absence for the Meeting.)

(Ms Hunt was an apology for the Meeting.)

COMMITTEE DECISION ITEM 5.2

That the Audit Committee recommends to Council that it:

1. RECEIVES the City of Vincent response to the Minister for Local Government, at Attachment 1, explaining the City's non-compliance with the Asset Sustainability Ratio, in accordance with section 7.12A of the *Local Government Act 1995*;
2. ADOPTS the Asset Sustainability Ratio Action Plan at Attachment 2; and
3. NOTES that the Asset Sustainability Ratio Action Plan, supported by the current draft update to the Long Term Financial Plan, indicates that the Asset Sustainability Ratio will return to compliance by 2021/22.

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AUDIT COMMITTEE MINUTES

3 MARCH 2020

Moved: Cr Gontaszewski, Seconded: Mr Piper

CARRIED UNANIMOUSLY (5-0)

For: Mr Manifis, Cr Wallace, Cr Gontaszewski, Mr Piper and Cr Topelberg

Against: Nil

(Cr Loden was on approved leave of absence for the Meeting.)

(Ms Hunt was an apology for the Meeting.)

AUDIT COMMITTEE MINUTES**3 MARCH 2020****5.3 CITY'S CORPORATE RISK REGISTER**Attachments: 1. Corporate Risk Register - as at 25 February 2020 **RECOMMENDATION:**

That the Audit Committee recommends that Council:

1. RECEIVES the City's Corporate Risk Register, as at Attachment 1; and
2. APPROVES the proposed risk management actions for the high and extreme risks.

Moved: Cr Gontaszewski, Seconded: Mr Piper

That the recommendation be adopted.

AMENDMENT 3Moved: Mr Piper, Seconded: Cr Gontaszewski

That the recommendation be amended as follows, in red:

1. **RECEIVES NOTES** the City's Corporate Risk Register, as at Attachment 1; and
2. **APPROVES NOTES** the proposed risk management actions for the high and extreme risks.
3. **REQUESTS that the updated Corporate Risk Register be presented to the Audit Committee meeting on 5 May 2020.**

AMENDMENT CARRIED (5-0)**For:** Mr Manifis, Cr Wallace, Cr Gontaszewski, Mr Piper and Cr Topelberg**Against:** Nil

(Cr Loden was on approved leave of absence for the Meeting.)

(Ms Hunt was an apology for the Meeting.)

COMMITTEE DECISION ITEM 5.3Moved: Mr Piper, Seconded: Cr Gontaszewski

1. NOTES the City's Corporate Risk Register, as at Attachment 1; and
2. NOTES the proposed risk management actions for the high and extreme risks.
3. REQUESTS that the updated Corporate Risk Register be presented to the Audit Committee meeting on 5 May 2020.

CARRIED UNANIMOUSLY (5-0)**For:** Mr Manifis, Cr Wallace, Cr Gontaszewski, Mr Piper and Cr Topelberg**Against:** Nil

(Cr Loden was on approved leave of absence for the Meeting.)


(Ms Hunt was an apology for the Meeting.)

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AUDIT COMMITTEE MINUTES

3 MARCH 2020

5.4 UPDATE ON THE INTERNAL AUDIT PROCESS AND REG 5 AND REG 17 REVIEWS

Attachments: 1. Improvement Plan - Risk Management, Internal Controls and Legislative Compliance - as at 25 February 2020 

RECOMMENDATION:

That the Audit Committee recommends to Council that it:

1. NOTES the status of the audit pursuant to regulation 17 of the *Local Government (Audit) Regulations 1996* and regulation 5 of the *Local Government (Financial Management) Regulations 1996*; and
2. REQUESTS that the Chief Executive Officer prepare a new internal audit plan for the period 2020/21 – 2023/24, taking into account the priority areas identified in the audit in recommendation 1 above, and the risks identified in the City's Corporate Risk Register, to be presented to the Audit Committee for endorsement at its 1 September 2020 meeting.

COMMITTEE DECISION ITEM 5.4

Moved: Mr Manifis, Seconded: Mr Piper

That the recommendation be adopted.

CARRIED UNANIMOUSLY (5-0)

For: Mr Manifis, Cr Wallace, Cr Gontaszewski, Mr Piper and Cr Topelberg

Against: Nil

(Cr Loden was on approved leave of absence for the Meeting.)

(Ms Hunt was an apology for the Meeting.)

AUDIT COMMITTEE MINUTES**3 MARCH 2020****5.5 LOCAL GOVERNMENT STATUTORY COMPLIANCE AUDIT RETURN**

Attachments: 1. **DRAFT City of Vincent Compliance Audit Return 2019 - updated version to be provided at Audit Committee** 

RECOMMENDATION:

That the Audit Committee recommends to Council that it **ADOPTS** the Local Government Statutory Compliance Audit Return for the period 1 January 2019 to 31 December 2019 noting the four areas of non-compliance reported.

COMMITTEE DECISION ITEM 5.5

Moved: Cr Gontaszewski, **Seconded:** Mr Piper

That the recommendation be adopted.


CARRIED UNANIMOUSLY (5-0)

For: Mr Manifis, Cr Wallace, Cr Gontaszewski, Mr Piper and Cr Topelberg

Against: Nil

(Cr Loden was on approved leave of absence for the Meeting.)

(Ms Hunt was an apology for the Meeting.)

AUDIT COMMITTEE MINUTES**3 MARCH 2020****5.6 REVIEW OF THE CITY OF VINCENT AUDIT LOG****Attachments:** 1. City of Vincent Audit Log as at 20 February 2020 **RECOMMENDATION:**

That the Audit Committee recommends to Council that it **NOTES** the status of the City's Audit Log as at 20 February 2020, at Attachment 1.

COMMITTEE DECISION ITEM 5.6**Moved:** Cr Gontaszewski, **Seconded:** Mr Piper

That the recommendation be adopted.

CARRIED UNANIMOUSLY (5-0)**For:** Mr Manifis, Cr Wallace, Cr Gontaszewski, Mr Piper and Cr Topelberg**Against:** Nil

(Cr Loden was on approved leave of absence for the Meeting.)

(Ms Hunt was an apology for the Meeting.)

AUDIT COMMITTEE MINUTES

3 MARCH 2020

5.7 APPLICATION OF THE CHANGES TO THE NEW ACCOUNTING STANDARDS

Attachments: Nil

RECOMMENDATION:

That the Audit Committee recommends to Council that it NOTES the changes to the Accounting standards applicable to the City as at 1 July 2019.

COMMITTEE DECISION ITEM 5.7

Moved: Cr Gontaszewski, Seconded: Mr Piper

That the recommendation be adopted.

CARRIED UNANIMOUSLY (5-0)

For: Mr Manifis, Cr Wallace, Cr Gontaszewski, Mr Piper and Cr Topelberg

Against: Nil

(Cr Loden was on approved leave of absence for the Meeting.)

(Ms Hunt was an apology for the Meeting.)

AUDIT COMMITTEE MINUTES

3 MARCH 2020

6 GENERAL BUSINESS

6.1 Robert Piper requested that the meeting agenda is provided at least two business days prior to the Audit Committee meeting.

7 NEXT MEETING

The next Audit Committee meeting is scheduled for 1pm, Tuesday 5 May 2020.

8 CLOSURE

There being no further business, the meeting closed at 2.25pm.

These Minutes were confirmed by the Audit Committee as a true record and accurate of the Audit Committee meeting held on 3 March 2020.

Signed: Cr Conley Manifis

Dated



CITY OF VINCENT

ATTACHMENTS

Audit Committee

3 March 2020

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AUDIT COMMITTEE ATTACHMENTS

3 MARCH 2020



Australian Government
Department of Infrastructure, Transport,
Cities and Regional Development

File Reference: F19/595

Mr David MacLennan
Chief Executive Officer
City of Vincent
PO Box 82
LEEDERVILLE WA 6902

Dear Mr MacLennan

Subject: Roads to Recovery

Thank you for submitting your Council's 2018-19 Roads to Recovery annual report. The Roads to Recovery program procedures (Part 7) document expenditure maintenance requirements and your annual report indicates a breach of these requirements. Council's own source expenditure is \$4,004,569 compared with its reference amount of \$2,406,306, leaving a shortfall of \$1,598,263.

In order to consider remedial action I would be grateful for an explanation of the breach. I recognise that a Council's expenditure on roads can fluctuate from year to year for many reasons and the expenditure maintenance conditions can be waived on a case by case basis if there is an acceptable reason. Please include:

1. the reasons for the breach in detail. It would not for example, be sufficient to say that there had been issues with the local utilities provider. We would need to know what the problem was, when it happened, how it impacted on the projects etc. If the problem was flooding, we will need some details of that too eg was the council disaster declared (copies of declarations will be required) along with details of any ongoing work as a result. Additionally, if council is drought affected, please include a brief outline of the Council's circumstances.
2. the budgeted figure for own source expenditure on roads for 2019-20 and, where possible projected own source expenditure figures for 2020-21 and 2021-22. These should be realistic in terms of the council's overall budgetary position.

The normal practice where there is a shortfall is for Councils to make this up in the following financial year or apportioned over up to three years if required. However, in the case of natural disasters such as a storm/flood events or drought the requirement to make up the shortfall is likely to be waived.

Please contact me on (02) 6274 7466 if you would like to discuss this matter, or if I can be of assistance in ensuring the information you provide is appropriate.

Yours sincerely

Allan Chisholm
Roads to Recovery
23 October 2019

GPO Box 594 Canberra ACT 2601 Australia • Telephone: 02 6274 7111 • Facsimile: 02 6257 2505
Website: www.infrastructure.gov.au • ABN 86 267 354 017

AUDIT COMMITTEE ATTACHMENTS

3 MARCH 2020

ENQUIRIES TO: Andrew Murphy (9273 6005)
Executive Director Infrastructure and Environment
OUR REF: SC1248-02 / D20/36132



CITY OF VINCENT

28 February 2020

Mr Allan Chisholm
Roads to Recovery
Department of Infrastructure, Transport, Cities & Regional Development
GPO Box 594
CANBERRA ACT 2601

Dear Allan

NOTIFICATION OF ROADS TO RECOVERY BREACH

Thank you for your letter of 23 October 2019 regarding the City's participation in the Roads to Recovery program.

The City greatly appreciates the financial support which has been provided by this program over many years. This funding has been of great benefit to our residents and the City given the pressures of maintaining a network of ageing roads in a growing inner city area.

This breach has significant implications for City's finances and has been raised with both the City's Audit Committee and Council.

We have reviewed the breach for our own source expenditure for 2016/17 to 2018/19 and confirm the expenditure has been below the required reference amount. This is due to the exclusion of disallowed costs and inclusion of financial assistance funds as noted by our current auditors.

We have also reviewed the proceeding three years 2013/14 to 2015/16 prepared by our previous auditors and applying the correct methodology results in expenditure below the reference amount.

It now appears the City of Vincent's reference amount has been incorrectly calculated since the inception of Road to Recovery program and dating back to 2004/05. The City's costs used to establish the reference number were overstated due to the inclusion of disallowable deductions and the exclusion of our financial assistance grants.

I would like to request the Department undertake a review of the reference amount as this would result in a lower figure which would be financially feasible for the City to meet.

I also seek your approval for the revised reference figure to be based upon the period 2014/15 to 2018/19 as the data is readily accessible. Data prior to 2013/14 from the chart of accounts was in a different format and extracting it would be difficult, costly and delay a timely resolution.

Yours sincerely,

A handwritten signature in blue ink that reads "D MacLennan".

David MacLennan
CHIEF EXECUTIVE OFFICER

Administration & Civic Centre
244 Vincent Street, (Cnr Loftus),
Leederville, Western Australia 6007

PO Box 82,
Leederville WA 6902

Tel: (08) 9273 6000
Fax: (08) 9273 6099

Email: mail@vincent.wa.gov.au
www.vincent.wa.gov.au

AUDIT COMMITTEE ATTACHMENTS

3 MARCH 2020

ENQUIRIES TO: Virginia Milltrup (9273 6003)
Executive Director Community & Business Services

OUR REF: SC243-03 / D20/35346



CITY OF VINCENT

28 February 2020

The Hon. David Templeman MLA
Minister for Local Government, Heritage; Culture and the Arts
7th Floor, Dumas House
2 Havelock Street
WEST PERTH WA 6005

Email: Minister.Templeman@dpc.wa.gov.au

Dear Mr Templeman

REPORT OF ADVERSE AUDIT FINDING FOR YEAR ENDED 30 JUNE 2019

I write to inform you of an adverse audit finding for the City of Vincent, reported for the year ended 30 June 2019 in accordance with the *Local Government (Audit) Regulations 1996* and section 7.12A of the *Local Government Act 1995*.

