

MINUTES

Audit, Risk and Governance Committee Meeting

10 June 2025

Committee Members

Here within are the Minutes of the Audit, Risk and Governance Committee Meeting held Tuesday 10 June 2025 in the City of South Perth Council Chamber, corner 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 1995 the meeting was not open to the public.



GARRY ADAMS
ACTING CHIEF EXECUTIVE OFFICER

13 June 2025

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Audit, Risk and Governance Committee Meeting – Minutes

Councillor Glenn Cridland arrived at 6.03pm during consideration of Item 1.

1. DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

The Chair declared the meeting open at 6.00pm and welcomed everyone in attendance.

The Chair welcomed Acting Senior Director – Financial Audit, Ms Carly Meagher and Audit Manager, Mr Spencer Masenda from the Office of the Auditor General who presented and answered questions from Committee Members relating to the proposed Annual Financial Report Audit – Planning Summary.

2. ATTENDANCE

Elected Members

Mayor (Chair)
Como Ward
Manning Ward

Greg Milner
Councillor Glenn Cridland (Arrived at 6.03pm)
Councillor André Brender-A-Brandis

External Members

Mr Warwick Gately
Ms Shona Zulsdorf

Officers

A/Chief Executive Officer
A/Director Corporate Services
Director Infrastructure Services
Manager Finance
Manager Governance
Governance Coordinator
Governance Officer

Mr Garry Adams
Ms Danielle Cattalini
Ms Anita Amprimo
Mr Abrie Lacock
Ms Toni Fry
Ms Christine Lovett
Ms Jane Robinson

Guests

Office of the Auditor General
Office of the Auditor General

Ms Carly Meagher (Retired at 6.10pm)
Mr Spencer Masenda (Retired at 6.10pm)

2.1 APOLOGIES

- Councillor Bronwyn Waugh

2.2 APPROVED LEAVE OF ABSENCE

- Councillor Jennifer Nevard for the period 29 May 2025 to 15 June 2025, inclusive.

3. DECLARATIONS OF INTEREST

Nil.

4. CONFIRMATION OF MINUTES

4.1 AUDIT, RISK AND GOVERNANCE COMMITTEE MEETING HELD: 11 March 2025

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Ms Shona Zulsdorf

Seconded: Councillor André Brender-A-Brandis

That the Minutes of the Audit, Risk and Governance Committee Meeting held 11 March 2025 be taken as read and confirmed as a true and correct record.

CARRIED (5/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis and Glenn Cridland, Mr Warwick Gately and Ms Shona Zulsdorf.

Against: Nil.

5. PRESENTATIONS

Nil.

6. BUSINESS ARISING FROM PREVIOUS MEETING

Nil.

7. REPORTS

7.1 QUARTERLY ACTIVITY REPORT

File Ref: D-25-11146

Author(s): Toni Fry, Manager Governance

Reporting Officer(s): Danielle Cattalini, A/ Director Corporate Services

Summary

This report outlines recent activities undertaken by the City of South Perth relating to Risk Management, Business Continuity and Workplace Health and Safety and an overview of the activities planned.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Ms Shona Zulsdorf

Seconded: Mr Warwick Gately

That the Audit, Risk and Governance Committee:

1. Notes the details of the Quarterly Activity Report as contained in the body of the report;
2. Notes the two Corporate Operational Risks being escalated as contained within the report; and
3. Notes the Strategic Risk Register as contained in **Confidential Attachment (a)**.

CARRIED (5/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis and Glenn Cridland, Mr Warwick Gately and Ms Shona Zulsdorf.

Against: Nil.

Background

The Council is responsible for the strategic direction of the City. The City's Audit, Risk and Governance Committee (ARGC) is a Committee of Council in accordance with the *Local Government Act 1995* (the Act) and is responsible for providing guidance, assistance, and oversight to the Council, in relation to matters which include the City's compliance with Regulation 17 of the Local Government (Audit) Regulations 1996 (the audit regulations).

The responsibility of the Chief Executive Officer (CEO) in relation to Regulation 17 of the audit regulations includes reviewing the appropriateness and effectiveness of the City's systems and procedures in relation to:

- a) risk management;
- b) internal control; and
- c) legislative compliance.

This activity report will provide an update on the City's Risk Management, Business Continuity and Workplace Health and Safety activities undertaken for the previous quarter and identifies proposed activities for the upcoming quarter.

Information contained in this report will assist the ARGC in fulfilling their responsibilities as they relate to Regulation 17 of the audit regulations.

Comment

1) Strategic Risk Register

The Strategic Risk Register (register) has been developed in consultation with the City's Elected Members and external members of the ARGC. The register was last endorsed by the ARGC at its meeting held 11 March 2025.

The register, as contained in **Confidential Attachment (a)**, has been reviewed by the Internal Risk Management Committee and Executive Management Team with no changes to risk assessments being required. Minor amendments to text within the document has been changed and is shown in red text.

