



CITY OF VINCENT

ATTACHMENTS

Audit Committee

3 March 2020

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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

A handwritten signature in black ink, appearing to read 'Allan Chisholm'.

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

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,

David MacLennan
CHIEF EXECUTIVE OFFICER

Administration & Civic Centre
244 Vincent Street, (Cnr Loftus),
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ENQUIRIES TO: Virginia Miltrup (9273 6003)
Executive Director Community & Business Services
OUR REF: SC243-03 / D20/35346



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,

David MacLennan
CHIEF EXECUTIVE OFFICER

Administration & Civic Centre
244 Vincent Street, (Cnr Loftus),
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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

Action Description	Due Date(s)	Status
The City is currently finalising the mid-year budget review for 2019/20.	17-Mar-20	On track
This review proposes an increase in the Asset Sustainability Reserve of \$250,000.		
The budget review agenda paper will be considered by Council at the Ordinary Council Meeting on 17 March 2020.		

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



CITY OF VINCENT CORPORATE RISK REGISTER



Risk Category	Risk Description	Comment	Impact Analysis				RISK MANAGEMENT		Strength (S-M-W)	Risk Acceptance (Y/N)	Net Risk (after RMA)	ACCOUNTABILITY				
			Likelihood	Consequence	Remarks	Actual Risk	Current Risk Management Strategy (what happens now)	Risk Management Actions (RMA)				Direction of further RM	Risk Owner	Timetable	Assurances available	Last updated
Finance, Procurement and Contracts <small>Any additional new risk only be added below this row</small>																
Procurement for facilities (Beatty Park Leisure Centre)	ineffective procurement processes and management of suppliers resulting in a lack of supplies / parts (i.e. chemicals) which impacts use of pool / pool safety		1	5		M	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	1. Stockpile chemicals - Complete 2. build relationships with suppliers - Done, continue during procurement and new contract setup 3. Complete supplier/contract management - July 2020 1. develop contract management framework, train staff in use and communicate - December 2020 2. develop contract register - consultant currently preparing - June 2020 3. update the contract template / use W&LCA / AS templates - December 2020 4. monitor compliance with the framework and use of templates - December 2020	Strong - Continue to liaise 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.		Strong	H	M	Need adequate resourcing	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. Ensuring 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 3. But need PMO to be adequately skilled to address risk	Review of the framework will be included in the internal audit plan, and will form part of other internal and external compliances	25-Feb-20
Financial stability, sustainability & reporting	Poor financial and management reporting regime leads to ineffective financial management and results in insufficient resources to operate the City effectively		4	4	Roads to Recovery Breach and Asset Sustainability Ratio have financial implications for the City - therefore currently this is a high risk based on financial consequence	H	No current controls. Noted that City currently has ability to borrow funds.	1. Developing an accurate and updated LTFF 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 masterplans 4. Will report on financial sustainability to the Audit Committee.	Strong	Y	M		Manager Finance	01-Jun-20		25-Feb-20
Asset, sustainability and environment management <small>Any additional new risk only be added below this row</small>																
Inadequate asset management framework	Inadequate asset management controls, framework, accountability and inadequate systems to record and interrogate data to inform asset renewal programs - will result in poor asset management outcomes - financial loss and reputational damage	Event - asset failure Impact - financial losses, reputational damage	5	4		E	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 accountabilities in respect of asset management may result in this not being viewed as a whole of organisation responsibility resulting in a lack of focus and maintenance of the City's most valuable assets	Event - asset failure Impact - financial losses, reputational damage	5	3	EMC to champion whole of organisation responsibility to maintain assets.	H	Annual review of renewal plans for major asset classes including disposal. Regular engagement with both internal and external customers.	1. Table auditor'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 Poisons 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	Needs to be at a department level, not just Manager Parks	M	LGIS has prepared an asbestos register, and is currently development an asbestos management framework in accordance with the legal advice received. Need to review controls for poison use.	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, allocating and staff training in the use of poisons.	Medium - Investment in OSH/Reporting/workflow technology to reduce risk even further.	Y	L		Executive Director - Infrastructure and Environment	30-Jun-21		25-Feb-20
OH&S, employment practices <small>Any additional new risk only be added below this row</small>																