The City of Vincent received the Auditor's Concluding Memorandum, prepared by Moore Stephens and the Office of the Auditor General, at its Audit Committee meeting held 26 November 2019. The Audit Committee noted the following significant adverse trend in the financial position of the City: *The Asset Sustainability Ratio has been below the DLGSC standard for all 3 years reported in the annual financial report.*

The City has taken the following actions in response to this finding:

- Conducted a root cause analysis;
- Identified the drivers for meeting the Asset Sustainability Ratio benchmark as part of a major revision of the City's 10-year Long Term Financial Plan (LTFP) to be adopted by Council in June 2020;
- Commenced a review of the 10-year Asset Management Strategy for Council's consideration in May 2020; and
- Prepared a draft action plan for the Audit Committee to consider at its meeting on 3 March 2020.

Current modelling we have conducted for the major revision of the LTFP indicates that the City could return the Asset Sustainability Ratio to the DLGSC target level of ≥ 0.9 within two years. This modelling has been informing preparation of the 2020-2021 Annual Budget.

The draft action plan will not be considered by the Audit Committee until 3 March 2020 – its first meeting for 2020. The City will forward the Council endorsed action plan to your office following the 17 March 2020 Ordinary Council Meeting.

Yours sincerely,

A handwritten signature in blue ink that reads 'D MacLennan'.


David MacLennan
CHIEF EXECUTIVE OFFICER

Administration & Civic Centre
244 Vincent Street, (Cnr Loftus),
Leederville, Western Australia 6007

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CITY OF VINCENT

ACTION PLAN

ASSET SUSTAINABILITY RATIO

This action plan responds to an adverse audit finding on 26 November 2019 identifying a significant adverse trend, as Asset Sustainability Ratio has been below the DLGSCI standard for all 3 years reported in the annual financial report.

The City of Vincent has taken, or intends to take, the following actions to address this non-compliance issue:

Action Description	Due Date(s)	Status
ROOT CAUSE ANALYSIS		
The City has reviewed existing Asset Management Plans and determined that the asset sustainability ratio trend demonstrates that the City has not been investing sufficient monies in renewing assets in comparison to the depreciation value of our current assets.	26-Nov-2019	Completed
REVIEW OF THE LONG TERM FINANCIAL PLAN 2018/19 TO 2027/28		
On 24 September 2019, 11 November 2019, 28 January 2020 and 18 February 2020, the City held a series of Budget Workshops with Elected Members to review the Long Term Financial Plan and 10 year asset management forecasts.	24-Sep-2019 11-Nov-2019 28-Jan-2020 18-Feb-2020	Completed
Elected members have provided feedback on budget assumptions and base modelling.		
Consequently, at the Budget Workshop held 18 February 2020, the City reported that base modelling now indicated an improvement in the City's asset related ratios.		
Council to approve the amended Long Term Financial Plan, modelling an improvement in the City's asset related ratios.	By 30-Jun-20	On track

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AUDIT COMMITTEE ATTACHMENTS

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Action Description	Due Date(s)	Status
The City is currently finalising the mid-year budget review for 2019/20.	17-Mar-20	On track
<p>This review proposes an increase in the Asset Sustainability Reserve of \$250,000.</p> <p>The budget review agenda paper will be considered by Council at the Ordinary Council Meeting on 17 March 2020.</p>		
REVIEW OF THE ASSET MANAGEMENT STRATEGY		
At a Budget Workshop held on 28 January 2020, Elected Members were advised that the <i>Asset Management Strategy (2010-2020)</i> was to be reviewed.	28-Jan-20	Completed
A new 10 year <i>Asset Management Strategy</i> will be developed and presented to Council in tandem with the adoption of the LTFP and the 2020/21 annual budget.	31-May-20	On track
MONITORING AND REPORTING		
The Audit Committee of 26 November 2019 requested that the Asset Sustainability ratio non-compliance is tracked through the Audit Log.	10-Dec-2019	Completed
The Audit Committee's minutes were reported to, and received at the Ordinary Council Meeting on 10 December 2019.	10-Dec-2019	Completed
The Audit Log will be updated and reported to the next Audit Committee.	3-Mar-2020	On track
A copy of this action plan will be provided to the Audit Committee meeting at its next meeting.	3-Mar-2020	On track
A copy of the Council endorsed Asset Sustainability Action Plan will be provided to the Minister for Local Government.	31-Mar-2020	On track
The Asset Management Strategy will be reviewed and presented to Council in May 2020 in tandem with the development of the 2020/21 budget.		

Virginia Miltrup
EXECUTIVE DIRECTOR, COMMUNITY AND BUSINESS SERVICES
 26 February 2020

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CITY OF VINCENT		CITY OF VINCENT CORPORATE RISK REGISTER		BDO													
Risk Category	Risk Description	Comment	Impact Analysis			RISK MANAGEMENT			ACCOUNTABILITY								
			Likelihood	Consequence	Remarks	Actual Risk	Current Risk Management Strategy (what happens now)	Risk Management Actions (RMA)	Strength (S-H-L-W)	Risk Acceptance (Y/N)	Net Risk (after RMA)	Direction of further RfI	Risk Owner	Timetable	Assurances available	Last updated	
Finance, Procurement and Contracts																	
Procurement for facilities (Beatty Park Leisure Centre)	Ineffective procurement processes and management of suppliers resulting in a job of supplier / parts (i.e. chemicals) which impacts use of pool / pool safety		1	5		H	Building good relationship with suppliers, review alternative suppliers, ensure invoices are processed in a timely fashion - have a stock of chemicals, have an emergency plan - July 2020	1. Specify chemicals - Complete 2. build relationships with suppliers - Done, continue during procurement and new contract setup 3. Complete supplier contract management - July 2020	Strong - Continue to deal with suppliers and finalise supplier agreements.	Y	L	Review supply contracts regularly	Manager Beatty Park / Manager Finance	01-Jul-20	Review contracts yearly	25-Feb-20	
Supplier / contract management	There is a risk that inappropriate contract management in respect to initiation and management of contract with suppliers may result in the City's interests not being protected or the contract terms not being filled resulting in financial losses to the City		5	2		H	Limited controls. Use of some Australian standard contracts. Procurement training provided and procurement policy communicated to all staff.	1. develop contract management framework, team staff in use and communicate - December 2020 2. develop contract register - consultant currently preparing - June 2020 3. update the contract template / use WOLGA / All templates - December 2020 4. monitor compliance with the framework and use of templates - December 2020	Strong	H	H	Need adequate monitoring	Manager Finance	01-Jun-20 30-Dec-20	Monitoring of contracts register and procurement processes	25-Feb-20	
Major project management	Large number of projects, limited resources and ineffective management of projects resulting in financial losses and potentially poor project outcomes for the City		5	2		H	New project management framework and project prioritisation in place, but in early stage of adoption.	1. continue implementation of framework 2. staff training on implementing framework June 2020 3. Ensure timely reporting and accountability by staff - June 2020	Medium	H	H	Review number and priority of projects against available resources and capacity	Executive Manager Corporate Strategy and Governance	1. ongoing 2. 01-Jun-20 But need PMO	Review in use application of the framework will be included in the internal audit plan, and will form part of other internal and external compliance ...	25-Feb-20	
Financial stability, sustainability & reporting	Peer financial and management reporting regime leads to ineffective financial management and results in insufficient resources to operate the City effectively		4	4		H	Roads to Recovery Branch and Asset Sustainability Ratio June Financial Implications for the City - elsewhere currently this is a high risk based on financial consequence	1. Developing an accurate and updated LTFP which will be adopted by Council. 2. Will commence comprehensive monthly reporting covering cash flow management as well as relevant financial metrics 3. Will assess financial sustainability as part of the development of the City's strategic priorities and masterplan. 4. Will report on financial sustainability to the Audit Committee.	Strong	Y	H		Manager Finance	01-Jun-20		25-Feb-20	
Asset, sustainability and environment management																	
Inadequate asset management framework	Inadequate asset management controls, framework, accountability and inadequate systems to record and manage data to inform asset renewal programs will result in poor asset management outcomes - financial loss and reputational damage	Event - asset failure Impact - financial loss, reputational damage	5	4		H	Using alternative systems such as spreadsheets, Payrise	1. Allocate additional resources to adequately assess and report on key risks. 2. Continue investigating an Asset Management System in conjunction with the current review of the City's Corporate IT Systems	Weak - as only investigating the system/framework	H	H	Determine what asset management strategy is appropriate and implement it	Manager ICT, Manager Engineering	01-Dec-20		25-Feb-20	
Inadequate asset management accountability	Inadequate accountability in respect of asset management may result in this not being treated as a whole of organisational responsibility resulting in a lack of focus and maintenance of the City's most valuable assets	Event - asset failure Impact - financial loss, reputational damage	5	3		H	EMC to champion whole of organisation responsibility to maintain assets.	Annual review of renewal plans for major asset classes including disposal. Regular engagement with both internal and external customers.	1. Table author's report on condition of assets at EMC and Audit Committee 2. Establish asset specific accountability processes and procedures.	Medium	H	H	Determine accountabilities and implement regular reporting	Manager ICT, Manager Engineering	Ongoing		25-Feb-20
Asbestos and Pesticide management	Inadequate framework to manage the risk in respect to asbestos and poison use will leave the City vulnerable to staff and community harm resulting in financial loss and reputational damage		3	3		H	Needs to be at a department level, not just Manager Parks	LUS has prepared an asbestos register, and is currently development an asbestos management framework in accordance with the legal advice received.	1. Finalise and implement the asbestos management framework, and communicate to staff. 2. Develop actions based on gaps identified in framework. 3. Review processes for the storing, labelling and staff training in the use of poisons.	Medium - Investment in OOH/Reporting workflow in technology to reduce risk even further.	Y	L		Executive Director - Infrastructure and Environment	30-Jun-21		25-Feb-20
HRSS, employment practices																	

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CITY OF VINCENT CORPORATE RISK REGISTER