2) Operational Risk Register

In accordance with the requirements of the Risk Management Framework 2024 all Corporate Operational risks with a residual risk rating of High or Extreme are presented to the ARGC for review and noting. The Internal Risk Management Committee met on 7 May 2025 at which time the Operational Risk Register was reviewed and subsequently presented to the Executive Management Team on 19 May 2025 for endorsement.

The two risks detailed below have been identified as having a high-risk rating:

i. Corp Risk 1.2 Physical security of City Officers and Assets

Outcome: Health/Injury

Due to hostile incidents which have occurred at City facilities, the residual likelihood of this risk event occurring remains as possible, with the risk rating remaining as high, with effective controls in place.

Controls

Established corporate policies, management practices, procedures and strategies including:

- Communications on 'increased alert level' provided via email.
- External provider engaged for building security.
- Audio communication on CCTV at Waste Kiosk (completed) and thermographic camera to be installed at Recycling Centre 'battery storage area.'
- Additional security cameras installed at Animal Care Facility, Recycling Centre, George Burnett Leisure Centre, and Civic Centre Customer Service. Additional CCTV has been installed within the Animal Care Facility in areas previously not covered.
- Swipe card access to staff administration areas.
- Personal duress alarm for Animal Care Facility Officers working alone.

- Training and awareness sessions provided.
- Additional exit door installed in Development Services meeting room.
- Operations and Recycling Centre – main entry gates closed to the public outside business hours.
- Physical review of security at the Animal Care Facility, Rangers Office and Operations Centre reception area completed in 2024.
- Civic and Administration reception desk – glass barrier installed.
- Cashless operations at the Civic Centre.
- Security gate and fencing installed at the Civic Centre staff carpark.
- Security screens on all windows at Animal Care Facility and Rangers Office.
- Annual review of all policies and management practices which address security access.
- Review of the National Terrorism Threat Level when new information or events come to pass.

Further actions/comments

- Further rollout/renew/upgrade of CCTV at all City buildings.
- Works currently being conducted at the recycling centre.

ii. **Corp Risk 5.0 Dependency on contractors to deliver key project/services**

Outcome: Service Interruption

This risk was initially identified as a high-risk rating in November 2022 due to the availability of contractors to conduct works required by the City. In November 2024, this risk was reassessed and the risk rating was reduced to moderate as at that time the City was not experiencing the same level of difficulty in the availability of contractors.

On review by the Internal Risk Management Committee at the 4 February 2025 meeting, it was considered that the availability of contractors, was again posing difficulties and the level of this risk has been increased to a high-risk rating. Following review on 7 May 2025, the residual risk rating remains at high.

Outcome: Service Interruption

Due to the current labour market the residual likelihood of this event occurring has been increased from unlikely to possible, with the risk rating increasing to high, with effective controls in place.

Controls

- Robust supplier selection.
- Use of WALGA preferred suppliers.

- Procurement Management provided by the Finance Services Business Unit.
- Relationship management.
- Establishment on contractor panels.

Further actions/comments

- Review public liability insurance levels (required by contractors).
- Establishment of panel of contractors.

While the residual rating of this risk is high, it is considered that all available mitigation strategies are in place to reduce the outcome of this risk impacting the City's community. Where necessary, key communication methods are used to inform our community of any delays/interruption to the expected delivery of a project or service.

3) Business Continuity

A Business Continuity Management Framework (BCMF) has been developed and was presented and noted at the 12 September 2023 ARGC Meeting. An implementation plan has been developed which was endorsed by the Executive Management Team on 28 January 2025. A presentation was delivered to the Management Team on 17 February 2025 with all Business Unit Managers requested to develop a new Business Continuity Plan for their business units, aligned to the Business Continuity Framework.

Business Unit Managers are progressing the development of their Business Unit specific Business Continuity Plans. The City is on track for all Business Unit plans to be completed by 30 June 2025, following which the whole of organisation plan will be developed. The Governance Business Unit is providing support to all Business Unit Managers in the development of the Business Continuity Plans.

4) ISO 45001 Work Health and Safety

During the last quarter, the following key Work Health and Safety (WHS) activities and initiatives were undertaken/achieved:

- Two minor non-conformances identified during the ISO 45001 accreditation audit conducted in December 2024 have been addressed and are now closed (the SAI logo was removed from the website and the hazard register was updated with maintenance protocols for GBLC sports activities and equipment).
- The 2024/25 WHS Annual Targets and Objective actions are in progress and tracking in accordance with the schedule.
- A new Workplace Breathalysing process has been developed and is currently under consultation with the WHS Committee for feedback before being rolled out to the organisation.
- Several training sessions have been delivered, including:
 - WHS Representative Training.
 - Contractor Management Training.
 - WHS Training for City Supervisors, Coordinators and Team Leaders.

- Five City employees have been trained as Menopause Friendly Champions to support our workforce in these life changes.
- A temporary WHS Advisor commenced in May to support safety processes and projects in the Infrastructure Services Directorate.
- Employees provided feedback in the annual Health and Wellbeing Survey. The WHS Program for 2025/26 will be created based on the feedback received.