Risk Category	Risk Description	Comment	Impact Analysis			RISK MANAGEMENT			Risk Acceptance (Y/N)	Net Risk (after RMA)	Direction of further RM	Risk Owner	Timetable	Assurances available	Last updated
			Likelihood	Consequence	Remarks	Actual Risk	Current Risk Management Strategy (what happens now)	Risk Management Actions (RMA)							
Systems	A lack of a centralised OH&S system is likely to result in incomplete information and incomplete responses to risk potentially resulting in injury and death and also key person risk.		2	3	No centralised system in place increasing human error for processing/monitoring etc. However, cost of system is too high to justify benefit to the City given current staff skillset. Results in key person risk.	M	Highly skilled OH&S representative; manual processes driven by employee and HR department	HR team has now trained HR Business Partners on OH&S and workers compensation processes. Implementation of OSH/reporting/workflow technology.	Y	L	HR Business Partners trained on OSH. Unsure at this time if the City will invest in a system to support OSH reporting and requirements.	Manager HR	01-Jun-21	Annual review	25-Feb-20
Workforce Planning	Robust and effective workforce planning process not in place to truly ascertain future skills, emerging positions and linkages to CIP will result in the City not being future ready and not meeting the needs of the community		3	2		M	Professional development, services on a page and strategy house processes, but no linkage into a plan for the future at this stage	Update the workforce plan; Development of a general Workforce Planning Framework and process by August 2019 with workshops conducted with Directorates on workforce challenges, future skills etc. in 2020.	Y	L	N/A	Manager HR	02-Feb-21	Annually	25-Feb-20
Skills & training	Poor induction may result in staff being unclear on CIP policies and procedures resulting in error, inefficiency, misconduct and poor customer outcomes		2	3		M	Online induction program	Continue development of 'mandatory' training profile Framework for CIP positions. Will be implementing a induction and orientation online system in June 2020	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 maintaining 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, Lotus Community Centre and community partners working with youth.		3	3		M	Relevant Managers aware of staff training requirements for different positions, and ensure training is completed	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.	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 KPIs, managing staff and performance etc. resulting in inefficient and ineffective operations, not meeting stakeholder needs		2	3		M	Performance review process. Training provided when requested, including from LGPro.	Leadership framework and leadership training program to be developed and implemented by September 2020.	Y	L	Budget yet to be confirmed for leadership training (i.e. 520K) for 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		M	Some work instructions	Continue developing corporate process management framework and develop a succession planning framework.	Y	L	Succession planning framework to be developed in 2021 per HR Strategy 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 inadequate action against risks. Staff working alone, after hours visits, accessing building sites and/or private property, negative interaction with members of the community associated with health, building and compliance services.		2	5		H	Staff training, patron education, emergency equipment, provision and safety audits. Follow working alone procedures, toolbox weekly for handover, vehicle handover and audit of PPE, GPS monitoring enabled enforcement and communication devices. Regular reporting of incidents to foster safety awareness culture	1. review of safety management plan and systems	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 CIP policies and procedures is not appropriately applied to leaving the City vulnerable to contractor/volunteer injury and legal action.		3	3		M	Induction process in place for Contractors, it does rely on the staff who get the contractors in to complete the induction and educate on policies and procedures.	Implement a centralised induction system to induct all staff. Ensure all staff have completed mandatory training/compliance (one off compliance training or yearly/bi-yearly).	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
Any additional row can only be added below this row.															
Business service disruption															
Any additional row can only be added below this row.															
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 community & employee harm.		2	3		M	Training of staff, and patrolling of City to identify any unauthorised / unplanned works. Requirements specified in building permits.	Increase clarification on City's website also clarification of Community Ranger role. Establish protocols for each shift.	Y	L	Investigate possible changes to the timings on the Roster to better suit the City's needs.	Manager Rangers	01-Jul-20	A reduction in unauthorised/unplanned works being reported. Internal working group established to assess building requirements in relation to permits and parking.	25-Feb-20