Risk Category	Risk Description	Comment	Impact Analysis			RISK MANAGEMENT		Risk Management Actions (RMA)	Strength (5-10/10)	Risk Acceptance (Y/N)	Net Risk (after RMA)	ACCOUNTABILITY				
			Likelihood	Consequence	Remarks	Actual Risk	Current Risk Management Strategy (what happens now)					Direction of further Rm	Risk Owner	Timetable	Assurances available	Last updated
Systems	A lack of a centralised CRM system is likely to result in incomplete information and incomplete responses to risk assessment including injury and death and also key person risk.		2	3	Highly skilled OH&S representative, manual processes driven by employee and HR department.	High	HR team has new trained HR Business Partners on OH&S and workers compensation processes. Implementation of CRM/reporting workflow technology.	Medium - Investment in CRM/reporting workflow technology to reduce risk even further.	Y	L	HR Business Partners trained on CRM. Ensure at the time of the City will invest in a system to support CRM reporting and requirements.	Manager HR	01-Jan-21	Annual review	25-Feb-20	
Workforce Planning	Robust and effective workforce planning process not in place to track succession future skills, emerging positions and linkages to CSR will result in the City not being future ready and not meeting the needs of the community.		3	2	Professional development, services on a page and strategy house processes, but no linkage into a plan for the future at this stage.	High	Update the workforce plan, Development of a general Workforce Planning Framework and process by August 2019 with workshops conducted with Directors on workforce challenges, future skills etc. in 2020.	Strong - With the newly developed SOAPs, PDA's, PDA's and Strategy House to feed into Workforce Plan, City is in a good position.	Y	L	N/A	Manager HR	02-Feb-21	Annually	25-Feb-20	
Skills & training	Poor induction may result in staff being unclear on COV policies and procedures resulting in error, inefficiency, misconduct and poor customer outcomes.		2	3	Online induction program	High	Continue development of mandatory training profile framework for COV positions. Will be implementing a induction and orientation online system by June 2020.	Strong - Investment in technology and a mandatory training/compliance framework for positions puts the City in a good position to reduce this risk.	Y	L	Budget confirmed for online induction and orientation system and framework currently being developed by April 2020.	Manager HR	30-Jun-20	Annually	25-Feb-20	
Skills & training	Lack of centralised competency framework and training needs analysis may result in the City not meeting appropriate records in respect to mandatory training, qualifications and licenses being current, resulting in potential community harm and regulator fines. Highest risk for beauty parlour, coffee community centre and community partners working with youth.		3	3	Relevant Managers aware of staff training requirements for different positions, and ensure training is completed.	High	Continue creating a positional compliance register for all staff and monitoring currency of tickets / permits. Build on and maintain required mandatory training of all staff.	Strong - Investment in technology and a mandatory training/compliance framework for positions puts the City in a good position to reduce this risk.	Y	L	Budget confirmed for online induction and orientation system and framework currently being developed by April 2020.	Manager HR	30-Jun-20	Annually	25-Feb-20	
Leadership	Lack of quality leadership may impact on the direction and achievement of operational units, managing staff and performance etc, resulting in inefficient and ineffective operations, not meeting stakeholder needs.		2	3	Performance review process. Training provided when requested, including from LinkedIn.	High	Leadership framework and leadership training program to be developed and implemented by September 2020.	Strong - Investing in and developing our leaders sets expectations/performance of what is required of a leader at the City/Strength - Once succession planning framework is completed for critical positions, risk will be low.	Y	L	Budget yet to be confirmed for leadership training (i.e. 2020/21 or 2020/2021).	Manager HR	30-Sep-20	Bi-Annually	25-Feb-20	
Succession planning	Neglect of succession planning may result in a key person leaving the City, making City operationally vulnerable resulting in inefficient and ineffective operations, not meeting stakeholder needs.		2	3	Some work instructions	High	Continue developing corporate process management framework and develop a succession planning framework.	Strong - Once succession planning framework is completed for critical positions, risk will be low.	Y	L	Succession planning framework to be developed in 2021 per HR Strategic House	Manager HR	30-Jun-21	Annually	25-Feb-20	
Safety and security practices for staff	Lack of comprehensive risk management in respect to safety practices leads to a lack of understanding of the appropriate training needs and potentially measure action against risks. Staff working alone, after hours shifts, accessing building sites and/or private property, negative interaction with members of the community associated with health, building and maintenance services.		2	5	Staff training, action education, emergency equipment, protection and safety audits. Follow working alone procedures, liaise with nearby for backup, vehicle backup and audit of PPE, GPS monitoring enabled enforcement and communication devices. Regular reporting of incidents to foster safety awareness culture.	High	1. review of safety management plan and systems	Medium	Y	H		Manager Rangers / Manager HR	01-Jun-20		25-Feb-20	
Supplier / contractor management	There is a risk that inappropriate contract management in respect to contractor/volunteer induction and adherence to COV policies and procedures is not appropriately applied to leaving the City vulnerable to contractor/volunteer injury and legal action.		3	3	Induction process in place for Contractors, it also rely on the staff who get the contractors in to complete the induction and educate on policies and procedures.	High	Implement a centralised induction system to induct all staff. Ensure all staff have completed mandatory training/compliance (one off compliance training or one/10 years).	Strong - Implementation of a orientation and induction program	Y	L	Budget confirmed for online induction and orientation system and framework currently being developed by April 2020.	Manager HR	30-Jun-20	Annually	25-Feb-20	
<p><i>Key critical risk can only be added here</i></p> <p>Business service disruption</p> <p><i>Key critical risk can only be added here</i></p>																
Public safety	Inadequate or unclear approval processes result in unplanned or unauthorised activities, such as unauthorised works within the verge or thoroughfare, which may create an unsafe environment and compromise & impinge team.		2	3	Training of staff, and patrolling of City to identify any unauthorised /unplanned works. Requirements specified in building permits.	High	Increase clarification on City's vehicle allow (Clarification of Community Ranger role. Establish protocols for each shift.	Strong - as the role will be condensed to 6 transport community Rangers	Y	L	Investigate possible changes to the training on the roster to better suit the City's needs.	Manager Rangers	01-Jul-20		A reduction in unauthorised/unplanned works being reported. Increased working group established to assess building requirements in relation to permits and parking.	25-Feb-20

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CITY OF VINCENT		CITY OF VINCENT CORPORATE RISK REGISTER		BDO												
Risk Category	Risk Description	Comment	Impact Analysis			RISK MANAGEMENT		Strength (S-H-V)	Risk Acceptance (Y/N)	Net Risk (after BIA)	ACCOUNTABILITY					
			Likelihood	Consequence	Remarks	Current Risk Management Strategy (what happens now)	Risk Management Actions (BIA)				Director of further BIA	Risk Owner	Timeline	Assurances available	Last updated	
Incident response	Inadequate framework around planned responses and actions in the event of an incident which may lead to injury or loss of life.		1	5	30	<p>CEO and Executive Director of Infrastructure and Environment are responsible as an emergency. Plan is in place. City is a member of LEMA.</p>	<p>Create an emergency plan for each location, and better communication of roles and responsibilities, and provide training for relevant staff. LEMA, Disaster recovery plan and customer service plans need to be tested and updated.</p>	<p>Create an emergency plan for each location, and better communication of roles and responsibilities, and provide training for relevant staff. LEMA, Disaster recovery plan and customer service plans need to be tested and updated.</p>	<p>No, require resourcing to implement. Will be strong since implemented.</p>	<p>3</p>	To attend and participate in WC-LEMC along with the exercise.	<p>Manager Rangers</p>	<p>01-Sep-20</p>	<p>Minutes of the WC-LEMC meetings along with staff participating in the desktop exercises.</p>	<p>25-Feb-20</p>	
Educating aggression and violence by the public towards City staff, includes both physical and verbal abuse (safety risks to staff)	City staff (Rangers) are placed in physical or psychologically stressful situations and are at risk of injury due to members of public safety risks to staff)		5	4	40	<p>The City does not have the power to appropriately deal with this (police jurisdiction), but police do not have the resources. Ranger's role is not to deal with these "security officers", are not appropriately trained.</p>	<p>Rangers monitor and manage investigate and action notify police of anti-social behaviour as part of their community safety role. Information on the City's website setting out roles and responsibilities of the police and City in respect to dealing with anti-social behaviour. CCTV networks in town centres have been updated, and tested.</p>	<p>1. Review role of Rangers, work on compensation policies. 2. Improve communication to the public, and advocate with police for clarity in roles. 3. Expand CCTV network and police to have access to CCTV footage. 4. Educate public on role of Rangers - not currently a "security role".</p>	<p>Weak, as staff, residents, business owners and the general public not adequately informed on the roles of Rangers and risk Police.</p>	<p>No, require resourcing to implement. Depends on behaviour of public which City can not control.</p>	<p>4</p>	More resourcing and clarity of roles.	<p>Manager Rangers</p>	<p>1. Currently being undertaken. 2. As per the Safety Vincent Plan June 2021. 3. 4 and 5. Currently being undertaken and ongoing.</p>	<p>CRU will be able to log all calls associated with antisocial behaviour and the outcomes to each report as to whether it was appropriately dealt with. Also body camera are coming on-line March 2020.</p>	<p>25-Feb-20</p>
Disaster Recovery Plan & Business Continuity Management, including IT	An ineffective or non-existent Disaster Recovery Plan and BCP may result in short or long-term disruption to services, between branches/branches, business confusion and staff and community safety.		3	2	40	<p>The City does not currently have any documented procedures to manage a business disruption event or crisis.</p>	<p>1. City is part of the LEMAC.</p>	<p>1. Preparation of BCP (including BIA) scheduled for 2019/20. 2. Consultant has been engaged to assist with preparation of the BIA and BCP, but delay in commencement.</p>	<p>Strong if implemented.</p>	<p>No, require resourcing to implement.</p>	<p>3</p>	Executive Manager Corporate Strategy and Governance, Manager ICT	<p>BIA 01-Jun-20</p>	<p>Review of BCP, internal audit on plan and procedures, and then operational.</p>	<p>25-Feb-20</p>	
Disaster Recovery Plan & Business Continuity Management for Beauty Park Leisure Centre	Building or pool failure leading to an unanticipated closure of part or whole of facility may lead to lost meeting shareholder associations and experiencing financial losses.		3	3	30	<p>Asset audits, maintenance programs in place and reviewed regularly, communication strategies for any shutdowns.</p>	<p>Locate/raise BCP for Beauty Park.</p>	<p>Medium - Need to increase audit of assets and put plan in place for maintenance including contracts and agreements.</p>	<p>Yes - note that medium risk as plant failure can still occur despite including contracts and agreements.</p>	<p>No further action.</p>	<p>Manager Beauty Park</p>	<p>01-Jul-20</p>	<p>Audit of arrangements and the number of desktop exercises per year.</p>	<p>25-Feb-20</p>		
Emergency Management (Interagency)	Ineffective collaboration with agencies results in a poor relationship and ineffective cooperation regarding emergency management leading to ineffective disaster management with an impact of enhanced service outages, worsened disaster outcomes.	The City fails to meet its requirements under Emergency Recovery plan due to inadequate resources.	2	4	30	<p>Limited control - local emergency management arrangements are in place.</p>	<p>Provide additional resourcing and training/communication for relevant staff members and community agencies. Working towards implementation of LEMA.</p>	<p>Strong if WC-LEMC implement training protocols.</p>	<p>Y</p>	<p>3</p>	<p>Consistent review of the arrangements to ensure they are kept up to date in relation to contracts etc.</p>	<p>Manager Rangers</p>	<p>2020/21</p>	<p>Audit of arrangements and the number of desktop exercises per year.</p>	<p>25-Feb-20</p>	
Critical Incident response - Power outage to ICT server room	A loss of power to the on premise ICT systems through extended power outages will result in a failure after 1-2 hours of reserve power supply. If reserve power fails it cannot continue to be supplied, staff will lose access to all electronic systems, potentially leading to loss of data and service levels.		2	3	40	<p>Risk threshold based on Action Centre not being available to staff.</p>	<p>1. Back up server (is that correct context) 2. Restoration of file servers, Email, Authority and Content Manager within 2 days, up to 1 day data loss.</p>	<p>Strong</p>	<p>Y</p>	<p>3</p>	<p>Link to BCP and BIA - need to update the business service continuity needs.</p>	<p>Manager ICT, Manager Asset and Engineering</p>	<p>01-Jul-20 and 2021/22</p>	<p>Audit of the systems and server.</p>	<p>25-Feb-20</p>	
Primary site internet outage	Loss of internet will result in reduced staff access to business systems including web, email and cloud-based systems resulting in reduced or non-compliance with service levels.	Impact on staff outages	3	2	30	<p>Communication links remain completed in 2019 to enable redundant architecture decisions. Non-compliance or considered minor due to current limited use of lateral layers by staff. Public safety layers have minimal data likely to cause more than minor.</p>	<p>1. Internet based systems accessible via 4G-enabled tablets. 2. 2 x 4G-WiFi dongles available to business teams for up to 15 staff each. 3. Office backup to Library remains operational.</p>	<p>mid-2020: Redundant Internet supply (and supporting security infrastructure including firewalls) implemented. Up to 1 hour outage.</p>	<p>Strong</p>	<p>Y</p>	<p>3</p>	<p>Manager ICT</p>	<p>01-Jun-20</p>	<p>25-Feb-20</p>		
Mapping data	Inaccurate mapping data may lead to poor or incorrect business decisions and possible safety issues resulting in financial loss to the City and potential harm to the community.		4	2	30	<p>GIS contract resource onsite fortnightly to respond to any data issues raised by staff.</p>	<p>mid-2020: GIS and Assets officer is being recruited in 2019/2020 and this will help mitigate this risk.</p>	<p>Strong</p>	<p>Y</p>	<p>3</p>	<p>Dependent on additional resources.</p>	<p>Manager ICT</p>	<p>01-Jul-20</p>	<p>Process to check GIS updates and verify data.</p>	<p>25-Feb-20</p>	
Cyber Security	The City suffers a material breach of information security through ineffective protocols and processes.	This is resulting in an increasing risk in many organisations.	3	4	40	<p>Technical Security Review completed against Australian Standard 4. For Technical Security Review and current action plan status, see 019/120564</p>	<p>Anti-virus software deployed for computers, web traffic and email filtering.</p>	<p>mid-2020: ongoing staff awareness training, updated anti-virus software for computers and email filtering, new anti-virus software for server environments, data loss protection ready in Office 365 for external file sharing; data loss protection controls are being deployed as part of Office 365 implementation - to be completed in 2019/2020, multi-factor authentication for Office 365 and remote access.</p>	<p>Strong</p>	<p>Y</p>	<p>4</p>	<p>Manager ICT</p>	<p>01-Jul-20</p>	<p>25-Feb-20</p>		

