

MINUTES.

Audit, Risk and Governance Committee Meeting

6 March 2018

Mayor, Councillors and External Committee Members

Here within are the Minutes of the Audit, Risk and Governance Committee meeting held Tuesday 6 March 2018 in the City of South Perth Council Chamber, Cnr Sandgate Street and South Terrace, South Perth.

As this Committee does not hold Delegated Powers or Duties in accordance with Section 5.23 of the Local Government Act the meeting was not open to the public.



GEOFF GLASS
CHIEF EXECUTIVE OFFICER

7 March 2018

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Audit, Risk and Governance Committee Meeting - Minutes

1. DECLARATION OF OPENING

The Chair opened the meeting at 5.32pm and welcomed everyone in attendance.

2. ATTENDANCE

Elected Members

Mayor Sue Doherty	Chair
Councillor Blake D'Souza	Manning Ward
Councillor Ken Manolas	Mill Point Ward

External Members

Ms Shona Zulsdorf
Mr Steve Vanstan

Officers

Mr Geoff Glass	Chief Executive Officer
Mr Colin Cameron	Director Financial and Information Services
Ms Vicki Lummer	Director Development and Community Services
Mr Mark Taylor	Director Infrastructure Services
Mr Phil McQue	Manager Governance and Marketing
Ms Pele Phillips	Manager Human Resources
Mr Patrick Quigley	Manager Community, Culture and Recreation
Mr Mike Fisher	1System Project Manager
Ms Gillean Sharp	Occupational Safety & Health Coordinator
Ms Sharron Kent	Governance Officer
Ms Christine Lovett	Corporate Support Officer

Guests / Presenters

Local Government Insurance Services (LGIS) – for Item 5.1

Mr Jonathan Seth	Chief Executive Officer
Mr Andrew Greig	Account Manager

Office of the Auditor General (OAG) – for Item 6.1

Mr Patrick Arulsingham	Senior Director
Mr Kevin Ng	Assistant Director

2.1 APOLOGIES

Councillor Cheryle Irons	Mill Point Ward
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2.2 APPROVED LEAVE OF ABSENCE

Nil

3. DECLARATIONS OF INTEREST

Ms Shona Zulsdorf declared an interest as follows:

"I undertake work as a consultant for Conway Highbury, a firm that the City of South Perth frequently engages to consultancy work. Please note that any work required to be undertaken by myself at Conway Highbury will not involve work for the City of South Perth. I also wish to declare that in my capacity as a member of the Audit, Risk and Governance Committee, all materials and information provided to me in my duties will remain confidential and not be used for any other purposes such as consultancy work at Conway Highbury."

4. CONFIRMATION OF MINUTES

4.1 AUDIT, RISK AND GOVERNANCE COMMITTEE MEETING HELD: 27 November 2017

4.2 LOCAL EMERGENCY MANAGEMENT COMMITTEE MEETING HELD: 6 FEBRUARY 2018

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Councillor Ken Manolas

Seconded: Mayor Sue Doherty

That the Minutes of the Audit, Risk and Governance Committee Meeting held 27 November 2017 and the Local Emergency Management Committee Meeting held 6 February 2018 be taken as read and confirmed as a true and correct record.

CARRIED (5/0)

5. BUSINESS ARISING FROM PREVIOUS MEETING

5.1 LOCAL GOVERNMENT INSURANCE SERVICES (LGIS) PRESENTATION

Representatives from Local Government Insurance Services (LGIS) presented to the Committee following a requested to do so at the Audit, Risk and Governance Committee held November 2017.

Topics covered included:

- The LGIS Scheme
- Scheme protection
- Risk management services

6. REPORTS

Mr Colin Cameron introduced representatives from the Office of the Auditor General (OAG) who presented to the Committee prior to discussion on the following Item.

6.1 2017/18 ANNUAL FINANCIAL STATEMENTS AUDIT (EXTERNAL)

Location:	Not Applicable
Ward:	Not Applicable
Applicant:	Council
File Ref:	D-18-13852
Meeting Date:	6 March 2018
Author(s):	Andre Brandis, Manager Finance
Reporting Officer(s):	Colin Cameron, Director Corporate Services
Strategic Direction:	Leadership: A visionary and influential local government
Council Strategy:	4.3 Good Governance

Summary

This report is to update the Audit, Risk and Governance Committee of the 2017/18 Annual Financial Statements Audit (External) to be undertaken by the Office of the Auditor General, as well as introduce the Auditors (External) to the Committee.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Mr Steve Vanstan
Seconded: Ms Shona Zulsdorf

That the Audit, Risk and Governance Committee recommends to Council that it note the attendance of the officers from the Office of the Auditor General.

CARRIED (5/0)

Background

The External Audit, also known as Financial Audits or Audit of the Annual Financial Statements are conducted separately from Internal Audit. Internal Audit (Paxton Group) focuses on improving systems and processes, from a risk based approach. External Audit are purely focused on providing an external assurance that the balances and notes included in the Annual Financial Statements are valid, materially (within a prescribed variance).

The City Audit (External) of the Annual financial Statements was previously undertaken by Marci Partners. The Local Government Amendment (Auditing) Act 2017 made legislative changes to the Local Government Act 1995 to provide for the auditing of local governments by the Auditor General. The Act allows the Auditor General to contract out some or all of the financial audits, but all audits will be the responsibility of the Auditor General.

The changes also allow the Auditor General to undertake performance audits that the economy, efficiency and effectiveness of any aspect of local government operations. These performance audits would be akin to the Internal Audit function

6.1 2017/18 Annual Financial Statements Audit (External)

undertaken by Paxton. The changes therefore make it possible that the Auditor General may undertake both External and Internal Audits.

At this stage the Office of the Auditor General (OAG) has indicated they will perform three External Audits for the 2017/18 Annual Financial Statements, one being the City of South Perth. This report has been prepared to advise the Committee of the work undertaken to date, as well as introduce the new External Auditors (OAG) to the Committee.

Comment

External Audit usually occurs in two steps, the first being an Interim Audit and then the final stage the Audit work to attest the balances and notes that comprise the Annual Financial Statements.