5) Planned Activities

The following activities are planned (subject to the availability of organisational officers) for the remainder of the 2024/25 financial year:

System/Procedure	Activity	Expected Outcome
Risk Management	Operational risks to be reviewed on a quarterly basis.	The City's Corporate Operational Risk register to be as current as reasonably practicable.
Risk Management	Development of further fraud and corruption training.	Increased knowledge within the City's business units in order to further protect resources and information and safeguard the integrity and reputation of the City.
Business Continuity	Rollout of updated business continuity plans in accordance with the requirements of the Business Continuity Management Framework.	The City's Business Continuity Plans to be as current as reasonably practicable.
Risk Management	Management Practice M695 Risk Management.	Sound risk management practices and procedures to be further integrated into the City's strategic and operational planning process and day to day business practices.
Risk Management	Provide training program for identified officers.	Provide support and guidance to officers ensuring they have familiarity with the City's risk management practices.
Workplace Health and Safety	Continue to implement the annual Targets & Objectives.	Targets are on track to be achieved for 2024/25.

Consultation

Nil.

Policy and Legislative Implications

- Reg 17 (1) (a) (b) and (c) of the Local Government (Audit) Regulations 1996
 - 17. CEO to review certain systems and procedures
 - (1) The CEO is to review the appropriateness and effectiveness of a local government's systems and procedures in relation to –
 - (a) risk management;
 - (b) internal control; and
 - (c) Legislative compliance.
- *Work Health and Safety Act 2020*

Financial Implications

Nil.

Key Risks and Considerations

Risk Event Outcome	Legislative Breach Refers to failure to comply with statutory obligations in the manner in which the City, its officers and Elected Members conduct its business and make its decisions and determinations. This embraces the full gamut of legal, ethical and social obligations and responsibilities across all service areas and decision making bodies within the collective organisation.
Risk rating	Low
Mitigation and actions	Continuous review and improvement in relation to all Risk Management, Business Continuity and Workplace Health and Safety activities.

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2021-2031](#):

Strategic Direction:	Leadership
Aspiration:	A local government that is receptive and proactive in meeting the needs of our community
Outcome:	4.3 Good governance
Strategy:	4.3.4 Maintain a culture of continuous improvement

Attachments

7.1 (a): Strategic Risk Register (*Confidential*)

7.2 AUDIT REGISTER PROGRESS REPORT - 3RD QUARTER UPDATE

File Ref: D-25-11138

Author(s): Toni Fry, Manager Governance

Reporting Officer(s): Danielle Cattalini, A/ Director Corporate Services

Summary

This report provides an update on the progress of actions included in the Audit Register. The Audit Register includes all open audit findings that have previously been accepted by the Audit, Risk and Governance Committee and Council.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Ms Shona Zulsdorf

Seconded: Mr Warwick Gately

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

1. Notes the progress recorded against each item within the Audit Register in **Confidential Attachment (a)**; and
2. Approves the findings marked as Complete (100%) in the Audit Register, to be registered as closed and no longer reported to the Committee.

CARRIED (5/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis and Glenn Cridland, Mr Warwick Gately and Ms Shona Zulsdorf.

Against: Nil.

Background

The confidential Audit Register as contained in **Confidential Attachment (a)** lists internal and external audit findings and describes the progress of implementing improvements and the percentage completion. This report is prepared for noting the progress and completion of findings since the last meeting.

Comment

The Audit Register contained in **Confidential Attachment (a)** presents audit outcomes by 'Finding' numbers. Any given Finding may have more than one 'Recommendation' and associated 'Agreed Management Action.'

Only when all Agreed Management Actions related to a Finding are marked as 100% complete, will the report be presented to the Audit, Risk and Governance Committee (ARGC), with a recommendation that the Finding be closed.

The Audit Register has been formatted to ensure clarity as detailed below:

1. Where a Finding has more than one Agreed Management Action, it is represented with double lines around that entire Finding.
2. Updates in relation to each Finding are displayed in chronological order i.e. latest update appears at the bottom of each Finding.
3. Each Finding that is to be closed (i.e. 100% complete for all Agreed Management Actions) is represented by a purple 'Closed Tally' column on the right and numbered.
4. All Findings that are being recommended for closure by the ARGC are filtered to the end of the register.

The ARGC is requested to recommend that Council note the progress and officer comments. In addition, it is recommended all Findings marked as complete (100%) in the Audit Register be registered as closed. All closed items will not form part of the Audit Register report for future meetings.

It is requested that the ARGC notes the Audit Register in **Confidential Attachment (a)**.

Consultation

Nil.

Policy and Legislative Implications

The Internal Audit function is considered a business improvement process that will assist in compliance with Regulation 5 of the Local Government (Financial Management) Regulation 1996 (CEO's duties as to financial management) and Regulation 17 of the Local Government (Audit) Regulations 1996 (CEO to review certain systems and procedures).