			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 (S=H-W)	Risk Acceptance (Y/N)	Net Risk (after RMA)	Direction of further RM	Risk Owner	Timetable	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		M	CEO and Executive Director of Infrastructure and Environment are responsible in an emergency. Plan is in place. City is a member of LEMA.	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	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	No, require resourcing to as well as adequate staff training to implement. Will be strong once implemented	L	To attend and participate in WC-LEMC along with the exercises	Manager Rangers	01-Sep-20	Minutes of the WC-LEMC meetings along with staff participating in the desktop exercises	25-Feb-20
Escalating 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		5	4	The City does not have the power to appropriately deal with this (police jurisdiction), but police do not have the resources. Rangers' role is not to deal with these "security officers", are not appropriately trained	E	Rangers monitor and manage investigate and action (mostly police) of anti-social behaviour as part of their community safety role. Information is 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 Weld Square.	1. Review role of Rangers, workers 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"	Weak, as staff, residents, business owners and the general public not adequately informed on the roles of Rangers and WA Police	No, require resourcing to implement. Depends on behaviour of public - which City can not control	H	More resourcing and clarity of roles	Manager Rangers	1. Currently being undertaken. 2. As per the Safer Vincent Plan June 2021. 3. 4 and 5. Currently being undertaken and ongoing.	CRM 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 cameras are coming online March 2020	25-Feb-20
Disaster Recovery Plan & Business Continuity Management, including IT	An ineffective or non-existent Disaster Recover Plan and BCP may result in short or long-term disruption to services, network failures / breaches, business confusion and staff and community safety		3	2	The City does not currently have any documented processes to manage a business disruption event or crisis	M	1. City is part of the LEMAC	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.	Strong if implemented	No, require resourcing to implement.	L		Executive Manager Corporate Strategy and Governance, Manager ICT	BIA: 01-Jun-20	Review of BCP, internal audit on plan and procedures, and their operational capabilities	25-Feb-20
Disaster Recovery Plan & Business Continuity Management for Beatty Park Leisure Centre	Building or pool failure leading to an unexpected closure of part or whole of facility may lead to not meeting shareholder expectations and experiencing financial losses.		3	3		M	Asset audits, maintenance programs in place and reviewed regularly, communication strategies for any shutdowns	Locate/create BCP for Beatty Park	Medium - Need to increase Audit of Assets and put plan in place for maintenance including contracts and agreements	Yes - note that Medium risk as plant failure can still occur despite strategies	H	No further action	Manager Beatty Park	01-Jul-20		25-Feb-20
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 extended service outages, worsened disaster outcomes	The City fails to meet its requirements under Emergency Recovery plan due to inadequate processes	2	4		M	Limited control - local emergency management arrangements are in place	Provide additional resourcing and training/communication for relevant staff members and community agencies. Working towards implementation of LEMA.	Strong if WC-LEMC implement training protocols	Y	L	Consistent review of the arrangements to ensure they are kept up to date in relation to contacts etc.	Manager Rangers	2020/21	Audit of arrangements and the number of desktop exercises per year	25-Feb-20
Critical incident response - Power outage to ICT server room	A lack 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 or cannot continue to be supplied, staff will lose access to all electronic systems, potentially leading to loss of data and service levels		2	3	Risk likelihood based on Admin Centre not being available to staff	M	1. Back up server (is that current control) 2. Restoration of File servers, Email, Authority and Content Manager within 2 days. Up to 1 day data loss.	ICT Strategy House D19/R0015 identifies several cloud-first objectives to mitigate server room dependency. mid-2020: Offsite business systems (incl. telephony) on standby that can "go live" for Depot/remote access within 4 hours. Up to 1 day data loss. 2021/2022: File, email, records and core business system to move to cloud solutions. Depot/remote access continuous, no data loss.	Strong	Y	L	Link to BCP and BIA - need to understand the business service continuity needs	Manager ICT, Manager Asset and Engineering	01-Jul-20 2021/22	Audit of the systems and server	25-Feb-20
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 - service outages	3	2	Communication Links review completed in 2019 to enable redundant architecture decisions. Risk consequence considered Minor due to current limited use of spatial layers by staff. Public spatial layers have minimal data likely to cause more than Minor inconvenience.	M	1. Internet-based systems accessible via 4G-enabled tablets. 2. 2 x 4G Wi-Fi dongles available to business teams for up to 15 staff each. 3. Office backup to Library remains operational.	mid-2020: Redundant Internet supply (and supporting security infrastructure including firewalls) implemented. Up to 1 hour outage.	Strong	Y	L		Manager ICT	01-Jun-20		25-Feb-20
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		M	GIS contract resource onsite fortnightly to respond to any data issues raised by staff.	mid-2020: GIS and Assets officer is being recruited in 2019/2020 and this will help mitigate this risk.	Strong	Y	L	Dependant on additional resources.	Manager ICT	01-Jul-20	Process to check GIS updates and verify data	25-Feb-20
Cyber Security	The City suffers a material breach of information security through ineffective protocols and processes	This is trending as an escalating risk in many organisations	3	4	Technical Security Review completed against Australian Signals Directorate "Essential 8". For Technical Security Review and current action item status, see D19/12564	H	Anti-virus software deployed for computers, web traffic and email filtering.	mid-2020: ongoing staff awareness training; upgraded anti-virus software for computers and email filtering; new anti-virus software for server environment; data loss protection config 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.	Strong	Y	H		Manager ICT	01-Jul-20		25-Feb-20
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Any additional row can only be added above this row.