At the March 2018 Audit, Risk and Governance Committee Meeting, the City will introduce OAG officers to the Committee, provide an updated on the work completed so far, discuss the proposed approach and facilitate an open discussion with Committee members.

Attending the Committee Meeting will be:

- Mr Patrick Arulsingham, Senior Director OAG
- Mr Kevin Ng, Assistant Director OAG

Policy and Legislative Implications

- Local Government Act and Regulations.

Financial Implications

An estimate of the fee structure of the OAG has not yet been provided. Macri Partners 2016/17 Annual Financial Statements Audit fee was approximately \$35,000 (Ext GST).

Strategic Implications

This report is aligned to the City's [Strategic Community Plan 2017-2027](#).

Attachments

Nil.

6.2 2017 COMPLIANCE AUDIT RETURN

Location:	Not Applicable
Ward:	Not Applicable
Applicant:	City of South Perth
File Ref:	D-18-5918
Meeting Date:	6 March 2018
Author(s):	Phil McQue, Manager Governance and Marketing
Reporting Officer(s):	Geoff Glass, Chief Executive Officer
Strategic Direction:	Leadership: A visionary and influential local government
Council Strategy:	4.3 Good Governance

Summary

The Department of Local Government's 2017 Compliance Audit Return for the period 1 January 2017 to 31 December 2017 has been completed and is submitted to the Audit, Risk and Governance Committee for consideration.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Mayor Sue Doherty
Seconded: Councillor Ken Manolas

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

- a) adopt the 2017 Compliance Audit Return for the period 1 January 2017 to 31 December 2017 as detailed in **Attachment (a)**;
- b) authorise the Mayor and Chief Executive Officer to jointly certify the 2017 Compliance Audit Return; and
- c) submit the 2017 Compliance Audit Return to the Department of Local Government, in accordance with Regulation 15 of the *Local Government (Audit) Regulations 1996*.

ABSOLUTE MAJORITY REQUIRED

CARRIED (5/0)

Background

The *Local Government (Audit) Regulations 1996* require that local governments undertake an annual audit of statutory compliance, in the form of the Department of Local Government's Compliance Audit Return. The City has now completed the Department of Local Government's 2017 Compliance Audit Return, for the period 1 January 2017 to 31 December 2017.

Comment

The 2017 Compliance Audit Return focuses on high risk compliance areas including statutory requirements, tenders, disposal of property, elections, commercial enterprises, delegations, disclosure of interests, finance, employees and audits.

The 2017 Compliance Audit Return reveals an extremely high level of legislative and statutory compliance.

Consultation

Each section of the Compliance Audit Return has been reviewed and completed by the designated 'Responsible Person'.

Policy and Legislative Implications

The Compliance Audit Return 2017 has been completed in accordance with the *Local Government Act 1995* and *Local Government (Audit) Regulations 1996*. Regulations 14 and 15 of the *Local Government (Audit) Regulations 1996* state:

14. Compliance audits by local governments

(1) A local government is to carry out a compliance audit for the period 1 January to 31 December in each year.

(2) After carrying out a compliance audit the local government is to prepare a compliance audit return in a form approved by the Minister.

(3A) The local government's audit committee is to review the compliance audit return and is to report to the council the results of that review.

(3) After the audit committee has reported to the council under subregulation (3A), the compliance audit return is to be –

(a) presented to the council at a meeting of the council; and

(b) adopted by the council; and

(c) recorded in the minutes of the meeting at which it is adopted.

15. Compliance audit return, certified copy of etc. to be given to Executive Director

(1) After the compliance audit return has been presented to the council in accordance with regulation 14(3) a certified copy of the return together with –

(a) a copy of the relevant section of the minutes referred to in regulation 14(3)(c); and

(b) any additional information explaining or qualifying the compliance audit,

is to be submitted to the Executive Director by 31 March next following the period to which the return relates.

Financial Implications

Nil

Strategic Implications

This report is aligned to the City's [Strategic Community Plan 2017-2027](#).

Attachments

6.2 (a): 2017 Compliance Audit Return

6.3 PROPOSED CITY OF SOUTH PERTH STANDING ORDERS AMENDMENT LOCAL LAW 2018

Location:	City of South Perth
Ward:	Not Applicable
Applicant:	City of South Perth
File Ref:	D-18-6334
Meeting Date:	6 March 2018
Author(s):	Phil McQue, Manager Governance and Marketing
Reporting Officer(s):	Geoff Glass, Chief Executive Officer
Strategic Direction:	Leadership: A visionary and influential local government
Council Strategy:	4.3 Good Governance

Summary

This report recommends that the Council adopt a *Standing Orders Amendment Local Law 2018* that reflects the Council decision of 12 December 2017.

Officer Recommendation

Moved: Mayor Sue Doherty
Seconded: Councillor Ken Manolas

That the Audit, Risk and Governance Committee Recommends to Council that:

- in accordance with s3.12(3)(a)(b) of the *Local Government Act 1995*, gives state-wide and local public notice stating that:
 - a) it proposes to make a *City of South Perth Standing Orders Amendment Local Law*, (as amended) and a summary of its purpose and effect;
 - b) copies of the proposed local law may be inspected at the City offices
 - c) submissions about the proposed local law may be made to the City within a period of not less than six weeks after the statutory public notice is given;
- it provides a copy to the Minister for Local Government and Communities, in accordance with s3.12(4) of the *Local Government Act 1995*;
- it note that the results of the public submission will be presented to Council for consideration.

SIMPLE MAJORITY VOTE REQUIRED

Amended Motion AND COMMITTEE RECOMMENDATION

Moved: Mayor Sue Doherty
Seconded: Councillor Ken Manolas

That Clause 6.12A Deputations (1), (3) and (4)(a) of the proposed *City of South Perth Standing Orders Amendment Local Law* be amended to read as follows in red:

- (1) Subject to clause 6.12, unless otherwise determined by the ~~CEO~~ Presiding Member deputations are only permitted to be heard at agenda briefings
- (3) The ~~CEO in consultation with the Mayor~~ Presiding Member; may approve or deny a request to present to deputation

- (4)(a) if a request to present a deputation by the group of people is accepted by the ~~CEO~~ Presiding Member, only two of the members of the group may deliver the deputation

CARRIED (5/0)

The Amendment then became the substantive.