AUDIT COMMITTEE ATTACHMENTS

3 MARCH 2020

CITY OF VINCENT		CITY OF VINCENT CORPORATE RISK REGISTER		Impact Analysis		RISK MANAGEMENT		ACCOUNTABILITY								
Risk Category	Risk Description	Comment	Likelihood	Consequence	Remarks	Actual Risk	Current Risk Management Strategy (what happens now)	Risk Management Actions (RMA)	Strength (5-10-15)	Risk Acceptance (Y/N)	Net Risk (after RMA)	Direction of further Rn	Risk Owner	Timeline	Assurances available	Last updated
Governance, misconduct and fraud																
Corporate governance / legislative compliance																
	Lack of an effective governance framework and culture, including risk management, leads to complacency in corporate governance, risk management and legislative compliance, potentially resulting in a failure to comply with legislative requirements and poor decision making		3	2		Low	1. Governance team undertakes manual checks to ensure legislative compliance and communicate governance principles and legislative requirements to organisation. 2. Audit Log monitors some financial and audit risks, and improvements required, and is reported to EAC monthly and to Audit Committee. 3. Currently no clear documentation of requirements.	1. Compliance calendar, RFP and Governance Framework is being developed and will be communicated to all staff - March 2020 2. Internal audit plan and improvement plan are being reviewed and will be reported to Audit Committee (will be informed by reg 17 review) - June 2020 3. Regulation 17 review being undertaken in 2020 (internal controls, legislative compliance and risk management) - April 2020	Strong RMA once implemented, however, monitoring required to implement actions identified by previous reg 17 review (improvement plan) and implement a compliance calendar, and engage monitoring / compliance checks.	H	Low		Executive Manager Corporate Governance	1. 01-Mar-20 2. 01-Jun-20 3. 01-Apr-20	1. planned reg 17 review 2. planned internal audit 3. Compliance calendar created 4. Audit Log is reported to EAC and Council	25-Feb-20
	A lack of coordinated approach to identification, mitigation, management and monitoring of Fraud, through a Fraud risk framework increases the risk of Fraud arising potentially leading to reputational damage, and financial losses	Initial consideration by City has identified following Fraud risk areas: 1. Payroll 2. Theft (property / money) 3. Credit card use 4. Procurement (Invoice)	4	3		High	1. A number of Fraud risks have been identified as a result of the OAG's Fraud Performance Audit in 2019, which recommended that the City have a coordinated approach to Fraud management and a mechanism for reporting Fraud. 2. These items are being actioned and progress is reported to Audit Committee. 3. Procurement risks are managed by two well approved process for purchase. 4. Note, No specific current policies in place to prevent, detect and respond to Fraud other than step 3 above.	1. Develop and communicate a Fraud risk management plan, and provide staff training 30 June 2020 (consultant to be engaged). 2. Testing for Fraud will form part of the internal audit plan, and random checks will be undertaken by procurement - December 2020 3. Recruitment and selection process review April 2020 4. Procurement review supplier verification June 2020	Strong RMA, however, Fraud risks must first be comprehensively identified and monitoring required to develop plan, train staff and undertake Fraud testing / internal audits	H	Low		Executive Manager Corporate Governance	1. 30-Jun-20 2. 01-Dec-20 3. 01-Apr-20 4. 01-Jun-20	Audit Log is reported to EAC and Council, random checks on transactions and payments in e HR and payroll)	25-Feb-20
	Outdated policies, procedures and controls leads to a failure to properly exercise on its mandate and protect its assets leading to errors, omissions and delays in service delivery		3	2		Low	1. Policies are reviewed and updated on an ad hoc basis. 2. New templates has been prepared, Council approval of policies is required, which functions as a form of control.	1. Finalise and oversee the policy review plan April 2020 2. Develop guidance on policy content - Council approval required, along with SCP objectives - April 2020 3. Communicate to all staff - June 2020 4. process improvement - Continue testing the use of a corporate process management tool (Pro-mapp) - June 2020	Strong RMA.	Yes, policy review plan and framework will provide clear guidance on policy requirements and drafting. Corporate Process Management is assisting with process documentation		Manager Governance	1. 01-Apr-20 2. 01-Apr-20 3. 01-Jun-20 4. 01-Jun-20	Internal audit on policies and procedures, and their operational effectiveness	25-Feb-20	
Information & Systems Management																
Document management																
	Inconsistency in record keeping and poor / inconsistent use of OAS, results in loss of records, records not easily obtainable - prevents good decision making and business continuity, creates access to records for risk purposes and leaves the City vulnerable to legal action, furthermore there are delays and costs incurred when retrieving information		4	2		Low	Record Keeping Plan (RKP) approved by State Records Office in 2019, health checks completed in 2019 to ensure compliance RKP, guides and policies and procedures all available to staff on the Intranet, Record Keeping training (Content Manager) is provided to new staff and offered as a mandatory refresher to all staff.	1. Review RKP when due (2021), including in relation to updated Privacy Act (2019 amended). 2. Record-keeping policies being reviewed/updated in early 2020 in preparation for external Audit. 3. Additional training promotion and opportunities also planned.	Medium	Y	Low	Staff training and accountability - HR Governance, Manager ICT, Manager HR	2020	Internal audit of document management	25-Feb-20	
	Core business system (Authority) has data integrity challenges. This leads to the possibility of inaccurate reporting and sharing of information potentially resulting in reputational damage and poor business decisions		5	3		High	ERP (Authority) business system replacement project to be completed by 2021/2022 per CBP. Change management, business process mapping and data clean up to underpin migration to new system. Incremental change opportunities being reviewed to face track improvements and reduce major impacts.	Review of Authority systems to determine priority (shortlisting vs those will determine where the City will receive best return on investment)	Medium	Y	High	Manager ICT, Manager HR, Manager Finance	2021/22		25-Feb-20	
	Inadequate data backup procedures may result in data recovery points not meeting business needs and thereby impacting on business continuity		3	2		Low	Backup schedule covers business system data and is retained offline in daily, weekly and monthly restoration points. Recovery within 1 day for daily and weekly backups.	Contact Business Impact Analysis per business units to ensure to properly assess recovery point requirements. Office 365 backup to be introduced as part of Office 365 implementation in 2019/2020.	Strong	Y	Low	Manager ICT	2020		25-Feb-20	
	Inappropriate project management methodology regarding new ERP system may result in an ineffective product selection, implementation and execution and the outcome of poor service delivery		2	3		Low	Project Control Group governance established by ICT in 2019. Business stakeholder representatives oversee the project, including project management reporting and objectives.	ICT to complete ISMF (Information Security Management Framework) in 2020. ICT to introduce ongoing cyber security training module for all staff in 2020 as part of Office 365 roll out.	Strong	Y	Low	Manager ICT	2020	Ensure this aligns with project management methodology	25-Feb-20	
	Lack of training and process may result in staff behaviour which could have extended impact on data or compromise systems resulting in poor business decisions, poor service delivery		3	3		Low	Upgraded desktop, email, server and web browsing security implemented by ICT in 2019/2020.	ICT to complete ISMF (Information Security Management Framework) in 2020. ICT to introduce ongoing cyber security training module for all staff in 2020 as part of Office 365 roll out.	Strong	Y	Low	Manager ICT	2020		25-Feb-20	
	Business performance may be impacted if staff do not have adequate internet connectivity to cloud based systems resulting in poor service delivery		2	3		Low	Cloud based system requirements are managed for next staff.	mid-2020. Redundant and scalable internet bandwidth supply (and supporting security infrastructure including firewalls) being implemented to Cat 6 wide area network. Staff mobility improvements being realised through Corporate wifi, remote access and growing mobile device fleet in 2019/2020.	Strong	Y	Low	Manager ICT	01-Jun-20		25-Feb-20	
Community Services																

AUDIT COMMITTEE ATTACHMENTS

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CITY OF VINCENT CORPORATE RISK REGISTER



Risk Category	Risk Description	Comment	Impact Analysis			RISK MANAGEMENT			ACCOUNTABILITY								
			Likelihood	Consequence	Remarks	Actual Risk	Current Risk Management Strategy (what happens now)	Risk Management Actions (RMA)	Strength (S-I-R-W)	Risk Acceptance (Y/N)	Net Risk (after RMA)	Direction of further R/I	Risk Owner	Timetable	Assurances available	Last updated	

AUDIT COMMITTEE ATTACHMENTS

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IMPROVEMENT PLAN – RISK, INTERNAL CONTROLS AND LEGISLATIVE COMPLIANCE

Improvement Plan - Risk Management

Activity	Objective	Deliverable	Update as at 25 Feb 2020
Establishing risk context	1) Review and confirm commitment to: <ol style="list-style-type: none"> a. Risk Management Policy b. Risk Classification Matrix 2) Set Risk Appetite Statement and organisational risk context.	Workshop(s) with Council Members. Documented risk context / appetite.	Risk appetite and tolerance statements prepared by BDO Pty Ltd and presented to Audit Committee at 26 Nov 2019 Meeting for review. Updated statements presented to the Executive Team on 12 Feb and Council at 25 Feb Workshop, and will be presented to Council for approval at 17 March meeting.
Risk Management Training	In order to recognise / manage risk you need to know what a risk is.	Train relevant officers in Risk fundamental.	BDO Pty Ltd has conducted workshops with managers on identifying risks.
Organisational Risk Profile	Develop a common understanding of the City's "Risk Profile" from the Strategic and Operational Risk Registers. Prioritise risk treatments.	Documented risk profile and risk priorities.	On hold
Risk Management Plan	Develop a new Risk Management Plan to replace the 2010-2015 plan that is now outdated.	Risk Management Plan 2017 – 2022.	Corporate Risk register has been prepared by BDO Pty Ltd and will be presented to Audit Committee at its 3 March meeting.
Strategic and Operational Planning (Part 1)	Use the risk profile to inform and feed into the City's budget and business planning for 2017/18.	Risk embedded into SCP, CBP and service unit plans.	Developing
Strategic Risk Register	Develop a strategic risk register for the City.	Current Strategic Risk Register	Strategic risks are incorporated into corporate risk register
Risk Appetite	Set Risk Appetite Statement	Documented risk context / appetite.	See above – statements will be presented to Council in March for approval.
Strategic and Operational Planning (Part 2)	Use the risk profile to inform and feed into the City's budget and business planning for 2017/18.	Risk embedded into SCP, CBP and service unit plans.	Developing

Improvement Plan – Internal Controls

Activity	Objective	Deliverable	Update as at 25 Feb 2020
Audit Program	Develop a systematic audit program that appropriately covers each area of the organisation and reports progress regularly through to Executive and Audit Committee.	Audit Plan	Currently reviewing program, update provided to the Audit Committee at its 26 Nov 2019 meeting
Policy Framework	Set organisational standards around policy making, review and compliance.	Policy, procedure and toolkit.	Developed policy review plan and updated templates. Policy drafting and content guidelines to be presented to Council for approval
Service Unit Planning	Set role clarity and improve accountability through more effective service unit planning.	Service Unit Plans for each service unit for 2017/18.	Established strategy house and service area planning process

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Adopted July 2016, Revised March 2017

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Project Management Framework	Implement a project management framework to ensure effective management of City projects.	Documented framework	Developed framework, annual review required
Code of Conduct Review	Ensure the City's code of conduct is effective and up-to-date.	Revised code of conduct	HR reviewing currently
Signing Authority Review	Ensure that signing authorities for organisational processes are at the most appropriate level in the organisation.	More efficient processes.	On hold
Policy reviews – Purchasing and Investments	Ensure that the Purchasing and Investment Policies are effective and up-to-date.	Revised purchasing and investment policies.	Finance has reviewed
Corporate IT Systems Review	Identify opportunities for improvement for the City's IT systems and ensure systems have effective internal control processes in place.	IT systems roadmap	Developing
Internal Communications	Improve internal communications and feedback.	Internal Communications Strategy	Developing

Improvement Plan – Legislative Compliance

Activity	Objective	Deliverable	Update as at 25 Feb 2020
Compliance Policy	Develop a compliance policy	Compliance Policy	Developing a compliance calendar
Compliance Annual Return Review / Compliance Plan	Assign accountability for compliance activities across the organisation.	Compliance Plan / Accountability Matrix	Included in compliance calendar
Compliance Auditing	Quarterly compliance auditing	Compliance audit plan. Quarterly reports.	Not completed currently
Continuous Improvement	Identify and schedule further elements for improving the City's systems of legislative compliance.	Legislative Compliance Improvement Plan 2017/18	Not completely currently

AUDIT COMMITTEE ATTACHMENTS

3 MARCH 2020

Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



Department of
Local Government, Sport
and Cultural Industries

Vincent - Compliance Audit Return 2019

Certified Copy of Return

Please submit a signed copy to the Director General of the Department of Local Government, Sport and Cultural Industries together with a copy of section of relevant minutes.