3



Risk Category	Risk Description	Comment	Impact Analysis				RISK MANAGEMENT			Risk Acceptance (Y/N)	Net Risk (after RMA)	ACCOUNTABILITY		Risk Owner	Timetable	Assurances available	Last updated
			Likelihood	Consequence	Remarks	Actual Risk	Current Risk Management Strategy (what happens now)	Risk Management Actions (RMA)	Strength (S-M-W)			Direction of further RM					
Governance, misconduct and fraud																	
<small>Any additional row can only be added below this row</small>																	
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		M	1. Governance team undertakes manual checks to ensure legislative compliance and communicates governance principles and legislative requirements to organisation. 2. Audit Log monitors some financial and audit related risks, and improvements required, and is reported to EMC monthly and to Audit Committee. 3. Currently no clear documentation of requirements.	1. Compliance calendar, RMA 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, resourcing required to implement actions identified by previous reg 17 review (improvement plan) and implement a compliance calendar, and ongoing monitoring / compliance checks.	H	L		Executive Manager Corporate Strategy and 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 creates checklist 4. Audit Log is reported to EMC and Council	25-Feb-20	
Fraud Risk Management	A lack of coordinated approach to identification, mitigation, management and monitoring of fraud, through a fraud risk framework increases the risk of fraud occurring potentially leading to reputational damage, and financial losses		4	3	Initial consideration by City has identified following fraud risk areas: 1. Payroll 2. Theft (property / money) 3. Credit card use 4. Procurement (invoices)	H	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 level approval process for purchases. 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 resourcing required to develop plan, train staff and undertake fraud testing / internal audits	H	M		Executive Manager Corporate Strategy and Governance	1. 30-Jun-20 2. 01-Dec-20 3. 01-Apr-20 4. 01-Jun-20	Audit Log is reported to EMC and Council; random checks on transactions, inventory and processes (e.g. HR and payroll)	25-Feb-20	
Policies & Procedures	Outdated policies, procedures and controls leads to a failure to properly execute on its mandate and protect its assets leading to errors, omissions and delays in service delivery		3	2		M	1. Policies are reviewed and updated on an ad hoc basis. 2. New template has been prepared, Council approval of policy 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, align with SCP objectives - April 2020 3. Communicate to all staff - June 2020 4. process improvement - Continue trialling the use of a corporate process management tool (Pro-mapp) - June 2020	Strong RMA.		M		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	
<small>Any additional row can only be added below this row</small>																	
Information & Systems Management																	
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Document management	Inconsistency in record keeping and poor / inconsistent use of CRM, results in loss of records, records not easily obtainable - prevents good decision making and business continuity, hinders access to records for RDR purposes and leaves the City vulnerable to legal action; furthermore there are delays and costs incurred when retrieving information		4	2		M	Record Keeping Plan (RKP) approved by State Records Office in 2016, health check 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 periodic 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	M		Manager Governance, Manager ICT, Manager HR	2020	Staff training and accountability - HR training register would be a sensible longer-term tool to record and track record-keeping training and refreshers.	25-Feb-20	
Systems	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		H	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 fast track improvements and reduce major impacts. Conduct Business Impact Analysis per business unit in order to properly assess recovery point requirements.	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 fast track improvements and reduce major impacts. Conduct Business Impact Analysis per business unit in order to properly assess recovery point requirements.	Medium	Y	M		Manager ICT, Manager HR, Manager Finance	2021/22	Review of Authority system to determine genuine shortcomings vs issues will determine where the City will receive best return on investment.	25-Feb-20	