COMMITTEE RECOMMENDATION

Moved: Mr Steve Vanstan

Seconded: Mayor Sue Doherty

That the Audit, Risk and Governance Committee Recommends to Council that:

- in accordance with s3.12(3)(a)(b) of the *Local Government Act 1995*, gives state-wide and local public notice stating that:
 - a) it proposes to make a *City of South Perth Standing Orders Amendment Local Law*, and a summary of its purpose and effect;
 - b) copies of the proposed local law may be inspected at the City offices;
 - c) submissions about the proposed local law may be made to the City within a period of not less than six weeks after the statutory public notice is given;
- it provides a copy to the Minister for Local Government and Communities, in accordance with s3.12(4) of the *Local Government Act 1995*;
- it note that the results of the public submission will be presented to Council for consideration.

SIMPLE MAJORITY VOTE REQUIRED

CARRIED (5/0)

Background

At its meeting held on 12 December 2017, Council resolved to make a number of changes to its Standing Orders Local Law relating to:

- Deputations
- Amendments to a motion; and
- Disruptive or inappropriate behaviour at meetings

The background to the issues involved are contained in the minutes of the Council meeting of 12 December 2017, the minutes and recommendations from the Audit, Risk and Governance committee meeting of 27 November 2017.

Comment

Section 3.12 of the *Local Government Act 1995* sets out the process to make a local law. In particular s3.12(8) provides that the process to amend a local law is the same as making a new one. Once an 'amendment' local law has gone through the process, the 'principle' local law is changed.

The attachment to the Audit and Risk Committee meeting of 27 November 2017 showed proposed changes to the *City of South Perth Standing Orders Local Law 2007* but was not an Amendment Local Law and there is a risk that the proposed changes may be ruled invalid. There is also a slight change recommended to the definition of 'agenda briefings' from the original version.

As such, a *City of South Perth Standing Orders Amendment Local Law 2018* is attached (**Attachment (a)**). It reflects the individual changes proposed to the *City of South Perth Standing Orders Local Law 2007* as adopted by Council on 12 December 2017.

For the sake of completeness, the *City of South Perth Standing Orders Local Law 2007* with the changes as resolved by Council at its meeting held on 12 December 2017 shown 'marked' is also attached so that the proposed changes can be seen in context (**Attachment (b)**).

Consultation

The process to make a local law is set out in s3.12 of the *Local Government Act 1995*.

In this respect, section 3.12(3) of the *Local Government Act 1995* requires a local government to give State-wide and local public notice stating that it proposes to make a local law, the purpose and effect of which is summarised in the notice for a period of 6 weeks after it first appears.

A copy of the proposed local law must also be given to the Minister(s) administering the Act under which the local law is made; in this instance the Minister for Local Government and Communities.

Feedback from this consultation must be considered by Council before it resolves to make the local law.

Policy and Legislative Implications

The Act requires the person presiding at a Council meeting to give notice of the purpose and effect of the proposed local law by ensuring that the purpose and effect is included in the agenda for the meeting, and that the minutes of the meeting include the purpose and effect of the proposed local law.

The purpose and effect of the proposed *City of South Perth Standing Orders Amendment Local Law 2018* is:

Purpose

The purpose of the *City of South Perth Standing Orders Amendment Local Law* is to change provisions relating to deputations, clarify amended motions versus alternate motions, and add provisions relating to disruptive or inappropriate behavior at meetings.

Effect

The effect is that the *City of South Perth Standing Orders Local Law 2007* is amended.

Financial Implications

There are some administrative expenses involved in making the proposed Amendment Local Law.

Strategic Implications

This report is aligned to the City's [Strategic Community Plan 2017-2027](#).

Attachments

6.3 (a): City of South Perth Standing Orders Amendment Local Law 2018

6.3 (b): City of South Perth Standing Orders Local Law 2007

6.4 NOTIFIABLE DATA BREACHES (NDB) SCHEME

Location:	City of South Perth
Ward:	Not Applicable
Applicant:	City of South Perth
File Ref:	D-18-7030
Meeting Date:	6 March 2018
Author / Reporting Officer:	Colin Cameron, Director Corporate Services
Strategic Direction:	Leadership: A visionary and influential local government
Council Strategy:	4.3 Good Governance

Summary

This report outlines to the Council the Notifiable Data Breaches (NDB) scheme under Part IIIIC of the Privacy Act 1988 (Privacy Act) which establishes requirements for entities in responding to data breaches. As a 'relevant entity', the City of South Perth, as at 22 February 2018, has data breach notification obligations when a data breach is likely to result in serious harm to any individuals whose personal information is involved in the breach.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Ms Shona Zulsdorf
Seconded: Councillor Ken Manolas

That the Audit, Risk and Governance Committee recommends to Council that it note the obligations of the City of South Perth in relation to the introduction of the Notifiable Data Breaches (NDB) scheme under Part IIIIC of the *Privacy Act 1988* commencing 22 February 2018.

CARRIED (5/0)

Background

The Privacy Amendment (Notifiable Data Breaches) Act 2017 established the Notifiable Data Breaches (NDB) scheme in Australia. The scheme applies to all agencies with personal information security obligations under the Privacy Act. There is an obligation to notifying affected individuals and the Information Commissioner about a data breach which is likely to result in serious harm.

The NDB scheme commences on 22 February 2018 and is important as it strengthens the protections afforded to everyone's personal information and improves transparency in the way agencies and organisations respond to serious data breaches. The intention is to provide greater community confidence that personal information is being protected and respected, and encourages a higher standard of personal information security across Australian industries.

This report has been prepared to inform the Committee of the new requirement and advise the processes recommended by the Office of the Australian Information Commissioner.