Commercial Enterprises by Local Governments					
No	Reference	Question	Response	Comments	Respondent
1	s3.59(2)(a)(b)(c) F&G Reg 7,9	Has the local government prepared a business plan for each major trading undertaking in 2019?	N/A	No major land transactions or trading undertaken in 2019.	Meluka Bancroft - Executive Manager, Corporate Strategy and Governance
2	s3.59(2)(a)(b)(c) F&G Reg 7,10	Has the local government prepared a business plan for each major land transaction that was not exempt in 2019?	N/A	No major land transactions or trading undertaken in 2019.	Meluka Bancroft - Executive Manager, Corporate Strategy and Governance
3	s3.59(2)(a)(b)(c) F&G Reg 7,10	Has the local government prepared a business plan before entering into each land transaction that was preparatory to entry into a major land transaction in 2019?	N/A	No major land transactions or trading undertaken in 2019.	Meluka Bancroft - Executive Manager, Corporate Strategy and Governance
4	s3.59(4)	Has the local government complied with public notice and publishing requirements of each proposal to commence a major trading undertaking or enter into a major land transaction for 2019?	N/A	No major land transactions or trading undertaken in 2019.	Meluka Bancroft - Executive Manager, Corporate Strategy and Governance
5	s3.59(5)	Did the Council, during 2019, resolve to proceed with each major land transaction or trading undertaking by absolute majority?	N/A	No major land transactions or trading undertaken in 2019.	Meluka Bancroft - Executive Manager, Corporate Strategy and Governance

Delegation of Power / Duty					
No	Reference	Question	Response	Comments	Respondent
1	s5.16, 5.17, 5.18	Were all delegations to committees resolved by absolute majority?	Yes	At the OMC 25 June 2019 Council approved a new delegation to the City's Audit Committee. This was resolved absolute majority Item 12.5 - D19/92612	Emma Simmons - Governance Projects Officer
2	s5.16, 5.17, 5.18	Were all delegations to committees in writing?	Yes	Provided in the Register of Delegations, Authorisations and Appointments (D19/124523)	Emma Simmons - Governance Projects Officer
3	s5.16, 5.17, 5.18	Were all delegations to committees within the limits specified in section 5.17?	Yes		Emma Simmons - Governance Projects Officer

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No	Reference	Question	Response	Comments	Respondent
4	s5.16, 5.17, 5.18	Were all delegations to committees recorded in a register of delegations?	Yes	D19/124523	Emma Simmons - Governance Projects Officer
5	s5.18	Has Council reviewed delegations to its committees in the 2018/2019 financial year?	Yes	Note comments in response 1.	Emma Simmons - Governance Projects Officer
6	s5.42(1),5.43 Admin Reg 18G	Did the powers and duties of the Council delegated to the CEO exclude those as listed in section 5.43 of the Act?	Yes		Emma Simmons - Governance Projects Officer
7	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO resolved by an absolute majority?	Yes	resolved absolute majority at the OMC 25 June 2019 - Item 12.5 - D19/92612	Emma Simmons - Governance Projects Officer
8	s5.42(1)(2) Admin Reg 18G	Were all delegations to the CEO in writing?	Yes	Provided in the Register of Delegations, Authorisations and Appointments (D19/124523)	Emma Simmons - Governance Projects Officer
9	s5.44(2)	Were all delegations by the CEO to any employee in writing?	Yes	Provided in the Register of Delegations, Authorisations and Appointments (D19/124523)	Emma Simmons - Governance Projects Officer
10	s5.45(1)(b)	Were all decisions by the Council to amend or revoke a delegation made by absolute majority?	Yes	at the OMC 17 September 2019 Council revoked delegation 2.1.1 to the audit committee,	Emma Simmons - Governance Projects Officer
11	s5.46(1)	Has the CEO kept a register of all delegations made under the Act to him and to other employees?	Yes	Register of Delegations, Authorisation and Appointments - D19/124523	Emma Simmons - Governance Projects Officer
12	s5.46(2)	Were all delegations made under Division 4 of Part 5 of the Act reviewed by the delegator at least once during the 2018/2019 financial year?	Yes	The review was conducted in March 2019. Presented to Council at the 25 June 2019 OMC.	Emma Simmons - Governance Projects Officer
13	s5.46(3) Admin Reg 19	Did all persons exercising a delegated power or duty under the Act keep, on all occasions, a written record as required?	Yes	Sample testing of delegation listed in the City's Register of Delegations, Authorisations and Appointments is currently being undertaken	Emma Simmons - Governance Projects Officer

Disclosure of Interest

No	Reference	Question	Response	Comments	Respondent
1	s5.67	If a member disclosed an interest, did he/she ensure that they did not remain present to participate in any discussion or decision-making procedure relating to the matter in which the interest was disclosed (not including participation approvals granted under s5.68)?	Yes	All disclosure are registered in the Register of Interests Disclosed at Council Meetings (D16/43908) - available on the City's website	Emma Simmons - Governance Projects Officer

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No	Reference	Question	Response	Comments	Respondent
2	s5.68(2)	Were all decisions made under section 5.68(1), and the extent of participation allowed, recorded in the minutes of Council and Committee meetings?	Yes		Emma Simmons - Governance Projects Officer
3	s5.73	Were disclosures under section 5.65 or 5.70 recorded in the minutes of the meeting at which the disclosure was made?	Yes		Emma Simmons - Governance Projects Officer
4	s5.73	Where the CEO had an interest relating to a gift under section 5.71A(1), was written notice given to the Council?	N/A	No interest disclosed	Emma Simmons - Governance Projects Officer
5	s5.73	Where the CEO had an interest relating to a gift in a matter in respect of a report another employee is providing advice on under section 5.71A (3), was the nature of interest disclosed when the advice or report was provided?	N/A	No interests disclosed	Emma Simmons - Governance Projects Officer
6	s5.75(1) Admin Reg 22 Form 2	Was a primary return lodged by all newly elected members within three months of their start day?	No	Primary Return for Newly Elected Member [REDACTED] was not received within 3 months of [REDACTED] start date. This was received by administration 11/02/2020.	Emma Simmons - Governance Projects Officer
7	s5.75(1) Admin Reg 22 Form 2	Was a primary return lodged by all newly designated employees within three months of their start day?	No	In the process of completing the CAR, Administration discovered that a designated employee resigned and a new officer was appointed commencing 23 September 2019.	Emma Simmons - Governance Projects Officer
8	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all continuing elected members by 31 August 2019?	Yes	Refer to "Primary and Annual Returns Register" (SC2692).	Emma Simmons - Governance Projects Officer
9	s5.76(1) Admin Reg 23 Form 3	Was an annual return lodged by all designated employees by 31 August 2019?	Yes	Refer to "Primary and Annual Returns Register" (SC2692).	Emma Simmons - Governance Projects Officer
10	s5.77	On receipt of a primary or annual return, did the CEO, (or the Mayor/ President in the case of the CEO's return) on all occasions, give written acknowledgment of having received the return?	Yes	Refer to "Primary and Annual Returns Register" (SC2692).	Emma Simmons - Governance Projects Officer
11	s5.88(1)(2) Admin Reg 28	Did the CEO keep a register of financial interests which contained the returns lodged under section 5.75 and 5.76?	Yes	Refer to "Primary and Annual Returns Register" (SC2692).	Emma Simmons - Governance Projects Officer
12	s5.88(1)(2) Admin Reg 28	Did the CEO keep a register of financial interests which contained a record of disclosures made under sections 5.65, 5.70 and 5.71, in the form prescribed in Administration Regulation 28?	Yes	All disclosure are registered in the Register of Interests Disclosed at Council Meetings (D16/43908) - available on the City's website	Emma Simmons - Governance Projects Officer

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No	Reference	Question	Response	Comments	Respondent
13	s5.89A Admin Reg 28A	Did the CEO keep a register of gifts which contained a record of disclosures made under section 5.71A, in the form prescribed in Administration Regulation 28A?	Yes	Form 4 Regulation 28A D19/183319	Emma Simmons - Governance Projects Officer
14	s5.88 (3)	Has the CEO removed all returns from the register when a person ceased to be a person required to lodge a return under section 5.75 or 5.76?	Yes	Refer to "Primary and Annual Returns Register" (SC2692). Digital copies moved to SC401-02 and hard copies in Day Box 71.	Emma Simmons - Governance Projects Officer
15	s5.88(4)	Have all returns lodged under section 5.75 or 5.76 and removed from the register, been kept for a period of at least five years, after the person who lodged the return ceased to be a council member or designated employee?	Yes	Returns are moved from register SC2692 to container SC401-02	Emma Simmons - Governance Projects Officer
16	s5.103 Admin Reg 34C & Rules of Conduct Reg 11	Where an elected member or an employee disclosed an interest in a matter discussed at a Council or committee meeting where there was a reasonable belief that the impartiality of the person having the interest would be adversely affected, was it recorded in the minutes?	Yes	Recorded in the relevant minutes	Emma Simmons - Governance Projects Officer
17	s5.70(2)	Where an employee had an interest in any matter in respect of which the employee provided advice or a report directly to the Council or a Committee, did that person disclose the nature of that interest when giving the advice or report?	Yes	Recorded in relevant minutes and "Register of Interests disclosed at Ordinary and Special Council Meetings" (D16/43908).	Emma Simmons - Governance Projects Officer
18	s5.70(3)	Where an employee disclosed an interest under s5.70(2), did that person also disclose the extent of that interest when required to do so by the Council or a Committee?	Yes	Recorded in relevant minutes and "Register of Interests disclosed at Ordinary and Special Council Meetings" (D16/43908).	Emma Simmons - Governance Projects Officer
19	s5.103(3) Admin Reg 34B	Has the CEO kept a register of all notifiable gifts received by Council members and employees?	Yes	Refer to "Register of Gifts" (D16/32718) which is also available on the City's website.	Emma Simmons - Governance Projects Officer

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Disposal of Property					
No	Reference	Question	Response	Comments	Respondent
1	s3.58(3)	Was local public notice given prior to disposal for any property not disposed of by public auction or tender (except where excluded by Section 3.58(5))?	N/A	No disposition was undertaken that was not exempt under Regulation 30 of the Local Government (Functions and General) Regulations 1996	Meluka Bancroft - Executive Manager, Corporate Strategy and Governance
2	s3.58(4)	Where the local government disposed of property under section 3.58(3), did it provide details, as prescribed by section 3.58(4), in the required local public notice for each disposal of property?	N/A	No disposition was undertaken that was not exempt under Regulation 30 of the Local Government (Functions and General) Regulations 1996	Meluka Bancroft - Executive Manager, Corporate Strategy and Governance

Elections					
No	Reference	Question	Response	Comments	Respondent
1	Elect Reg 30G (1) (2)	Did the CEO establish and maintain an electoral gift register and ensure that all 'disclosure of gifts' forms completed by candidates and received by the CEO were placed on the electoral gift register at the time of receipt by the CEO and in a manner that clearly identifies and distinguishes the candidates?	Yes	D19/138077	Emma Simmons - Governance Projects Officer
2	Elect Reg 30G(3) & (4)	Did the CEO remove any 'disclosure of gifts' forms relating to an unsuccessful candidate or a successful candidate that completed the term of office from the electoral gift register, and retain those forms separately for a period of at least 2 years?	Yes		Emma Simmons - Governance Projects Officer

Finance					
No	Reference	Question	Response	Comments	Respondent
1	s7.1A	Has the local government established an audit committee and appointed members by absolute majority in accordance with section 7.1A of the Act?	Yes	Appointed by absolute majority at the OMC - 12 November 2019 - Item 12.6	Emma Simmons - Governance Projects Officer
2	s7.1B	Where a local government determined to delegate to its audit committee any powers or duties under Part 7 of the Act, did it do so by absolute majority?	Yes	At the OMC 25 June 2019 Council approved a new delegation to the City's Audit Committee. This was resolved absolute majority Item 12.5 - D19/92612	Emma Simmons - Governance Projects Officer
3	s7.3(1)	Was the person(s) appointed by the local government under s7.3(1) to be its auditor, a registered company auditor?	Yes	Moore Stephens were appointed by absolute majority at the OMC - 4 April 2017	Emma Simmons - Governance Projects Officer