Data backup retention	Inadequate data backup procedures may result in data recovery points not meeting business needs and thereby impacting on business continuity		3	2		M	Backup schedule covers business system data and is retained offsite in daily, weekly and monthly restoration points. Recovery within 1 day for daily and weekly backups.	Office 365 backup to be introduced as part of Office 365 implementation in 2019/2020.	Strong	Y	L		Manager ICT			25-Feb-20	
Project management and process mapping for new ERP implementation	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		M	Project Control Group governance introduced by ICT in 2019. Business stakeholder representatives oversee the project, including project management resourcing and objectives.	ICT to complete ISAF (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	L		Manager ICT	2020	Ensure this aligns with project management methodology	25-Feb-20	
Staff security awareness	Lack of training and process may result in staff behaviour which could have unintended impact on data or compromise systems resulting in poor business decisions, poor service delivery		3	3		M	Minimal current activity. Ad hoc notices to staff regarding current security issues. Upgraded desktop, email, server and web browsing security implemented by ICT in 2019/2020.	ICT to complete ISAF (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	L		Manager ICT	2020		25-Feb-20	
Infrastructure readiness for cloud based systems	Business performance may be impacted if staff do not have adequate internet connectivity to cloud-based systems resulting in poor service delivery		2	3		M	Cloud-based system requirements are minimal for most staff.	mtd-2020: Redundant and scalable internet bandwidth supply (and supporting security infrastructure including firewalls) being implemented to City wide area network. Staff mobility improvements being realised through Corporate wifi, remote access and growing mobile device fleet in 2019/2020.	Strong	Y	L		Manager ICT	01-Jun-20		25-Feb-20	
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Community Services																	
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			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 (S-M-W)	Risk Acceptance (Y/N)	Net Risk (after RMA)	Direction of further RM	Risk Owner	Timetable	Assurances available	Last updated
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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: 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

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

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



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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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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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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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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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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

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>

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<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. 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>

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<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>	TBC
<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>

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 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: 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>	30/04/2020
<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 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: 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>	30/6/2020
<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 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: No progress to date.</p>	30/6/2020

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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 its 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 DLGSC, with an update on the timing of the approved letter.</p>	<p>31/3/2020</p>