Comment

NDB scheme applies to organisations with obligations under the *Privacy Act 1988*:

- Australian Government agencies
- All businesses and not-for-profit organisations with an annual turnover of \$3 million or more
- Some small business operators, including:
 - All private sector health service providers
 - Those that trade in personal information
 - TFN recipients (if annual turnover is below \$3 million, the NDB scheme will apply only in relation to TFN information)
- Those that hold personal information in relation to certain activities, for example: providing services to the Commonwealth under a contract.

An eligible data breach occurs when three criteria are met:

- There is unauthorised access to, or unauthorised disclosure of personal information, or a loss of personal information, that an entity holds;
- This is likely to result in serious harm to one or more individuals; and
- The entity has not been able to prevent the likely risk of serious harm with remedial action.

‘Serious harm’ can be psychological, emotional, physical, reputational, or other forms of harm. Understanding whether serious harm is likely or not requires an evaluation of the context of the data breach.

Breaches where personal information is lost, remedial action is adequate if it prevents the unauthorised access or disclosure of personal information.

The City is obligated to conduct an assessment if we suspect a data breach which may meet the threshold of ‘likely to result in serious harm’. There is a maximum of 30 days to conduct the assessment, that begins from when we become aware of a potential breach. It is not expected that every data breach will require an assessment that takes 30 days to complete before notification occurs, as we are required to notify as soon as practicable once we hold the belief an eligible data breach has occurred.

The Act states assessments must be ‘reasonable’ and ‘expeditious’ and it is up to entities to decide what process to follow when conducting an assessment. The City will follow the recommended three stages:

1. **Initiate**: decide whether an assessment is necessary and identify which person or group will be responsible for completing it
2. **Investigate**: quickly gather relevant information about the suspected breach, including, for example, what personal information is affected, who may have had access to the information and the likely impacts, and
3. **Evaluate**: make a decision, based on the investigation, about whether the identified breach is an eligible data breach.

The City is required to notify any individuals that are at likely risk of serious harm as a result of a data breach, as well as the Office of the Australian Information Commissioner (OAIC).

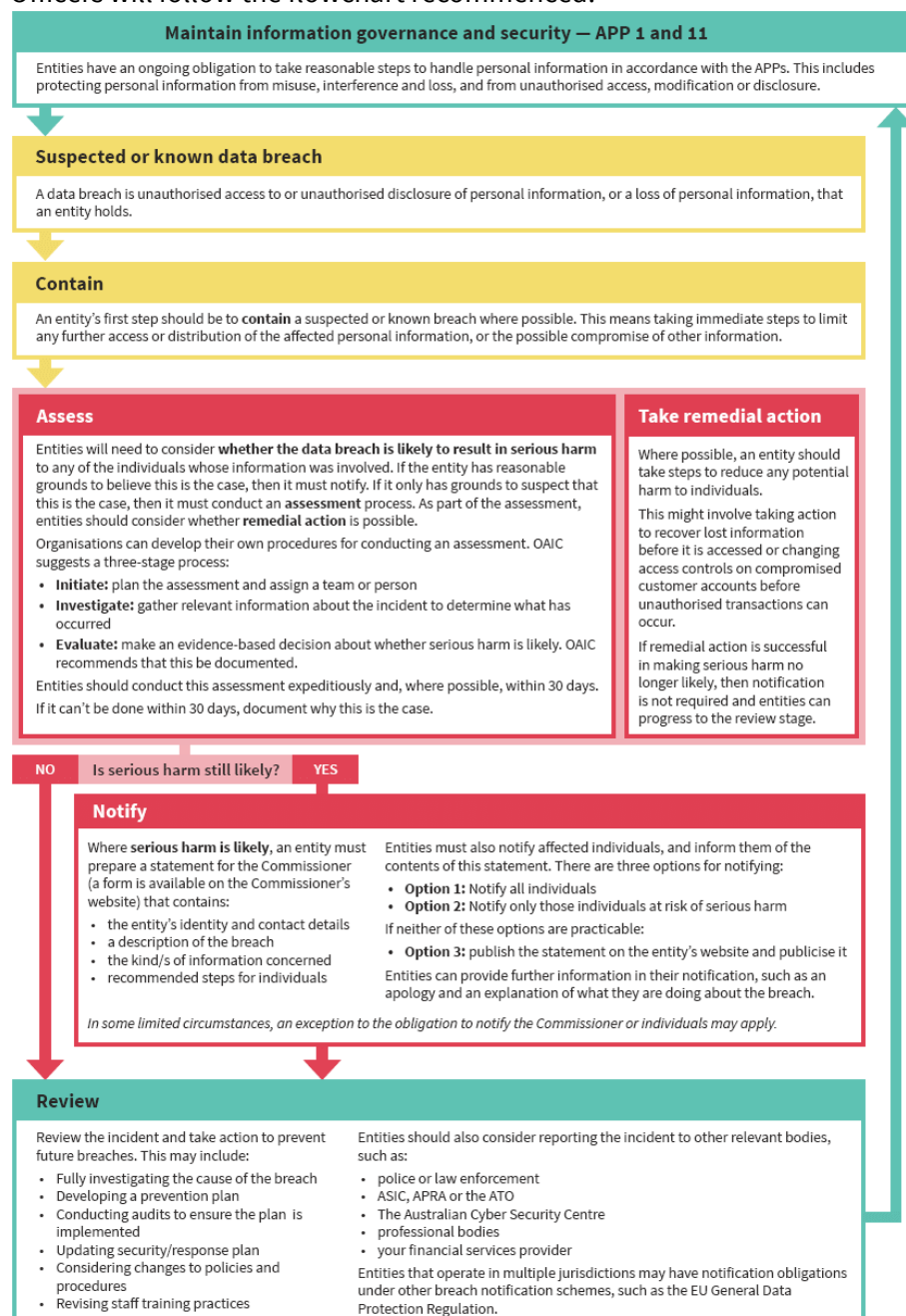
There is flexibility in the way to notify individuals, three options recommended are:

- Notify all individuals whose personal information is involved in the eligible data breach
- Notify only the individuals who are at likely risk of serious harm; or
- Publish your notification, and publicise it with the aim of bringing it to the attention of all individuals at likely risk of serious harm.