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No	Reference	Question	Response	Comments	Respondent
4	s7.3(1), 7.6(3)	Was the person or persons appointed by the local government to be its auditor, appointed by an absolute majority decision of Council?	Yes	Moore Stephens were appointed by absolute majority at the OMC - 4 April 2017	Emma Simmons - Governance Projects Officer
5	Audit Reg 10	Was the Auditor's report(s) for the financial year(s) ended 30 June received by the local government within 30 days of completion of the audit?	Yes		Vanisha Govender - Executive Manager Financial Services
6	s7.9(1)	Was the Auditor's report for the financial year ended 30 June 2019 received by the local government by 31 December 2019?	Yes	Audit report received on the 27/11/2019	Vanisha Govender - Executive Manager Financial Services
7	S7.12A(3)	Where the local government determined that matters raised in the auditor's report prepared under s7.9 (1) of the Act required action to be taken, did the local government, ensure that appropriate action was undertaken in respect of those matters?	Yes		Vanisha Govender - Executive Manager Financial Services
8	S7.12A (4)	Where the auditor identified matters as significant in the auditor's report (prepared under s7.9(1) of the Act), did the local government prepare a report stating what action had been taken or it intended to take with respect to each of the matters and give a copy to the Minister within 3 months after receipt of the audit report?	No	The City is presenting a report to the Audit Committee at its 3 March meeting to address the actions listed in the auditor's report.	Meluka Bancroft - Executive Manager, Corporate Strategy and Governance
9	S7.12A (5)	Within 14 days after the local government gave a report to the Minister under s7.12A(4)(b), did the CEO publish a copy of the report on the local government's official website?	N/A	The City is presenting a report to the Audit Committee at its 3 March meeting to address the actions listed in the auditor's report.	Meluka Bancroft - Executive Manager, Corporate Strategy and Governance
10	Audit Reg 7	Did the agreement between the local government and its auditor include the objectives of the audit?	Yes		Vanisha Govender - Executive Manager Financial Services
11	Audit Reg 7	Did the agreement between the local government and its auditor include the scope of the audit?	Yes		Vanisha Govender - Executive Manager Financial Services
12	Audit Reg 7	Did the agreement between the local government and its auditor include a plan for the audit?	Yes		Vanisha Govender - Executive Manager Financial Services
13	Audit Reg 7	Did the agreement between the local government and its auditor include details of the remuneration and expenses to be paid to the auditor?	Yes		Vanisha Govender - Executive Manager Financial Services
14	Audit Reg 7	Did the agreement between the local government and its auditor include the method to be used by the local government to communicate with, and supply information to, the auditor?	Yes		Vanisha Govender - Executive Manager Financial Services

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Integrated Planning and Reporting					
No	Reference	Question	Response	Comments	Respondent
1	s5.56 Admin Reg 19DA (6)	Has the local government adopted a Corporate Business Plan. If Yes, please provide adoption date of the most recent Plan in Comments?	Yes	Corporate Business Plan 2018/19-2021/22 adopted at Ordinary Council Meeting - 26 June 2018.	Emma Simmons - Governance Projects Officer
2	s5.56 Admin Reg 19DA (4)	Has the local government reviewed the Corporate Business Plan in the 2018-2019 Financial Year. If Yes, please provide date of Council meeting the review was adopted at?	Yes	Reviewed at the Ordinary Meeting of Council - 20 August 2019 - Item 12.3	Emma Simmons - Governance Projects Officer
3	s5.56 Admin Reg 19C	Has the local government adopted a Strategic Community Plan. If Yes, please provide adoption date of the most recent Plan in Comments?	Yes	SCP 2018-2028 was adopted at Ordinary Council Meeting - 16 October 2018.	Emma Simmons - Governance Projects Officer
4	s5.56 Admin Reg 19C (4)	Has the local government reviewed the current Strategic Community Plan. If Yes, please provide date of most recent review by Council in Comments. Note: If the current Strategic Community Plan was adopted after 1/1/2016, please respond N/A and provide adoption date in Comments?	N/A	SCP 2018-2028 was adopted at Ordinary Council Meeting - 16 October 2018.	Emma Simmons - Governance Projects Officer
5	S5.56 Admin Reg 19DA (3)	Has the local government developed an Asset Management Plan(s) that covers all asset classes. If Yes, please provide the date of the most recent Plan adopted by Council in Comments?	Yes	Adopted at Ordinary Council Meeting - 23 April 2013. Currently being reviewed.	Emma Simmons - Governance Projects Officer
6	S5.56 Admin Reg 19DA (3)	Has the local government developed a Long Term Financial Plan. If Yes, please provide the adoption date of the most recent Plan in Comments?	Yes	Adopted at the Ordinary Council Meeting - 26 July 2018	Emma Simmons - Governance Projects Officer
7	S5.56 Admin Reg 19DA (3)	Has the local government developed a Workforce Plan. If Yes, please provide adoption date of the most recent Plan in comments?	Yes	Adopted at Ordinary Council Meeting - 23 April 2013. Currently being reviewed.	Emma Simmons - Governance Projects Officer

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Local Government Employees					
No	Reference	Question	Response	Comments	Respondent
1	Admin Reg 18C	Did the local government approve the process to be used for the selection and appointment of the CEO before the position of CEO was advertised?	N/A	CEO Recruitment took place in 2018	Nathan Stokes - Executive Manager Human Resources
2	s5.36(4) s5.37(3), Admin Reg 18A	Were all vacancies for the position of CEO and other designated senior employees advertised and did the advertising comply with s.5.36(4), 5.37(3) and Admin Reg 18A?	Yes	New Executive Director Community & Business Services was required in December 2019. (10 December 2019 - Confidential Item 17.1)	Nathan Stokes - Executive Manager Human Resources
3	Admin Reg 18F	Was the remuneration and other benefits paid to a CEO on appointment the same remuneration and benefits advertised for the position of CEO under section 5.36(4)?	Yes		Nathan Stokes - Executive Manager Human Resources
4	Admin Regs 18E	Did the local government ensure checks were carried out to confirm that the information in an application for employment was true (applicable to CEO only)?	N/A		Nathan Stokes - Executive Manager Human Resources
5	s5.37(2)	Did the CEO inform Council of each proposal to employ or dismiss a designated senior employee?	Yes	Executive Director Corporate Services Exit (30 April 2019 - Confidential Item 18.4)	Nathan Stokes - Executive Manager Human Resources

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Official Conduct					
No	Reference	Question	Response	Comments	Respondent
1	s5.120	Where the CEO is not the complaints officer, has the local government designated a senior employee, as defined under s5.37, to be its complaints officer?	N/A	CEO is the complaints officer.	Emma Simmons - Governance Projects Officer
2	s5.121(1)	Has the complaints officer for the local government maintained a register of complaints which records all complaints that result in action under s5.110(6)(b) or (c)?	Yes	See "Register of Complaints Referred to under Local Government Act S5.121" (D16/107330).	Emma Simmons - Governance Projects Officer
3	s5.121(2)(a)	Does the complaints register maintained by the complaints officer include provision for recording of the name of the council member about whom the complaint is made?	Yes	Information would be collected under the "Details" column.	Emma Simmons - Governance Projects Officer
4	s5.121(2)(b)	Does the complaints register maintained by the complaints officer include provision for recording the name of the person who makes the complaint?	Yes	Information would be collected under the "Details" column.	Emma Simmons - Governance Projects Officer
5	s5.121(2)(c)	Does the complaints register maintained by the complaints officer include provision for recording a description of the minor breach that the standards panel finds has occurred?	Yes	Information would be collected under the "Details" column.	Emma Simmons - Governance Projects Officer
6	s5.121(2)(d)	Does the complaints register maintained by the complaints officer include the provision to record details of the action taken under s5.110(6)(b) or (c)?	Yes	Information would be collected under the "Details" column.	Emma Simmons - Governance Projects Officer

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Optional Questions					
No	Reference	Question	Response	Comments	Respondent
1	Financial Management Reg 5 (2)(c)	Did the CEO review the appropriateness and effectiveness of the local government's financial management systems and procedures in accordance with Local Government (Financial Management) Regulation 5 (2)(c) within the 3 years prior to 31 December 2019? If yes, please provide date of Council resolution in comments?	No	The City has engaged Stantons International to perform this review between February and June 2020.	Meluka Bancroft - Executive Manager, Corporate Strategy and Governance
2	Audit Reg 17	Did the CEO review the appropriateness and effectiveness of the local government's systems and procedures in relation to risk management, internal control and legislative compliance in accordance with Local Government (Audit) Regulation 17 within the 3 years prior to 31 December 2019? If yes, please provide date of Council resolution in comments?	Yes	Refer Item 5.2 of the Audit Committee Minutes 0 20 March 2018	Meluka Bancroft - Executive Manager, Corporate Strategy and Governance
3	Financial Management Reg 5A.	Did the local government provide AASB 124 related party information in its annual report(s) tabled at an electors meeting(s) during calendar year 2019?	Yes	As per the 2019 Annual Financial statements	Meluka Bancroft - Executive Manager, Corporate Strategy and Governance
4	S6.4(3)	Did the local government submit to its auditor by 30 September 2019 the balanced accounts and annual financial report for the year ending 30 June 2019?	Yes	Draft 2019 Financials was forwarded to the auditors on the 17.9.2019	Meluka Bancroft - Executive Manager, Corporate Strategy and Governance

Tenders for Providing Goods and Services					
No	Reference	Question	Response	Comments	Respondent
1	s3.57 F&G Reg 11	Did the local government invite tenders on all occasions (before entering into contracts for the supply of goods or services) where the consideration under the contract was, or was expected to be, worth more than the consideration stated in Regulation 11(1) of the Local Government (Functions & General) Regulations (Subject to Functions and General Regulation 11(2))?	Yes		Jeremy Chalmers Procurement and Contracts Officer
2	F&G Reg 12	Did the local government comply with F&G Reg 12 when deciding to enter into multiple contracts rather than inviting tenders for a single contract?	N/A	No multiple contracts were entered into.	Jeremy Chalmers Procurement and Contracts Officer
3	F&G Reg 14(1) & (3)	Did the local government invite tenders via Statewide public notice?	Yes	The City invited 10 tenders via Statewide public notice	Jeremy Chalmers Procurement and Contracts Officer

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Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



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No	Reference	Question	Response	Comments	Respondent
4	F&G Reg 14 & 15	Did the local government's advertising and tender documentation comply with F&G Regs 14, 15 & 16?	Yes		Jeremy Chalmers Procurement and Contracts Officer
5	F&G Reg 14(5)	If the local government sought to vary the information supplied to tenderers, was every reasonable step taken to give each person who sought copies of the tender documents or each acceptable tenderer, notice of the variation?	Yes	Addenda Notices were distributed on TenderLink and emailed to all tenderers who registered tender documents.	Jeremy Chalmers Procurement and Contracts Officer
6	F&G Reg 16	Did the local government's procedure for receiving and opening tenders comply with the requirements of F&G Reg 16?	Yes	Please refer CM D18/89294	Jeremy Chalmers Procurement and Contracts Officer
7	F&G Reg 18(1)	Did the local government reject the tenders that were not submitted at the place, and within the time specified in the invitation to tender?	Yes		Jeremy Chalmers Procurement and Contracts Officer
8	F&G Reg 18 (4)	In relation to the tenders that were not rejected, did the local government assess which tender to accept and which tender was most advantageous to the local government to accept, by means of written evaluation criteria?	Yes		Jeremy Chalmers Procurement and Contracts Officer
9	F&G Reg 17	Did the information recorded in the local government's tender register comply with the requirements of F&G Reg 17 and did the CEO make the tenders register available for public inspection?	Yes	An up to date register is available on the City's website.	Jeremy Chalmers Procurement and Contracts Officer
10	F&G Reg 19	Did the CEO give each tenderer written notice advising particulars of the successful tender or advising that no tender was accepted?	Yes	Written notice was issued to all tenderers.	Jeremy Chalmers Procurement and Contracts Officer
11	F&G Reg 21 & 22	Did the local governments advertising and expression of interest documentation comply with the requirements of F&G Regs 21 and 22?	Yes		Jeremy Chalmers Procurement and Contracts Officer
12	F&G Reg 23(1)	Did the local government reject the expressions of interest that were not submitted at the place and within the time specified in the notice?	Yes		Jeremy Chalmers Procurement and Contracts Officer
13	F&G Reg 23(4)	After the local government considered expressions of interest, did the CEO list each person considered capable of satisfactorily supplying goods or services?	Yes		Jeremy Chalmers Procurement and Contracts Officer
14	F&G Reg 24	Did the CEO give each person who submitted an expression of interest, a notice in writing in accordance with Functions & General Regulation 24?	N/A	EOI currently under evaluation	Jeremy Chalmers Procurement and Contracts Officer
15	F&G Reg 24AC (1) & (2)	Has the local government established a policy on procurement of goods and services from pre-qualified suppliers in accordance with the regulations?	Yes	This information is included in the City's Purchasing 2Policy	Jeremy Chalmers Procurement and Contracts Officer