Financial Implications

The Internal Audit function has a budget of \$60,000 for the 2024/25 financial year, and it is anticipated that a budget of a similar amount is to be adopted for future years. Officers' effort to undertake the improvements and report on progress has not been estimated.

Key Risks and Considerations

Risk Event Outcome	Legislative Breach Refers to failure to comply with statutory obligations in the manner in which the City, its officers and Elected Members conduct its business and make its decisions and determinations. This embraces the full gamut of legal, ethical and social obligations and responsibilities across all service areas and decision making bodies within the collective organisation
Risk rating	Medium
Mitigation and actions	Quarterly reporting of progress on the Audit Register to the ARGC and Council. In the report, Officer comments on actions taken and progressive completion of Actions are noted. Actions which are 100% complete are closed out and reported to the ARGC. There is no future reporting on closed out actions.

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2021-2031](#):

Strategic Direction:	Leadership
Aspiration:	A local government that is receptive and proactive in meeting the needs of our community
Outcome:	4.3 Good governance
Strategy:	4.3.1 Foster effective governance with honesty and integrity and quality decision making to deliver community priorities

Attachments

7.2 (a): Audit Register (*Confidential*)

7.3 2024/25 CORPORATE BUSINESS PLAN - 3RD QUARTER UPDATE

File Ref: D-25-13410

Author(s): Pele McDonald, Manager People and Performance

Reporting Officer(s): Danielle Cattalini, A/ Director Corporate Services

Summary

This report provides an update on the progress of the Corporate Projects and Measures of Success identified in the Corporate Business Plan 2024/25-2027/28.

It is recommended that the Audit, Risk and Governance Committee notes the progress recorded against each Corporate Project/Activity contained within the 2024/25 Corporate Business Plan Quarter 3 Report and notes the results for all Measures of Success (key performance indicators) contained within the Corporate Business Plan Measures of Success Report.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Ms Shona Zulsdorf

Seconded: Mr Warwick Gately

That the Audit, Risk and Governance Committee:

1. Notes the progress recorded against each project/activity within the Corporate Business Plan as described in the report contained within **Attachment (a)**; and
2. Notes the results recorded against each Measure of Success within the Corporate Business Plan as described in the Key Performance Indicator report contained within **Attachment (b)**.

CARRIED (5/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis and Glenn Cridland, Mr Warwick Gately and Ms Shona Zulsdorf.

Against: Nil.

Background

The Strategic Community Plan (SCP) 2021-2031 was endorsed by Council at its meeting held 14 December 2021. A minor review of the SCP was completed and endorsed by Council at its meeting held 23 April 2024.

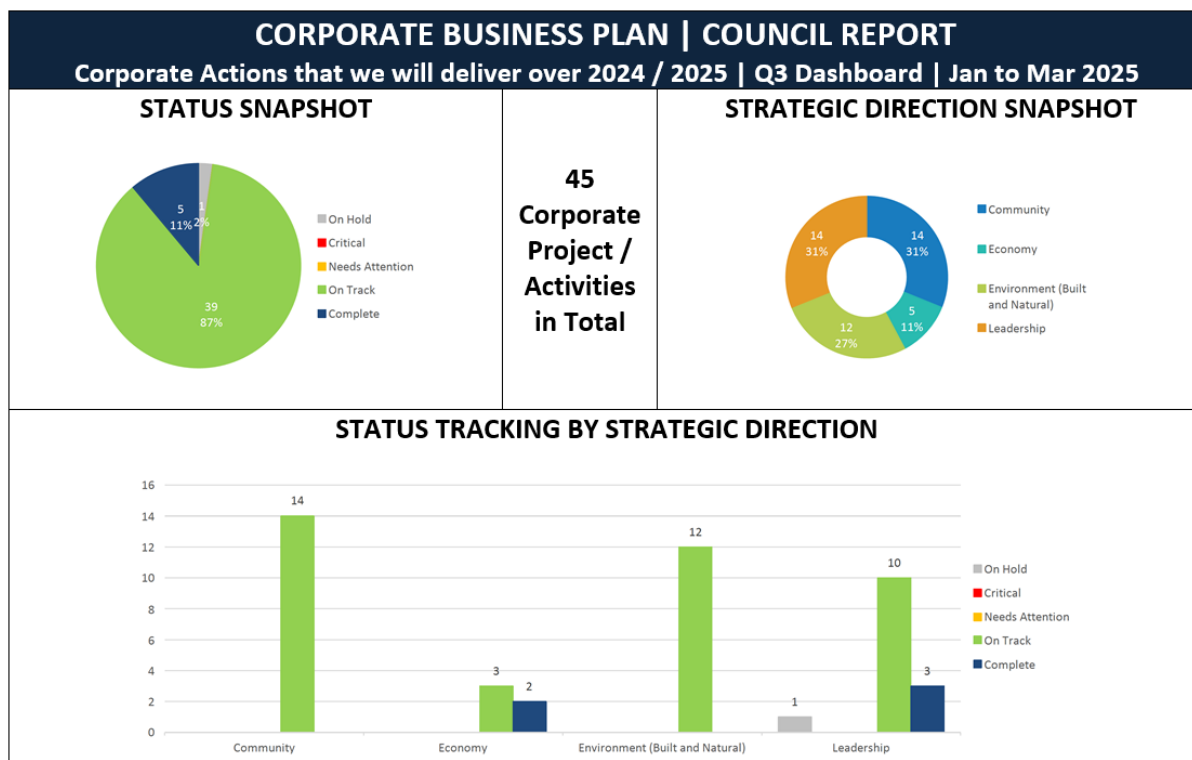
The Corporate Business Plan (CBP) translates the aspirations and strategies of the SCP into operational priorities and indicates how they will be resourced over a four-year period. The CBP outlines in detail the services and projects required to ensure delivery of the SCP and includes measures of success as an indication of performance.