Notification to the OAIC must be in the form of a statement, which will include the following information:

- The identity and contact details of you agency/organisation
- A description of the eligible data breach
- The kind or kinds of information involved in the eligible data breach
- What steps your agency/organisation recommends that individuals take in response to the eligible data breach.

Officers will follow the flowchart recommended:



6.4 Notifiable DataBreaches (DDB) Scheme

Consultation

No external consultation has occurred other than reviewing the OAIC's Data breach notification – A guide to handling personal information security breaches and Guide to developing a data breach response plan at the OAIC website: www.oaic.gov.au/ndb.

Policy and Legislative Implications

Part III C of the Privacy Act 1998

Financial Implications

Nil

Strategic Implications

This report is aligned to the City's [Strategic Community Plan 2017-2027](#).

Attachments

Nil

6.5 CORPORATE BUSINESS PLAN - QUARTER TWO UPDATE

Location:	City of South Perth
Ward:	Not Applicable
Applicant:	City of South Perth
File Ref:	D-18-7976
Meeting Date:	6 March 2018
Author(s):	Phil McQue, Manager Governance and Marketing
Reporting Officer(s):	Geoff Glass, Chief Executive Officer
Strategic Direction:	Leadership: A visionary and influential local government
Council Strategy:	4.3 Good Governance

Summary

This report considers the Corporate Business Plan Second Quarter Update.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Ms Shona Zulsdorf

Seconded: Mr Steve Vanstan

That the Audit, Risk and Governance Committee recommends to the Council that it note the Corporate Business Plan Second Quarter Update.

CARRIED (5/0)

Background

The City is required to keep a 4 year Corporate Business Plan, which sets out the projects, initiatives and priorities, ensuring that the Council can deliver on the aspirations and objectives of the ten year Strategic Community Plan.

Comment

The Second Quarter Update for the period (**Attachment (a)**) for the period October 2017 to December 2017 is provided to the Audit, Risk and Governance Committee for information and noting.

Consultation

The Second Quarter Update is prepared in consultation with the City's Executive and Management Team.

Policy and Legislative Implications

19DA. Corporate business plans, requirements for (Act s. 5.56)

- (1) A local government is to ensure that a corporate business plan is made for its district in accordance with this regulation in respect of each financial year after the financial year ending 30 June 2013.*
- (2) A corporate business plan for a district is to cover the period specified in the plan, which is to be at least 4 financial years.*
- (3) A corporate business plan for a district is to —*
 - (a) set out, consistently with any relevant priorities set out in the strategic community plan for the district, a local government's priorities for dealing with the objectives and aspirations of the community in the district; and*
 - (b) govern a local government's internal business planning by expressing a local government's priorities by reference to operations that are within the capacity of the local government's resources; and*

6.5 Corporate Business Plan - Quarter Two Update

- (c) develop and integrate matters relating to resources, including asset management, workforce planning and long-term financial planning.*
- (4) A local government is to review the current corporate business plan for its district every year.*
- (5) A local government may modify a corporate business plan, including extending the period the plan is made in respect of and modifying the plan if required because of modification of the local government's strategic community plan*

Financial Implications

All projects and initiatives listed in the Corporate Business Plan Second Quarter Update are fully funded within the 2017/18 Annual Budget.

Strategic Implications

This report is aligned to the Council's [Strategic Community Plan 2017-2027](#).

Attachments

6.5 (a): Corporate Business Plan - Quarter Two Update

6.6 REVIEW OF POLICIES - STRATEGIC DIRECTION LEADERSHIP

Location:	City of South Perth
Ward:	Not Applicable
Applicant:	City of South Perth
File Ref:	D-18-9399
Meeting Date:	6 March 2018
Author(s):	Christine Lovett, Corporate Support Officer
Reporting Officer(s):	Phil McQue, Manager Governance and Marketing
Strategic Direction:	Leadership: A visionary and influential local government
Council Strategy:	4.3 Good Governance

Summary

The City has a statutory obligation under the *Local Government Act 1995* to review its Policies each financial year. The Terms of Reference of the Audit, Risk and Governance Committee include responsibility for reviewing the City's policies.

The annual review of the City's Policies held within 'Strategic Direction – Leadership' is now presented for the consideration of the Committee and referral to Council.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Ms Shona Zulsdorf

Seconded: Mayor Sue Doherty

That the Audit, Risk and Governance Committee, having reviewed the Council Policies listed hereunder, recommends to the Council that:

a) The following policies having been reviewed with 'no change' to content, be adopted:

- P648 Motor Vehicles
- P649 Mayoral Vehicle
- P662 Advertising on Banner Poles
- P665 Use of Council Facilities
- P668 Mayoral Portraits
- P670 Delegates from Council
- P671 Governance
- P672 Agenda Briefings, Concept Forums and Workshops
- P673 Audio Recording of Council Meetings
- P674 Management of Corporate Records
- P675 Legal Representation
- P677 State Administrative Tribunal
- P680 Electronic Agendas
- P687 Development of Council Owned Land
- P689 Applications for Development Approval: Applicants Responsibilities
- P692 Sustainability
- P693 Retiring Elected Member Gift
- P695 Risk Management
- P696 Related Party Transactions

b) The following policy having been reviewed and the content revised as per **Attachment (a)** be recommended to the Council for adoption:

P609 Management of City Property
P661 Complaints

c) The following policy as per **Attachment (b)** having been incorporated into policy P609 Management of City Property, be deleted.

P111 Commemoration

CARRIED (3/2)

Background

In line with contemporary organisational models, the policy framework aligns policies and delegations to the City's Strategic Directions.

During the review process, policies are considered by the custodian department having the relevant technical expertise in relation to the policy content and subsequently by the Executive Management Team (EMT) representing each of the City's Directorates.

The policy review centres on the continuing relevance of the policy and the need to update it in light of any change in the legislative or operating environment. The policy review may identify a need to revise the policy or it may determine that no change is needed. The nature of the change, whether minor or major, is noted in the Comment section below. Minor changes usually consist of minor typographical or grammatical corrections or revisions due to minor legislative amendments. Major change will consist of significant revision to the content of the policy due to changes in the operational environment or because of more substantial legislative change.