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AUDIT COMMITTEE ATTACHMENTS

3 MARCH 2020

Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



Department of
Local Government, Sport
and Cultural Industries

No	Reference	Question	Response	Comments	Respondent
16	F&G Reg 24AD(2)	Did the local government invite applicants for a panel of pre-qualified suppliers via Statewide public notice?	N/A	The City did not request any panel of pre-qualified suppliers in 2019	Jeremy Chalmers Procurement and Contracts Officer
17	F&G Reg 24AD(4) & 24AE	Did the local government's advertising and panel documentation comply with F&G Regs 24AD(4) & 24AE?	N/A	The City did not request any panel of pre-qualified suppliers in 2019	Jeremy Chalmers Procurement and Contracts Officer
18	F&G Reg 24AF	Did the local government's procedure for receiving and opening applications to join a panel of pre-qualified suppliers comply with the requirements of F&G Reg 16 as if the reference in that regulation to a tender were a reference to a panel application?	N/A	The City did not request any panel of pre-qualified suppliers in 2019	Jeremy Chalmers Procurement and Contracts Officer
19	F&G Reg 24AD(6)	If the local government sought to vary the information supplied to the panel, was every reasonable step taken to give each person who sought detailed information about the proposed panel or each person who submitted an application, given notice of the variation?	N/A	The City did not request any panel of pre-qualified suppliers in 2019	Jeremy Chalmers Procurement and Contracts Officer
20	F&G Reg 24AH(1)	Did the local government reject the applications to join a panel of pre-qualified suppliers that were not submitted at the place, and within the time specified in the invitation for applications?	N/A	The City did not request any panel of pre-qualified suppliers in 2019	Jeremy Chalmers Procurement and Contracts Officer
21	F&G Reg 24AH(3)	In relation to the applications that were not rejected, did the local government assess which application(s) to accept and which application(s) were most advantageous to the local government to accept, by means of written evaluation criteria?	N/A	The City did not request any panel of pre-qualified suppliers in 2019	Jeremy Chalmers Procurement and Contracts Officer
22	F&G Reg 24AG	Did the information recorded in the local government's tender register about panels of pre-qualified suppliers, comply with the requirements of F&G Reg 24AG?	N/A	The City did not request any panel of pre-qualified suppliers in 2019	Jeremy Chalmers Procurement and Contracts Officer
23	F&G Reg 24AI	Did the CEO send each person who submitted an application, written notice advising if the person's application was accepted and they are to be part of a panel of pre-qualified suppliers, or, that the application was not accepted?	N/A	The City did not request any panel of pre-qualified suppliers in 2019	Jeremy Chalmers Procurement and Contracts Officer
24	F&G Reg 24E	Where the local government gave a regional price preference, did the local government comply with the requirements of F&G Reg 24E including the preparation of a regional price preference policy?	N/A		Jeremy Chalmers Procurement and Contracts Officer
25	F&G Reg 24F	Did the local government comply with the requirements of F&G Reg 24F in relation to an adopted regional price preference policy?	N/A		Jeremy Chalmers Procurement and Contracts Officer

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AUDIT COMMITTEE ATTACHMENTS

3 MARCH 2020

Department of Local Government, Sport and Cultural Industries - Compliance Audit Return



Department of
Local Government, Sport
and Cultural Industries

GOVERNMENT OF
WESTERN AUSTRALIA

No	Reference	Question	Response	Comments	Respondent
26	F&G Reg 11A	Does the local government have a current purchasing policy that comply with F&G Reg 11A(3) in relation to contracts for other persons to supply goods or services where the consideration under the contract is, or is expected to be, \$150,000 or less?	Yes		Jeremy Chalmers Procurement and Contracts Officer
27	F&G Reg 11A	Did the local government comply with it's current purchasing policy in relation to the supply of goods or services where the consideration under the contract is, or is expected to be \$150,000 or less or worth \$150,000 or less?	Yes		Jeremy Chalmers Procurement and Contracts Officer

I certify this Compliance Audit return has been adopted by Council at its meeting on _____

Signed Mayor / President, Vincent

Signed CEO, Vincent

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AUDIT COMMITTEE ATTACHMENTS

3 MARCH 2020

CITY OF VINCENT AUDIT LOG

AUDIT DETAILS	MANAGEMENT RESPONSE	ACTION	PROPOSED COMPLETION DATE
<p>Asbestos Review 2019 (2) Development of an Asbestos Management Plan</p> <p>Findings: The City does not currently have a plan / process for managing asbestos on City land (freehold and Crown land) or on private property.</p> <p>Recommendation: At the 26 February 2019 Audit Committee it was resolved that: <i>"the City obtains legal advice in relation to asbestos management and provides it to the next Audit Committee meeting."</i></p> <p>Administration presented the legal advice dated 5 April 2019 to the 9 April 2019 Audit Committee. The legal advice recommends that the City have an asbestos management plan (framework) which outlines how the City will inspect, identify and manage ACM on City land and respond to ACM identified on private property. The plan will outline what the appropriate response will be to material identified as containing asbestos, which will depend on the specific circumstances, including the consideration of cost and risk to public safety. The Audit Committee resolved at this meeting that: <i>"Administration report back to the Audit Committee no later than October 2019 detailing how the City's asbestos management framework will meet legislative requirements."</i></p> <p>Risk Rating: Medium</p>	<p>Responsible Officer: Executive Director Infrastructure & Environment</p> <p>Comments: City to prepare an Asbestos Management Plan as recommended by the legal advice dated 5 April 2019.</p>	<p>April 2019: At its meeting on 9 April 2019, the Audit Committee requested Administration to reopen this item and provide further advice prior to October 2019 detailing how the City's Asbestos Management Framework will meet legislative requirements.</p> <p>November 2019: Asbestos awareness training for front line staff has been arranged for the 14 and 15 of November.</p> <p>The City is working with LGIS to develop a framework to meet the requirements of the recommendation contained in the legal advice. Officer time has been limited in both organisations and the matter has been delayed. Proposed new timeframe March 2020.</p> <p>February 2020: LGIS has been engaged to prepare the framework and draft framework is estimated to be available by end of April 2020.</p>	<p>30/09/2019</p> <p>31/3/2020</p> <p>30/4/2020</p>
<p>EA: 2019/6 Office of the Auditor General's Performance Audit 2019 - Fraud Prevention in Local Government - Findings and Recommendations</p> <p>Finding: 1. Entities have not implemented a coordinated approach to manage their fraud risk. 2. Entities could make themselves more fraud resistant if they strengthen their controls; and 3. Better reporting avenues would help entities detect and respond to fraud.</p> <p>Recommendation: Assess fraud risks across business</p> <p>Risk Rating: Medium</p>	<p>Responsible Officer: Executive Manager Corporate Strategy and Governance</p> <p>Comments: Governance will manage the annual review of fraud risks via the City's Corporate Risk Register.</p>	<p>November 2019: The Corporate Risk Register is being developed by BDO Pty Ltd. It is proposed that the risk register will be presented to the Audit Committee for review in early 2020.</p> <p>February 2020: The Corporate Risk Register will be provided to Audit Committee at its 3 March meeting. The risk treatment plans for high and extreme risks will require approval by Council.</p>	<p>30/06/2020</p>
<p>EA: 2019/7 Office of the Auditor General's Performance Audit 2019 - Fraud Prevention in Local Government - Findings and Recommendations</p> <p>Finding: 1. Entities have not implemented a coordinated approach to manage their fraud risk. 2. Entities could make themselves more fraud resistant if they strengthen their controls; and 3. Better reporting avenues would help entities detect and respond to fraud.</p> <p>Recommendation: Develop a fraud and corruption control plan and review at least every 2 years.</p> <p>Risk Rating: Medium</p>	<p>Responsible Officer: Executive Manager Corporate Strategy and Governance</p> <p>Comments: Governance will review the City's current Fraud and Corruption Prevention Policy and prepare a control plan which incorporates this policy. The proposed implementation date for the plan is June 2020. The plan will be reported to Audit Committee annually and updated as required.</p>	<p>November 2019: Governance to engage a consultant to undertake review and implementation of the fraud control plan in January 2020.</p> <p>The two-yearly review of the plan will be included in the compliance calendar.</p> <p>February 2020: Yet to commence. Further resourcing or a consultant is required.</p>	<p>30/06/2020</p>

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<p>EA: 2019/8 Office of the Auditor General's Performance Audit 2019 - Fraud Prevention in Local Government - Findings and Recommendations</p> <p>Finding: 1. Entities have not implemented a coordinated approach to manage their fraud risk. 2. Entities could make themselves more fraud resistant if they strengthen their controls; and 3. Better reporting avenues would help entities detect and respond to fraud.</p> <p>Recommendation: Develop and implement a periodic fraud awareness and training program</p> <p>Risk Rating: Medium</p>	<p>Responsible Officer: Executive Manager Corporate Strategy and Governance Executive Manager Human Resources</p> <p>Comments: Human Resources with the support of Governance will develop and implement an online fraud awareness training program to be completed by all staff. New staff will be required to complete the training as part of their online induction process and current staff will receive notification to complete the training annually via the induction portal.</p>	<p>November 2019: Development of the training program will commence in September 2020. Requires linkage to the Fraud Management Plan and Risk Management Framework.</p> <p>February 2020: No progress to date.</p>	<p>30/9/2020</p>
<p>EA: 2019/9 Office of the Auditor General's Performance Audit 2019 - Fraud Prevention in Local Government - Findings and Recommendations</p> <p>Finding: 1. Entities have not implemented a coordinated approach to manage their fraud risk. 2. Entities could make themselves more fraud resistant if they strengthen their controls; and 3. Better reporting avenues would help entities detect and respond to fraud.</p> <p>Recommendation: Conflicts of interest management</p> <p>Risk Rating: Low</p>	<p>Responsible Officer: Executive Manager Corporate Strategy and Governance Executive Manager Human Resources</p> <p>Comments: The City currently has a register for Elected Members and senior staff as required by the Local Government Act 1995 and a register to capture and manage any other actual, perceived or potential staff conflicts of interest. Governance, in coordination with Human Resources, will ensure all staff are aware of the conflict of interest disclosure requirements and provide training for new staff as part of the induction process.</p>	<p>November 2019: Governance, in coordination with Human Resources, is raising awareness through incorporating conflict of interest obligations into the induction process and providing information on the Vintranet.</p> <p>Governance and Human Resources will prepare a COI disclosure form for event attendance (free events) and provide staff training.</p> <p>February 2020: The Training Form is currently on the Vintranet. The new Event Attendance Form (free events), which allows a COI to be disclosed and approved by Manager / Executive Director, has been drafted. No staff training necessary. Email from EMHR to staff on new process and location of forms.</p>	<p>30/06/2020</p> <p>Completed.</p>

CITY OF VINCENT AUDIT LOG

<p>EA: 2019/10 Office of the Auditor General's Performance Audit 2019 - Fraud Prevention in Local Government - Findings and Recommendations</p> <p>Finding: 1. Entities have not implemented a coordinated approach to manage their fraud risk. 2. Entities could make themselves more fraud resistant if they strengthen their controls; and 3. Better reporting avenues would help entities detect and respond to fraud.</p> <p>Recommendation: Have policies and procedures in place to verify the identity and integrity of employees and suppliers</p> <p>Risk Rating: Medium</p>	<p>Responsible Officer: Procurement Contracts Officer Executive Manager Human Resources</p> <p>Comments: 1) Human Resources will develop and implement a recruitment and selection procedure (which will include identity and integrity checks) for the City. Human Resources will periodically monitor employees for change of circumstances via a declaration form which WALGA are currently preparing to supply to Local Governments. 2) Procurement will review and update the City's supplier verification process. The proposed implementation date is March 2020.</p>	<p>November 2019: 1) The Human Resources team are currently developing a recruitment and selection procedure in combination with a review of position descriptions, requirements for qualification and police clearances (only certain positions require clearances) per position. 2) Procurement will review policy documents of other local governments and determine threshold.</p> <p>February 2020: 1) HR have drafted a new Recruitment, Selection and Appointment procedure. To be reviewed by EMC based on new recruitment, selection and appointment changes to processes. 2) Verification is currently requested through the Request for Tender document. ASIC statements, financial viability letter, reference checks, insurance certificates of currency and the Form of Tender are all used as part of the verification process. Procurement will check ABN and ACN registration details, insurance certificates for successful suppliers for Request for Tenders (\$150,000 and above) and the evaluation panel will check referees. Request for Quotations verification process is conducted through checking ABN and ACN registration details, insurance certificates and referee checks. Request for Quotations and Tenders conducted through WALGA and CUA do not require verification.</p>	<p>1) 30/4/2020 2) 30/3/2020</p>
<p>EA: 2019/11 Office of the Auditor General's Performance Audit 2019 - Fraud Prevention in Local Government - Findings and Recommendations</p> <p>Finding: 1. Entities have not implemented a coordinated approach to manage their fraud risk. 2. Entities could make themselves more fraud resistant if they strengthen their controls; and 3. Better reporting avenues would help entities detect and respond to fraud.</p> <p>Recommendation: Collect, review and manage fraud information and identify trends and emerging issues</p> <p>Risk Rating: Medium</p>	<p>Responsible Officer: Executive Manager Corporate Strategy and Governance</p> <p>Comments: The City will investigate systems and processes to report, review and manage any potential fraud, including anonymous reporting and the escalation of fraud reporting. The proposed implementation date is December 2020.</p> <p>The fraud reporting system, as referred to in 6. Above, should enable this data to be easily compiled. Governance will review the data annually.</p>	<p>November 2019 The City will engage a consultant to prepare the fraud management plan, and the fraud reporting system will be considered as part of this review.</p> <p>February 2020: No progress to date.</p>	<p>31/12/2020</p>