The CBP for the period 2024/25 to 2027/28 was endorsed by Council at its meeting held 25 June 2024.

Comment

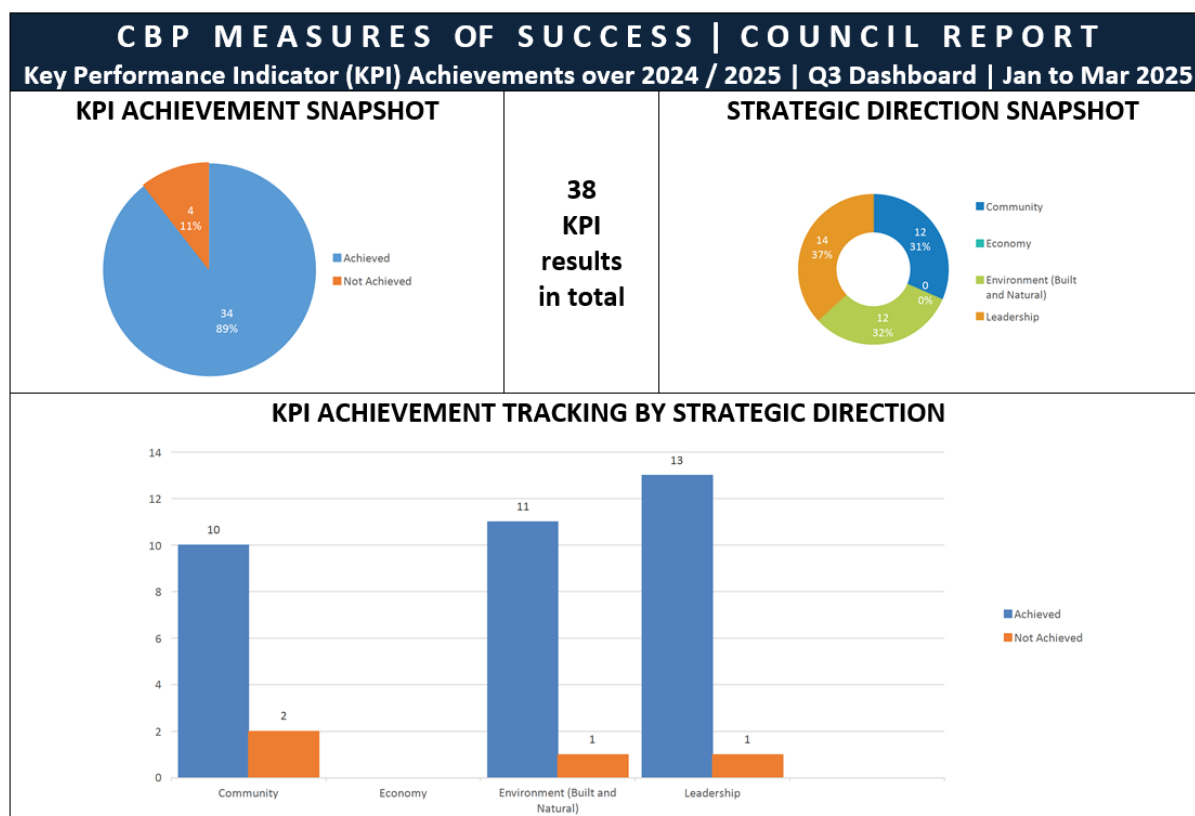
This is the progress report for quarter 3 of the 2024/25 planning year. The dashboard (shown in the screenshot below) has been designed within the “My Performance Planning” 1System module. This module is used by the City to record and report on all annual planned actions and measures of success within the CBP.

The City of South Perth’s Corporate Business Plan Report - Quarter 3 Dashboard



The CBP report (**Attachment (a)**) is presented for information, with a comment by the officer in the Quarterly Updates column. At the end of quarter 3 for the 2024/25 financial year, 39 (87%) of the 45 Corporate Actions are on track, 5 (11%) are complete and 1 (2%) of projects are on hold.