Comment

Recent Review

The policies listed hereunder have recently been reviewed and were presented to the December 2017 Ordinary Council Meeting:

P625 Equal Employment Opportunity
P629 Occupational Safety and Health
P667 Member Entitlements
P669 Elected Member Development

Under Review

The policies listed hereunder will be reviewed and presented to the Audit, Risk and Governance Committee in June 2018:

P601 Preparation of Long Term Financial Plan and Annual Budget
P602 Authority to make payments from the Municipal and Trust Funds
P603 Investment of Surplus Funds
P604 Use of Debt as a Funding Option
P605 Purchasing and Invoice Approval
P606 Continuous Financial Disclosure
P607 Tenders and Expressions of Interest
P608 Dividend Policy – Collier Park Golf Course
P610 Collier Park Village – Financial Arrangements
P612 Disposal of Surplus Funds

P613	Capitalisation & Valuation of Fixed Assets
P688	Asset Management
P694	Fraud Prevention

Minor Changes

The Policies listed below are considered to have only minor administrative changes and no change to content needed therefore they are not included as attachments.

P648	Motor Vehicles
P649	Mayoral Vehicle
P662	Advertising on Banner Poles
P665	Use of Council Facilities
P668	Mayoral Portraits
P670	Delegates from Council
P671	Governance
P672	Agenda Briefings, Concept Forums and Workshops
P673	Audio Recording of Council Meetings
P674	Management of Corporate Records
P675	Legal Representation
P677	State Administrative Tribunal
P680	Electronic Agendas
P687	Development of Council Owned Land
P689	Applications for Development Approval: Applicants Responsibilities
P692	Sustainability
P693	Retiring Elected Member Gift
P695	Risk Management
P696	Related Party Transactions

Major Changes

The Policies identified hereunder and at **Attachment (a)**, are considered to have major changes to content. The content changes have been highlighted in red. A small summary explaining the changes has been provided.

P609 Management of City Property

The provision for the Naming of City Facilities and Buildings and Commemoration Plaques has been incorporated into this policy as follows:

Naming of City Facilities and Buildings

Where appropriate, the Council may consider naming facilities and buildings, in honour of persons considered to have made an outstanding contribution to the South Perth community. It is proposed that Policy P609 Management of City Property be amended to provide for naming of such facilities.

Installation of Commemorative Plaques

The installation of commemorative plaques on an approved structure or tree (previously referred to in policy P111 Commemoration) is now incorporated in this policy.

P661 Complaints

The amendments to this policy provide comprehensive information in relation to what is or isn't a complaint, the process which should be followed by members of the public to lodge a complaint with the City and the City's obligations in relation to the management of complaints received.

Deletion

The policy identified hereunder and at **Attachment (b)** is recommended for deletion:

P111 Commemoration

Information provided in P111 has now been incorporated into policy P609 Management of City Property, therefore it is recommended that policy P111 Commemoration be deleted.

Consultation

Consultation has occurred with officers of each of the relevant City departments.

Policy and Legislative Implications

The reviewed policies are consistent with the *Local Government Act 1995* and other City documents.

Financial Implications

Nil

Strategic Implications

This report is aligned to the Council's [Strategic Community Plan 2017-2027](#).

Attachments

6.6 (a): Policies with Major Changes

6.6 (b): Policy for Deletion

6.7 REVIEW OF COUNCIL DELEGATIONS - STRATEGIC DIRECTION LEADERSHIP

Location:	City of South Perth
Ward:	Not Applicable
Applicant:	City of South Perth
File Ref:	D-18-11584
Meeting Date:	6 March 2018
Author(s):	Christine Lovett, Corporate Support Officer
Reporting Officer(s):	Phil McQue, Manager Governance and Marketing
Strategic Direction:	Leadership: A visionary and influential local government
Council Strategy:	4.3 Good Governance

Summary

The City has a statutory obligation under the *Local Government Act 1995* to review its Delegations each financial year. The Terms of Reference of the Audit, Risk and Governance Committee include responsibility for reviewing the City's delegations.

A review of the Council Delegations held within Strategic Direction – Leadership has been completed and is now presented for the consideration of the Committee and referral to Council for adoption.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Mr Steve Vanstan

Seconded: Ms Shona Zulsdorf

That the Audit, Risk and Governance Committee, having reviewed the City's Delegations held within Strategic Direction – Leadership; listed hereunder and contained at **Attachment (a)** be referred to Council for adoption:

DC609	Leases and Licences
DC642	Appointment of Acting CEO
DC664A	Dogs – Limitation as to numbers
DC664B	Dogs – Dangerous Dog Declaration
DC664C	Dogs – Registration
DC665A	Cats – Registration
DC665B	Cats – Approval to Breed Cats
DC665C	Cats – Recover Costs
DC678	Appointment of Authorised Officers
DC679	Administer the City's Local Laws
DC685	Inviting Tenders or Expressions of Interest
DC686	Granting Fee Concessions – Development Applications
DC690	Town Planning Scheme 6

CARRIED (5/0)

Background

Section 5.42 of the *Local Government Act 1995* (the Act) provides that a council may delegate to the Chief Executive Officer the exercise of any of its powers or the discharge of any of its duties under the Act, other than those referred to in section 5.43 of the Act.

The purpose of this review is to consider the operational effectiveness of the current delegation held within Strategic Direction - Leadership; whether they remain relevant and appropriate and whether legislative amendments or organisational changes necessitate any revisions to the text.

Delegations are reviewed to ensure consistency of format with other City Corporate documents such as Policies and those held within the City's Planning and Reporting Framework. In some instances amendments may be made to correctly describe statutory references or to take account of changes to the relevant legislation which describes the power or duty being delegated.

Comment

Under Review

The delegations listed hereunder will be reviewed and presented to the Audit, Risk and Governance Committee in June 2018.

