



TOWN OF  
VICTORIA PARK



## Audit and Risk Committee Agenda – 14 April 2025

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

Please be advised that an **Audit and Risk Committee** will be held at **5.30 PM** on **Monday 14 April 2025** in **Council Chambers**, Administration Centre at 99 Shepperton Road, Victoria Park.

**Mr Carl Askew – Chief Executive Officer**  
9 April 2025

## Table of contents

Item	Page no
1 Declaration of opening .....	3
2 Attendance.....	4
2.1 Apologies.....	4
2.2 Approved leave of absence.....	4
3 Declarations of interest.....	5
4 Confirmation of minutes.....	6
5 Presentations.....	6
6 Method of dealing with agenda business .....	6
7 Reports .....	7
7.1 Final Audit Report Leases and Licensing Management .....	7
7.2 Audit Update Report March 2025 .....	8
7.3 Corporate Business Plan Quarter 3 Progress Report Jan - Mar 2025.....	11
7.4 Review of Policy 004 Risk Management .....	14
8 Motion of which previous notice has been given .....	17
9 Meeting closed to the public .....	17
9.1 Matters for which the meeting may be closed .....	17
9.2 Public reading of resolutions which may be made public.....	17
10 Closure .....	17

# 1 Declaration of opening

## Acknowledgement of Country

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

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

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

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

*Ngany youngka baalapiny Noongar birdiya wer moort nidja boodja.*

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

## 2 Attendance

<b>Presiding Member</b>	Mayor Karen Vernon
<b>Banksia Ward</b>	Cr Claire Anderson
<b>Jarrah Ward</b>	Cr Daniel Minson Cr Jesse Hamer
<b>Chief Executive Officer</b>	Mr Carl Askew
<b>Chief Financial Officer</b>	Mr Duncan Olde
<b>Chief Operations Officer</b>	Ms Natalie Adams
<b>Manager Governance and Strategy</b>	Ms Bernadine Tucker
<b>Coordinator Governance and Strategy</b>	Mr Jordan McDermott
<b>Manager Technology and Digital Strategy</b>	Mr Ernie Prandl
<b>Manager Property Development and Leasing</b>	Mr Paul Denholm
<b>Meeting Secretary</b>	Ms Felicity Higham

### 2.1 Apologies

<b>Independent Committee Members</b>	Mr Jonathan Seth
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### 2.2 Approved leave of absence

### **3 Declarations of interest**

#### **3.1 Declarations of financial interest**

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

#### **3.2 Declarations of proximity interest**

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

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

#### **3.3 Declarations of interest affecting impartiality**

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

## 4 Confirmation of minutes

### Recommendation

That the Audit and Risk Committee confirms the minutes of the Audit and Risk Committee meeting held on 19 February 2025.

## 5 Presentations

## 6 Method of dealing with agenda business

### Recommendation

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

## 7 Reports

### 7.1 Final Audit Report Leases and Licensing Management

***This item is considered confidential in accordance with section 5.23(2)(f)(ii) of the Local Government Act 1995.***

<b>Location</b>	Town-wide
<b>Reporting officer</b>	Audit, Risk and Assurance Adviser
<b>Responsible officer</b>	Chief Financial Officer
<b>Voting requirement</b>	Simple majority
<b>Attachments</b>	1. CONFIDENTIAL REDACTED - Leases and Licenses Internal Audit Report - Final 8 April 2025 [7.1.1 - 21 pages]

### Summary

On the 8 April 2025 Australian Audit presented its final report on the Internal Leases and Licensing Management Audit.

### Recommendation

That the Audit and Risk Committee recommends that Council notes the final Leases and Licensing Management Audit Report as contained in attachment 7.1.1.

## 7.2 Audit Update Report March 2025

<b>Location</b>	Town-wide
<b>Reporting officer</b>	Audit, Risk and Assurance Adviser
<b>Responsible officer</b>	Chief Executive Officer
<b>Voting requirement</b>	Simple majority
<b>Attachments</b>	<ol style="list-style-type: none"><li>1. CONFIDENTIAL REDACTED - Audit actions Q3 2025 [7.2.1 - 6 pages]</li><li>2. CONFIDENTIAL REDACTED - Audit actions dashboard Q3 2025 [7.2.2 - 1 page]</li></ol>

### Summary

The Audit and Risk Committee recommends that Council receives the Audit Update Report for March 2025 as contained in Attachment 1.