AUDIT COMMITTEE ATTACHMENTS

3 MARCH 2020

CITY OF VINCENT AUDIT LOG

<p>EA: 2019/12(4) Butler Settineri – Payroll – Internal Audit Review</p> <p>PAYROLL PROCESSING</p> <p>General Findings: An HR Manager reviews the Payroll Officer's Collated Timesheet Data Spreadsheet visually and that evidence of review is not present for all documents.</p> <p>Recommendations: Collated Timesheet Data Spreadsheets are signed by reviewers as evidence of review to provide management with comfort that captured data has been reviewed for accuracy before processing into the official payroll system. Timesheet data is captured directly into the Civica Authority payroll system and not first having to be recorded in the Collated Timesheet Data Spreadsheets.</p> <p>Risk Rating: Low</p>	<p>Responsible Officer: Executive Manager Human Resources</p> <p>Comments: Will be resolved as part of the City of Vincent's ICT Strategy.</p>	<p>November 2019: Will be resolved as part of the ICT strategy which will incorporate an electronic timesheet system with workflows from employee, their manager and then to HR for processing.</p> <p>February 2020: No progress to date and no decided date of system implementation at this time.</p>	<p>TBC</p>
<p>EA: 2019/12(5) Butler Settineri – Payroll – Internal Audit Review</p> <p>SUPERANNUATION</p> <p>General Findings: A large number of employees salary sacrifice additional superannuation contributions. On discussion with the payroll Officer we were informed that if an employee makes an additional voluntary contribution exceeding 5% the Council will itself make an additional contribution of 6%. Thus the total superannuation contribution by the Council could total 15.5%. Management were unable to provide us with agreements between the City and its employees regarding this practice.</p> <p>Recommendations – General Findings: Formal agreements be signed with employees setting out the salary sacrificing policy and arrangement in place with the employee. All amendments to be original arrangements as requested by employees be saved electronically in TRIM and Civica Authority and original agreements be updated for these amendments.</p> <p>Risk Rating: Low</p>	<p>Responsible Officer: Executive Manager Human Resources</p> <p>Comments: The City will review its current process and implement a new salary sacrificing form to ensure all staff requests to salary sacrifice are documented by February 2019.</p>	<p>November 2019 City will implement a new salary sacrificing form to ensure all requests are documented and added to content manager.</p> <p>February 2020: Salary Sacrifice draft form has been developed. The form will be added to the Vintranet and communicated to staff by the 28/02/2020.</p>	<p>28/2/2020</p> <p>Completed</p>

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CITY OF VINCENT AUDIT LOG

<p>EA: 2019/12(6) Butler Settineri – Payroll – Internal Audit Review</p> <p>LEAVE</p> <p>General Findings:</p> <p>The leave forms for two employees [names removed for privacy] were not filed electronically within the TRIM and Civica Authority system and could not be located in employee files. The City has recently moved to an "online" leave management system for all staff other than the Works Department and Beatty Park Leisure Centre.</p> <p>Recommendations – General Findings:</p> <p>All manual leave application forms, duly approved and authorised, be filed electronically within the TRIM and Civica Authority system. All staff be transitioned to the "online" leave management system to ensure a more accurate leave recording and processing system.</p> <p>Risk Rating: Low</p>	<p>Responsible Officer: Executive Manager Human Resources</p> <p>Comments:</p> <p>It is our intent by March 2020 that all staff transition to complete online leave via CIVICA.</p>	<p>November 2019</p> <p>Review all staff members that are currently completing a hard copy leave form and train staff on the online leave processes through Civica.</p> <p>February 2020:</p> <p>All staff not completing online timesheets are outdoor workers. A new time sheeting form has been implemented as a pilot with Waste and Engineering Operations with success. Will rollout time sheeting process to all outdoor workers by 30 April 2020.</p>	<p>30/04/2020</p>
<p>EA: 2019/12(8) Butler Settineri – Payroll – Internal Audit Review</p> <p>BACKUP PROCESS</p> <p>General Findings:</p> <p>The Payroll Officer is solely responsible for capturing data from the Collated Timesheet Data Spreadsheet to the Civica Authority payroll system, checking data entered and reviewing payroll reports generated as a basis for pay. Whilst the HR Manager performs a review of Net Pay Listings and Net Pay Reports before the payroll is finalised, we note that there isn't a second Payroll Officer or Deputy Payroll Officer to assist or cover the Payroll Officer should she be on leave or ill and thus the specialised processing knowledge rests in one employee.</p> <p>Recommendations – General Findings:</p> <p>The Beatty Park Payroll Officer be trained in certain payroll processing functionality within the Civica Authority system as a backup to the current Payroll Officer who is responsible for the payroll processing and reporting for the entire City workforce.</p> <p>Risk Rating: Low</p>	<p>Responsible Officer: Executive Manager Human Resources</p> <p>Comments – General Findings:</p> <p>Agree with recommendation. It is the intent of both payrolls to fall under one area by April 2020.</p>	<p>November 2019</p> <p>Discussions with Beatty Park and both Payroll Officers have been completed. City needs to develop a plan to transition Beatty Park to Human Resources. Human Resources started recruiting for a Payroll Support Officer since July 2019 and have only just secured an employee as of the 18th November 2019 to assist with the additional payroll processing. Time will need to be taken to understand the COV payroll processing before taking over Beatty Park which is reasonably complex.</p> <p>February 2020:</p> <p>HR now have a new Payroll Support Officer at .60 FTE to backfill the Payroll Officer. Additionally, the Payroll Support Officer will back up Beatty Park where required which will take place in March 2020.</p> <p>It is intended that HR will take over Beatty Park Payroll in June 2020 once a review/internal audit of both Payroll functions has been conducted.</p>	<p>30/6/2020</p>
<p>EA: 2019/12(9) Butler Settineri – Payroll – Internal Audit Review</p> <p>Recommendation - Specific Findings:</p> <p>Gross pay paid at penalty rates to "outside workers" and certain Beatty Park Leisure Centre employees is incorrectly reflected under the "Allowances" column on the Pay Edit Report.</p> <p>A large number of employees salary sacrifice additional superannuation contribution. Audit noted that superannuation contributions reflected as "Council" on the Pay Edit Listing don't represent 9.5% of gross earnings but instead the additional 6% Council portion were applicable. This was due to an error in the set-up of reporting fields on the Pay Edit Report</p> <p>Risk Rating: Low</p>	<p>Responsible Officer: Executive Manager Human Resources</p>	<p>November 2019</p> <p>These reports are HARD Coded by Civica and would require a new report to be developed and/or written for both findings. This will require Civica to confirm that they can make these changes in the Authority system.</p> <p>February 2020:</p> <p>No progress to date.</p>	<p>30/6/2020</p>

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CITY OF VINCENT AUDIT LOG

AUDIT DETAILS	MANAGEMENT RESPONSE	ACTION	PROPOSED COMPLETION DATE
<p>IA: 2019/10 Failure to meet Australian Government 'Roads to Recovery' expenditure maintenance requirements for 2018-19</p> <p>General Findings: Breach of program procedures (Part 7) – shortfall of \$1,598,263.</p> <p>Recommendation: Explanation of the breach – including: 1. The reasons for the breach in detail – what the problem was, when it happened, how it impacted on the projects etc. 2. The budgeted figure for own source expenditure on roads for 2019/20 and, where possible projected own source expenditure figures for 2020-21 and 2021-22. These should be realistic in terms of the Council's overall budgetary position.</p> <p>Risk Rating: Medium</p>	<p>Responsible Officer: Executive Director Infrastructure & Environment</p> <p>Comments: 1. Under the Roads to Recovery funding agreement the City is obliged to maintain an appropriate level of road funding from its own resources, and not be overly reliant upon grant funding. The level of appropriate 'own resources' funding is measured against a 'reference amount'. The reference amount was based upon the City's average expenditure over the previous 5 years of the program. However the City's (new) Auditors in 2018 'struck out' a number of claimed expenditure items, which the previous Auditor's had approved. As a consequence the level of expenditure from our own resources was deemed to have dropped below the 'reference amount' resulting in the breach notice. The potential impact is a reduction in, or cancellation of, future Roads to Recovery Grant funding. 2. Essentially the City needs to demonstrate that it will substantially increase it level of road funding in subsequent years of the program to make up for the shortfall. This matter was raised at the Councillor Workshop on 11 November 2019. The Local Road Program budget, currently in the order of \$580,000 per annum, would have needed to increase to approx. \$1,100,000 <u>this financial year</u> to address the Department concerns and maintain the current level of grant funding.</p>	<p>November 2019 Administration will consider the below options and prepare a response to the Department of Infrastructure, Transport, Cities and Regional Development to advise of the action that will be taken by the City.</p> <p>The options are:</p> <ul style="list-style-type: none"> • Increase the annual Local Roads Program expenditure to the order of \$1,100,000 pa this financial year (Council will need to approve any increase in the budget). • Appeal the 'reference amount' based upon the current auditors assessment of deductible items. • Review the financial information sent to Auditor to ensure that all appropriate deductions were included, both operating and renewal, that can be attributed to roads. <p>December 2019 As per the November 2019 Audit Committee recommendation (Item 5.6 26/11/19 meeting) and Council's resolution of December 2020 (Item 12.7 10/12/19), Administration will prepare a report to the March 2020 Audit Committee detailing the City's failure to meet the Australian Government 'Roads to Recovery' expenditure maintenance requirements for 2018/19 and the proposed response to the Department of Infrastructure, Transport, Cities and Regional Development (as per the resolution at Item 5.6 26/11/19 Audit Committee meeting).</p> <p>February 2020: The Department of Infrastructure, Transport, Cities and Regional Development will not approve any further R2R grant allocation in 2018/19 until the City formally responds to the 'breach' notice. Administration has prepared an information sheet for Council at the 18 February budget workshop to consider the impact of the breach, and to provide guidance, prior to a response being prepared.</p>	<p>30/6/2020</p>
<p>EA: 2019/13 Moore Stephens / OAG – Audited Financial Statements and Concluding Memorandum</p> <p>General Findings: 1. Significant Adverse Trends: The Asset Sustainability Ratio has been below the DLGSCI standard for all 3 years reported in the annual financial report.</p> <p>Recommendation: Provide a report to the Minister for Local Government explaining the City's non-compliance with the Asset Sustainability Ratio and the action the City will take to rectify this.</p> <p>Risk Rating: High</p>	<p>Responsible Officer: Executive Director Community and Business Services</p> <p>Comments: In accordance with section 7.12A of the <i>Local Government Act 1995</i>, a response must be provided to the Minister for Local Government by 28 February 2020 detailing the action the City has taken or intends to take to address the Asset Sustainability Ratio non-compliance.</p>	<p>December 2019 As per the November 2019 Audit Committee recommendation (Item 5.3 26/11/19 meeting) and Council's resolution of December 2020 (Item 12.7 10/12/19), Administration will track the Asset Sustainability Ratio non-compliance through the Audit Log and provide a response to the Minister for Local Government within the deadline.</p> <p>February 2020: The draft response to the Minister for Local Government will be provided to the Audit Committee at its 3 March 2020 Meeting, and to Council at its 17 March 2020 meeting. The draft letter will be simultaneously provided to DLGSCI, with an update on the timing of the approved letter.</p>	<p>31/3/2020</p>

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