The City of South Perth's CBP Measures of Success Report – Quarter 3 KPI Dashboard



At the end of quarter 3 for the 2024/25 financial year, 34 (89%) of the 38 KPIs were achieved, and 4 (11%) not achieved.

Nine KPIs have an annual reporting status instead of a quarterly reporting basis. The data for these KPIs does not change each quarter and/or is not calculated until the end of the financial year and hence quarterly reporting is unnecessary. These include:

1. Current Ratio
2. Financial Health Indicator
3. Asset Sustainability Ratio
4. Asset Renewal Funding Ratio
5. Compliance Audit Return Responses
6. Sustainable Living Program Satisfaction Rate
7. Natural Area Rehabilitation
8. Safety Management System
9. Reduction in Greenhouse Gas (GHG) Emissions

The KPI report (**Attachment (b)**) is presented for information, with a description by the officer in the Result Comment column when a KPI is not achieved.

Consultation

Nil.

Policy and Legislative Implications

Local Government (Administration) Regulations 1996.

Financial Implications

All projects and activities listed in the CBP Quarter 3 Update are fully funded within the 2024/25 Annual Budget.

Key Risks and Considerations

Risk Event Outcome	Reputational Damage Deals with adverse impact upon the professional reputation and integrity of the City and its representatives whether those persons be appointed or elected to represent the City. The outcome can range from a letter of complaint through to a sustained and co-ordinated representation against the City and or sustained adverse comment in the media.
Risk rating	Medium
Mitigation and actions	Performance management by: <ol style="list-style-type: none"> 1. Annual business planning with business units to identify new actions for the financial year. (Failing to plan is planning to fail); 2. Monitor progress of the Strategic Community Plan (SCP) through <ol style="list-style-type: none"> a. Quarterly reporting of the Corporate Business Plan (CBP) Corporate Actions; b. Quarterly Key Performance Indicator reporting of CBP measures of success; and 3. Implementation of Audit findings in accordance with the Audit Register Progress Report.

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2021-2031](#):

Strategic Direction:	Leadership
Aspiration:	A local government that is receptive and proactive in meeting the needs of our community
Outcome:	4.3 Good governance
Strategy:	4.3.4 Maintain a culture of continuous improvement

Attachments

7.3 (a):	Q3 2024/25 Corporate Business Plan Project Status Updates
7.3 (b):	Q3 2024/25 Corporate Business Plan KPI Status Updates

7.4 CORPORATE BUSINESS PLAN 2025/26 TO 2028/29

File Ref: D-25-15202
Author(s): Pele McDonald, Manager People and Performance
Reporting Officer(s): Danielle Cattalini, A/ Director Corporate Services

Summary

This report presents the draft Corporate Business Plan 2025/26 – 2028/29 for consideration by Council.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Ms Shona Zulsdorf
Seconded: Mr Warwick Gately

That the Audit, Risk and Governance Committee recommends to Council that it adopts the Corporate Business Plan 2025/26 – 2028/29 as contained within **Attachment (a)**.

Absolute Majority Required

CARRIED (5/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis and Glenn Cridland, Mr Warwick Gately and Ms Shona Zulsdorf.

Against: Nil.

Background

In accordance with the *Local Government Act 1995* (the Act) and the Local Government (Administration) Regulations 1996 (the Regulations), the City of South Perth (the City) has developed an Integrated Planning and Reporting Framework (IPRF). The objective of this framework is to guide the City's planning and reporting processes to ensure alignment to, and delivery of the community's expectations.

Section 5.56(1) of the Act states that a local government is to "*plan for the future of the district*", and section 5.56(2) states that the plans are to be made "*in accordance with any regulations made about planning for the future.*" Division 3, 19C and 19DA of the regulations require a local government to prepare two documents to address section 5.56(1):

- a. A 10-year strategic community plan that identifies the vision, aspirations and objectives of the community in the district (Regulation 19C).
- b. A four-year corporate business plan that sets out how the local government will respond to the vision, aspirations and objectives identified in the strategic community.

A major review of the City of South Perth's Strategic Community Plan (SCP), which included extensive community engagement was undertaken in 2021/22 and adopted by Council at its meeting held 14 December 2021. A minor review of the SCP was undertaken in early 2024 and a revised SCP was adopted by Council at its meeting held 23 April 2024.