- DC601 Preparation of Long Term Financial Plan, Annual Budget & Annual Financial Report
- DC602 Authority to Make Payments from the Municipal and Trust Funds
- DC603 Investment of Surplus Funds
- DC607 Acceptance of Tenders
- DC607B Non Acceptance of Tenders
- DC612 Disposal of Surplus Property
- DC616 Write off Debts

The Delegations listed hereunder have been reviewed with 'no change' to content:

- DC609 Leases and Licences
- DC642 Appointment of Acting CEO
- DC664A Dogs – Limitation as to numbers
- DC664B Dogs – Dangerous Dog Declaration
- DC664C Dogs – Registration
- DC665A Cats – Registration
- DC665B Cats – Approval to Breed Cats
- DC665C Cats – Recover Costs
- DC678 Appointment of Authorised Officers
- DC679 Administer the City's Local Laws
- DC686 Granting Fee Concessions – Development Applications

The Delegations listed hereunder have been reviewed and are considered to have major changes to content. The content changes have been highlighted in red. A small summary explaining the changes has been provided below:

DC685 Inviting Tenders or Expressions of Interest

This delegation has been amended to reflect current requirements of the *Local Government Act 1995* and *Local Government (Functions & General) Regulations 1996*.

6.7 Review of Council Delegations - Strategic Direction Leadership

DC690 Town Planning Scheme 6

This delegation has been amended to align with the requirements of the Planning & Development Regulations 2015 and reflect current Statutory references.

Consultation

Consultation has occurred with officers of each of the relevant City Departments.

Policy and Legislative Implications

Section 5.45(1) (b) of the Act requires that any decision by Council to make, amend or revoke a delegation is to be by an *absolute majority*.

Financial Implications

Nil

Strategic Implications

This report is aligned to the Council's [Strategic Community Plan 2017-2027](#).

Attachments

6.7 (a): Council Delegations Strategic Direction Leadership

6.8 COUNCILLOR MOTION: TICKETED FUNCTIONS ON RESERVES OR PARKS IN THE CITY OF SOUTH PERTH

Location:	City of South Perth
Ward:	All
Applicant:	Not Applicable
File Ref:	D-18-12619
Meeting Date:	6 March 2018
Author(s):	Patrick Quigley, Manager Community, Culture & Recreation
Reporting Officer(s):	Vicki Lummer, Director Development and Community Services
Strategic Direction:	Community: A diverse, connected, safe and engaged community
Council Strategy:	1.1 Culture & Community

Summary

This report is in response to a Motion submitted at the Audit, Risk and Governance Committee Meeting held on 27 November 2017, that all ticketed functions involving bands on reserves and parks in the City of South Perth is considered at the Committee's next meeting, in relation to procedures to be adopted in a Policy to ensure minimal impact to the community.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Ms Shona Zulsdorf

Seconded: Mayor Sue Doherty

That the Audit, Risk and Governance Committee recommends to Council that it adopt amended Policy 'P106 – Use of City Reserves and Facilities' with minor amendments shown as **Attachment (a)**.

CARRIED (3/2)

Background

On 27 November 2017, the Audit, Risk and Governance Committee resolved to recommend to Council that all ticketed functions involving bands on reserves and parks in the City of South Perth is considered at the Committee's next meeting, in relation to procedures to be adopted in a Policy to ensure minimal impact to the community. This recommendation was subsequently adopted at the Ordinary Council Meeting held on 12 December 2017.

Comment

There are both positive and negative impacts on the community resulting from use of the City's reserves and facilities.

The positive impacts may include:

- Activation of public spaces;
- Improved social connectedness;
- Promotes participation in physical activity and events, which provides health and wellbeing benefits.

The negative impacts may include:

- Damage to reserves or facilities;
- Anti-social behaviour;
- Conflicts between reserve/facility users and the surrounding community (e.g. excessive noise, parking issues).

The City has an existing policy that provides guidance on the use of its reserves and facilities, namely: Policy P106 – ‘Use of City Reserves and Facilities’.

The main usage of the City’s reserves and facilities is for sporting/recreation purposes and events. Policy P106 contains some existing guidelines that are intended to minimise impact on the wider community resulting from usage of the City’s reserves and facilities. However, a recent review of Policy 106 has highlighted some deficiencies regarding the event and risk management guidelines, which are proposed to be addressed through making amendments to Policy 106, shown as Attachment (a).

It is important to note that during the last twelve months, the City has only approved three ticketed events involving bands on its reserves. This represents a small proportion of overall usage. Although the Motion specifically mentions ‘ticketed functions involving bands on reserves and parks in the City of South Perth’, the proposed amendments to Policy 106 will enhance management of all usage of the City’s reserves and facilities.

The City’s Management Practice M106 – ‘Use of City Reserves and Facilities’ has also been reviewed. Events are classified into six main categories according to their respective characteristics. The scale and scope of an event determines the associated event requirements, such as:

- Site Plan
- Risk Management Plan
- Noise Management Plan
- Public Liability Insurance Coverage
- Liquor Consumption Permit
- Liquor Licence
- Resident Notification Letter
- Parking and Traffic Plan
- Crowd Control Plan
- First Aid Plan
- Food and Beverage Plan
- Amenities/Toilets Plan
- Waste Management Plan

Ticketed band events will continue to be determined by the City’s Executive Management Team and managed in accordance with the reviewed Management Practice 106 and revised Policy 106.

Consultation

The City has undertaken internal and external consultation in the development of this report. The internal consultation has involved the following City departments: Community, Culture and Recreation; Governance and Administration; Health Services; and Ranger Services. External consultation has occurred with the Event

Industry Association; Department of Health; and Department of Biodiversity, Conservation and Attractions (Parks and Wildlife Services).

The consultation process identified a number of enhancements involving use of the City's reserves and facilities, specifically in relation to event and risk management practices (noise management, traffic management and compliance to environmental health requirements). These enhancements have been incorporated into the amended Policy 106, shown as Attachment (a).

Policy and Legislative Implications

The following policies and legislation are relevant to this report:

- Local Government Property Local Law 2011
- Environmental Protection (Noise) Regulations 1997
- Swan and Canning Rivers Management Regulations 2007
- Liquor Control Act 1988
- Policy P106 – Use of City Reserves and Facilities

Financial Implications

Nil

Strategic Implications

This report is aligned to the Council's [Strategic Community Plan 2017-2027](#).