#### Recommendation

The Audit and Risk Committee recommends that Council receives the Audit Update Report for March 2025 as contained in attachment 7.2.1.

### Background

1. The 2023-2026 Internal Audit Program was adopted by Council on 19 June 2023.
2. For 2024/2025, the following Audits are scheduled:
  - a) Emergency Management
  - b) Leases and Licensing Management
  - c) Assessment of Operational Risks
3. Leases and Licensing Management audit has been completed.
4. Emergency Management audit is currently underway.
5. The Assessment of Operational Risks is due to be completed by the end of the year.

### Discussion

6. The findings for the Leases and Licensing Management Audit include 5 low risk process improvements.
7. Last quarter there were 11 outstanding audit actions at 43% completion.
8. For Q3, there are 7 actions at 79% complete.

Audit Actions	Total Actions	No. of actions completed	No of actions overdue	No. of actions behind	No. of actions on track
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<b>Totals</b>	<b>7</b>	<b>0</b>	<b>5</b>	<b>1</b>	<b>1</b>
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9. All outstanding audit actions are being monitored.

## Relevant documents

Not applicable.

## Legal and policy compliance

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

[Local Government Regulations 1996](#)

## Financial implications

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

## Risk management consideration

Risk impact category	Risk event description	Risk rating	Risk appetite	Risk Mitigation
Financial	Not adopting an internal audit program means we can't test our financial controls and mitigate financial loss through administrative errors, fraud and corruption.	High	Low	TREAT risk by adopting an internal program with a focus area on high-risk financial processes and activities.
Environmental	Not applicable.		Medium	
Health and safety	Not applicable.		Low	
Data, Information Technology and Cyber	Not applicable.		Medium	
Assets	Not applicable.		Medium	
Compliance Breach	Not adopting an internal audit program means we cannot test our legislative	High	Low	TREAT risk by ensuring commitment to management actions to address findings.

	compliance and mitigate financial loss through administrative errors, fraud, and corruption.			
Reputation	A poorly designed Internal Audit Program will make the Town vulnerable to non-compliance, fraud and corruption risks which adversely impact on the Town's reputation.	Moderate	Low	TREAT risk by ensuring commitment to management actions to address findings.
Service delivery interruption	Not applicable.		Medium	

## Engagement

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

## Strategic alignment

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

## Further consideration

## 7.3 Corporate Business Plan Quarter 3 Progress Report Jan - Mar 2025

<b>Location</b>	Town-wide
<b>Reporting officer</b>	Audit, Risk and Assurance Advisor
<b>Responsible officer</b>	Chief Executive Officer
<b>Voting requirement</b>	Simple majority
<b>Attachments</b>	1. 01 Corporate Business Plan Q 3 2024-2025 report [7.3.1 - 47 pages]

### Summary

#### Recommendation

That the Audit and Risk Committee recommends that Council accepts the Corporate Business Plan Quarter 3 Progress reports for 1 January – 31 March 2025.

### Background

1. At the Ordinary Council Meeting held 17 September 2024, Council resolved to receive one consolidated quarterly progress report on the actions, projects and outcomes of the Towns plans and strategies.
2. The quarterly progress reports enable Council to assess performance against strategies and plans, identify risks and significant variations in project performance and budgeting, receive information needed to be able to make informed decisions and to take action to address any issues that arise.
3. Quarterly reporting also gives the Council a higher level of transparency and accountability relating to strategic actions, plans and projects.

### Discussion

4. An amended Corporate Business Plan 2023-2027 (CBP) was endorsed by Council on 16 July 2024.
5. For Q3, there were 79 goals with a 76% goal completion.

<b>Strategic outcome</b>	<b>Total Actions</b>	<b>No. of actions completed</b>	<b>No of actions overdue</b>	<b>No. of actions behind</b>	<b>No. of actions on track</b>
Social	26	3	0	0	23
Economic	5	0	0	2	3
Environment	26	3	0	9	14
Civic Leadership	22	1	0	0	21

<b>Totals</b>	<b>79</b>	<b>7</b>	<b>0</b>	<b>11</b>	<b>61</b>
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6. Attachment 1 contains a report on the Corporate Business Plan actions for Q3.

## Relevant documents

Not applicable.