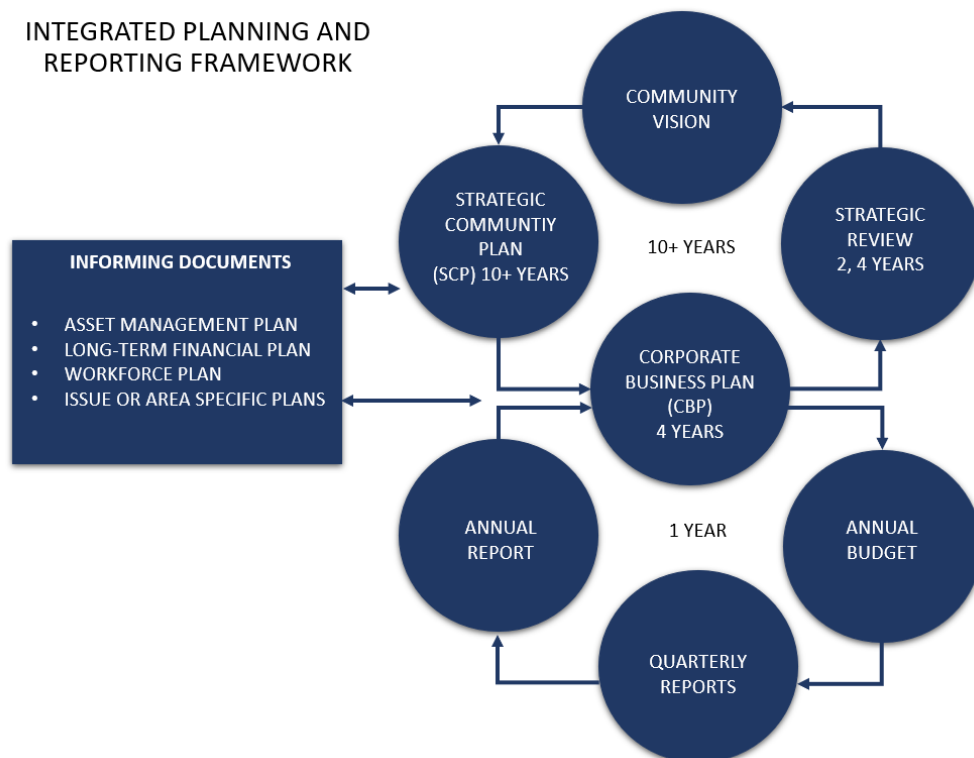
The Corporate Business Plan (CBP) 2024/25 – 2027/28 was adopted by Council at its meeting held 25 June 2024. In accordance with Regulation 19DA(4), the CBP is required to be reviewed annually.

Comment

The IPRF is the overarching framework that encompasses both the SCP and CBP and the informing documents such as the Long-Term Financial Plan (LTFP), Asset Management Plan and Workforce Plan.

The CBP is the internal business planning tool that translates the SCP into operational requirements for the next four working years. The CBP provides key integration with the other elements of the IPRF including the Annual Budget and the various informing / resourcing plans.

The diagram below shows how all the elements of the IPRF connect together to deliver and report on Council priorities which are informed by the community vision and aspirations.



Reforms to the Act are proposing changes to the requirements for a SCP and CBP. Planning for future services and facilities is instead proposed through the development of a Council Plan. The City intends to commence a major strategic review and development of a Council Plan in 2025/26.

Annual Review

The annual review and reset of the CBP drives the annual budgeting process and ensures alignment of operational requirements with the SCP and other informing plans. As such the CBP is planned for endorsement in June each year.

The revised CBP as provided in **Attachment (a)**, depicts the services, projects and measures of success for the next four years (2025/26 to 2028/29) which have been guided by a comprehensive Business Unit planning process. This Business Unit planning process, whilst not a statutory requirement, is important in supporting the implementation of the CBP and enables prioritisation of workforce, asset, and financial resources for the year.

Quarterly Reporting

Upon approval of the CBP, the City will commence the quarterly reporting process providing a quarterly update of the actions and KPIs identified in the CBP for delivery in 2025/26 at Quarter 1, which will be presented to the Audit, Risk and Governance Committee meeting in November 2025.

Consultation

This year's review of the CBP was conducted between February and June 2025 and included consultation with the City's Leadership Team.

Policy and Legislative Implications

Local Government Act 1995

Local Government (Administration) Regulations 1996

Financial Implications

The CBP 2025/26 – 2028/29 will help guide the City's financial planning for the next four years and integrates with the City's Long Term Financial Plan and Annual Budget.

Key Risks and Considerations

Risk Event Outcome	Legislative Breach Refers to failure to comply with statutory obligations in the manner in which the City, its officers and Elected Members conduct its business and make its decisions and determinations. This embraces the full gamut of legal, ethical and social obligations and responsibilities across all service areas and decision making bodies within the collective organisation.
Risk rating	Medium
Mitigation and actions	Undertake a yearly review of the Corporate Business Plan

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2021-2031](#):

Strategic Direction:	Leadership
Aspiration:	A local government that is receptive and proactive in meeting the needs of our community
Outcome:	4.3 Good governance
Strategy:	4.3.1 Foster effective governance with honesty and integrity and quality decision making to deliver community priorities

Attachments

7.4 (a): Draft Corporate Business Plan 2025/26 to 2028/29

7.5 POLICY REVIEW

File Ref: D-25-11414

Author(s): Toni Fry, Manager Governance

Reporting Officer(s): Danielle Cattalini, A/ Director Corporate Services

Summary

The Terms of Reference of the Audit, Risk and Governance Committee include responsibility for reviewing the City's policies. A number of policies are now presented for the consideration of the Committee and referral to Council for adoption.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Ms Shona Zulsdorf

Seconded: Mr Warwick Gately

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

1. Adopts the following revised policies with amendments as shown in **Attachment (a):**

P624	Media Communications
P625	Equal Opportunity
P665	Use of Council Facilities and Mayoral Regalia
P667	Elected Member Entitlements
P674	Management of Corporate Records
P702	Council Caretaker Policy

2. Revokes the following policy as shown in **Attachment (b):**

P403	Charity Clothing Bins on City Managed Land
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CARRIED (5/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis and Glenn Cridland, Mr Warwick Gately and Ms Shona Zulsdorf.