Attachments

6.8 (a): Amended Policy P106 - Use of City Reserves and Facilities

7. CONFIDENTIAL REPORTS

7.1 INFORMATION SYSTEMS STRATEGY - IMPLEMENTATION (1SYSTEM)

*This item is considered **confidential** in accordance with the Local Government Act 1995 section 5.23(2) (c) as it contains information relating to "a contract entered into, or which may be entered into, by the local government and which relates to a matter to be discussed at the meeting"*

Location:	Not Applicable
Ward:	Not Applicable
Applicant:	Not Applicable
File Ref:	D-18-2521
Meeting Date:	6 March 2018
Author(s):	Jeff Jones, Manager Information Systems
Reporting Officer(s):	Colin Cameron, Director Corporate Services
Strategic Direction:	Governance, Advocacy and Corporate Management -- Ensure that the City has the organisational capacity, advocacy and governance framework and systems to deliver the priorities identified in the Strategic Community Plan
Council Strategy:	6.1 Develop and implement innovative management and governance systems to improve culture, capability, capacity and performance.

Summary

This report is prepared for the Committee to consider the risk of implementing the Information Systems (IS) Strategy, with recommendations to Council for a decision that will impact on IS beyond the next ten years. The City requires the right people and assets to provide services to our Community. Information Systems are central to all service delivery, particularly in the digital age. Our current systems are not seamlessly integrated, require significant amount of paper and rework, are costly to maintain and are not fit for purpose.

Council adopted a change in IS Strategy from Best of Breeds (BoB) to an Integrated System, also known as an Enterprise Resource Planning system (ERP) in September 2017. The decision included the requirement to undertake due diligence (Business Plan, Change Management Plan and draft Contract with TechOne) and present this information for a decision.

This report contains the due diligence and should be read in-conjunction with September 2017 Council Report (**Attachment (a)**) that provides the background and the rationale for an Information Systems change. The two options available to Council are either to proceed to implement an ERP, or not to.

If Council wish to proceed with an ERP, then there are two hardware options. Either the hardware is purchased and maintained on premise, the current approach, or hosted in the Cloud, at Amazon Web Services Data Centre.

Given the amount of detail provided within this report and the attachments, a presentation summarizing the issues will be provided at the meeting to assist the Committee to consider issues and formulate a recommendation to Council.

Staff recommend the Committee/Council authorize the CEO to finalise the

contract and commence ERP implementation (1System) of TechOne, OneCouncil in the Cloud.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Mayor Sue Doherty

Seconded: Mr Steve Vanstan

That the Audit, Risk and Governance Committee recommends to Council that it endorse the Officer Recommendation contained in the **confidential** report.

CARRIED (3/2)

8. OTHER BUSINESS

A query was raised as to whether the Financial Reviews / Budget Process would be considered at the Audit, Risk and Governance Committee (ARAGC).

Standard practice is that the matter is considered by full Council, not through the Committee. Further discussions are planned between the Mayor, the Director Corporate Services, and the Chief Executive Officer as to an appropriate way forward.

The outcome of discussions will be brought back to the next ARAGC.

9. CLOSURE

The Chair thanked everyone for their attendance and closed the meeting at 8.07pm.

RECORD OF VOTING

4. Confirmation of Minutes

For: Mayor Sue Doherty; Councillor Ken Manolas; Councillor Blake D'Souza; Ms Shona Zulsdorf; Mr Steve Vanstan

6.1 2017/18 Annual Financial Statements Audit (External)

For: Mayor Sue Doherty; Councillor Ken Manolas; Councillor Blake D'Souza; Ms Shona Zulsdorf; Mr Steve Vanstan

6.2 2017 Compliance Audit Return

For: Mayor Sue Doherty; Councillor Ken Manolas; Councillor Blake D'Souza; Ms Shona Zulsdorf; Mr Steve Vanstan

6.3 Amended Motion: Proposed City of South Perth Standing Orders Amendment Local Law 2018

For: Mayor Sue Doherty; Councillor Ken Manolas; Councillor Blake D'Souza; Ms Shona Zulsdorf; Mr Steve Vanstan

6.3 Proposed City of South Perth Standing Orders Amendment Local Law 2018

For: Mayor Sue Doherty; Councillor Ken Manolas; Councillor Blake D'Souza; Ms Shona Zulsdorf; Mr Steve Vanstan

6.4 Notifiable Databreaches (NDB) Scheme

For: Mayor Sue Doherty; Councillor Ken Manolas; Councillor Blake D'Souza; Ms Shona Zulsdorf; Mr Steve Vanstan

6.5 Corporate Business Plan – Quarter Two Update

For: Mayor Sue Doherty; Councillor Ken Manolas; Councillor Blake D'Souza; Ms Shona Zulsdorf; Mr Steve Vanstan

6.6 Review of Policies – Strategic Direction Leadership

For: Mayor Sue Doherty; Ms Shona Zulsdorf; Mr Steve Vanstan

Against: Councillor Ken Manolas; Councillor Blake D'Souza

6.7 Review of Council Delegations – Strategic Direction Leadership

For: Mayor Sue Doherty; Councillor Ken Manolas; Councillor Blake D'Souza; Ms Shona Zulsdorf; Mr Steve Vanstan

6.8 Councillor Motion: Ticketed Functions on Reserves or Parks in the City of South Perth

For: Mayor Sue Doherty; Ms Shona Zulsdorf; Mr Steve Vanstan

Against: Councillor Ken Manolas; Councillor Blake D'Souza

7.1 Confidential Item: Information Systems Strategy Implementation (1System)

For: Mayor Sue Doherty; Councillor Ken Manolas; Mr Steve Vanstan

Against: Ms Shona Zulsdorf; Councillor Blake D'Souza

These Minutes were confirmed at the Ordinary Council Meeting held 27 March 2018

Signed: _____

Presiding Member at the meeting at which the Minutes were confirmed