## Legal and policy compliance

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

## Financial implications

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

## Risk management consideration

Risk impact category	Risk event description	Risk rating	Risk appetite	Risk Mitigation
Financial	Not Applicable		Low	
Environmental	Not Applicable		Medium	
Health and safety	Not Applicable		Low	
Data, Information Technology and Cyber	Not Applicable		Medium	
Assets	Not Applicable		Medium	
Compliance Breach	Not Applicable		Low	
Reputation	Negative public perception towards the Town in relation to transparency		Low	TREAT risk by ensuring accuracy of reporting and additional highlighting of any items of note within the report
Service delivery interruption	Not Applicable		Medium	

## Engagement

### Internal engagement

Governance and Strategy	Governance and Strategy coordinates the progress reports for Corporate Business Plan actions with input from all relevant service areas across the organisation.
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## Strategic alignment

Civic Leadership	
Community Priority	Intended public value outcome or impact
CL1 – Effectively managing resources and performance.	Council is provided with information on the progress of items contained within the CBP to effectively manage resources and organisational performance.
CL3 - Accountability and good governance.	The Council and community are provided with a higher level of transparency and accountability relating to strategic actions, plans and projects

## Further consideration

## 7.4 Review of Policy 004 Risk Management

<b>Location</b>	Town-wide
<b>Reporting officer</b>	Audit, Risk and Assurance Adviser
<b>Responsible officer</b>	Manager Governance and Strategy
<b>Voting requirement</b>	Simple Majority
<b>Attachments</b>	<ol style="list-style-type: none"><li>1. Policy 004 Risk- Management - Current version [<b>7.4.1</b> - 3 pages]</li><li>2. Policy 004 Risk Management - With proposed Marked Up changes [<b>7.4.2</b> - 4 pages]</li><li>3. Policy 004 Risk Management - Accepted changes version [<b>7.4.3</b> - 3 pages]</li></ol>

### Summary

Policy 004 – Risk Management was Adopted on 8 November 2016 and last Reviewed and Amended 13 December 2022.

The purpose of the risk management policy is to outline the mechanisms through which risks to the Town are identified and managed on an ongoing basis, ultimately helping to protect assets, stakeholders, and reputation. This report is being presented to Council to accept the minor changes made to the expansion of policy definitions to ensure clarity, consistency and a shared understanding among all stakeholders.

### Recommendation

That the Audit & Risk Committee recommends to Council that the changes to Policy 004 Risk Management as contained in attachment 7.4.3 be adopted.

### Background

1. Policy 004 – Risk Management was adopted on 8 November 2016 and last Reviewed and Amended 13 December 2022.
2. This policy has undergone further review.

### Discussion

3. After a review of this policy, the following amendments are recommended:
  - (a) The Objective Statement has been revised to provide more clarity about the purpose of the policy and aligning risk management efforts with broader organisational goals
  - (b) The Scope has been amended to be more specific.
  - (c) The definition of Risk in the Policy Definitions has been rephrased for clarity and includes a clearer link to organisational objectives.
  - (d) The Policy Statement – Commitment to Risk Management Framework has been amended to emphasise a proactive approach to managing risks.
  - (e) The Policy Statement - Goals of Risk Management Commitment has been amended to frame the goals with stronger protective language, aligning with an organisation-wide approach to risk.

- (f) The revised version highlights that risk management is a fundamental part of the Towns overall governance and management activities, emphasising its central role in decision-making.
- (g) Critical factors have been expanded with additional focus on continuous monitoring, escalation of risk events.

## Relevant documents

Policy 004 – Risk Management

## Legal and policy compliance

The policy definitions are based on the AS/NZS ISO 31000:2018 Risk Management Guidelines.

## Financial implications

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

## Risk management consideration

Risk impact category	Risk event description	Risk rating	Risk appetite	Risk Mitigation
Financial	Not applicable			
Environmental	Not applicable			
Health and safety	Not applicable			
Data, Information Technology and Cyber	Not applicable			
Assets	Not applicable			
Compliance Breach	Could lead to significant compliance breaches and a variety of consequences, both legal and operational	Low	Low	Establish a clear Policy review cycle
Reputation	Not applicable			
Service delivery interruption	Not applicable			

## Engagement

### Internal engagement

Stakeholder	Not applicable
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## Strategic alignment

Civic Leadership	
Community Priority	Intended public value outcome or impact
CL3 - Accountability and good governance.	Ensures that the risk management framework remains effective, relevant, and aligned with the Towns goals, the changing business environment, and any emerging risks.

## Further consideration



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

**9 Meeting closed to the public**

**9.1 Matters for which the meeting may be closed**

**9.2 Public reading of resolutions which may be made public**

**10 Closure**