Against: Nil.

Background

In line with contemporary organisational models, the policy framework aligns policies to the City's Strategic Directions as contained in the Community Strategic Plan 2021-2031.

City Officers having been reviewing policies on a progressive basis during the calendar year. Each policy has been considered by the custodian business unit 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 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 review may identify a need to revise the policy, revoke the policy or that no change is needed.

Any new policy or policies recommended for revocation or amendment are presented. During this review, there were no new policies drafted for consideration.

Comment

Policies to be amended

The policies listed below and at **Attachment (a)** are recommended with amendments as shown by track changes in each document.

A summary explaining the amendments has been provided in the table below:

P624 Media Communications

The City's policy on media communications has been amended to provide clear and concise guidance on the roles and responsibilities of City employees and Elected Members when communicating with the media.

The Mayor is vested with the responsibility of acting as the principal spokesperson of the City under section 2.8(1)(b) of the *Local Government Act 1995* (the Act) whilst the Councillors have the responsibility for facilitating communication between the community and the Council under section 2.10(1)(c) of the Act. References to the Mayor have been removed under the section titled 'Councillors' with the intent of clearly defining the difference in the roles and responsibilities of the Mayor and Councillors. As the responsibilities of the Mayor are already captured within 'Speaking to the media', a new section containing information specific to the Mayor has not been inserted.

Changes to the policy that relate to City Officers include removing the requirement to respond to media enquiries, unless the subject matter is confidential or discussing the matter would be in contravention of other legislation. This conditional requirement has been removed as responding to media requests is at the discretion of the City.

P625 Equal Opportunity

To ensure compliance and consistency with the relevant legislation, the policy statement of 'P625 Equal Employment Opportunity' has been amended to reflect the terminology applied to the objectives within section 3 of the *Equal Opportunity Act 1984*. The name of the policy has been amended to 'Equal Opportunity.'

P665 Use of Council Facilities and Mayoral Regalia

Historically, the City has provided Elected Members with an Elected Members' Resource Facility to assist in performing the responsibilities associated with their role. The Elected Members' Resource Facility was contained within the Council Lounge and included items such as computer monitors and a printer. Elected Members are now provided with City issued laptops to carry out their duties.

As the Elected Members' Resource Facility is now obsolete, references to this have been removed from the policy.

In addition to removing references to the Elected Members' Resource Facility, the ability to use the Council Lounge for City Officers meetings has been included.

P667 Elected Member Entitlements

Over the past two years, several amendments to the *Local Government Act 1995* have been enacted concerning Elected Member entitlements. These changes must now be formally incorporated into the scope of this policy to ensure transparency and compliance with current legislative standards.

The introduction of the *Local Government Amendment Act 2024* introduced the requirement for class 1 and 2 local governments to begin making superannuation contributions on behalf of their Elected Members by 19 October 2025. This requirement has been updated within the policy to reflect the requirement for Elected Members to nominate an account or retirement benefit scheme in accordance with the *Superannuation Guarantee (Administration) Act 1992 (Commonwealth)*.

As Elected Members are paid their remuneration in advance, if an Elected Member resigns from their position or is suspended, they will be required to repay any overpaid superannuation contributions to the City. The amount to be repaid will be in accordance with regulations 32B and 34AE(2) of the Local Government (Administration) Regulations 1996.

Following the introduction of to the *Local Government Amendment Act 2023*, the *Local Government Act 1995* has been amended to include parental leave under section 2.25(5B).

Elected Members are now entitled to parental leave for a period of up to six months beginning on the day on which the council member, or their spouse or de facto partner, gives birth, adopts or becomes a guardian or foster parent. This policy has been updated to capture the notice requirements for this entitlement and the conditions upon which it can be accepted.

P674 Management of Corporate Records

The City's record management requirements are guided by various legislation; the City's Record Keeping Plan and guides provided by State Agencies to ensure that records created are accurate, reliable and complete. This policy has been updated to reflect current practices established within the City to meet the legislative requirements.

The level of access that individual employees are provided with is based on the requirement of their position as determined by Business Unit Managers and/or the Chief Executive Officer. Prior to this amendment, it was the Records Coordinator that was vested with the responsibility of determining access under this policy.

The disposal of corporate records will only be completed by the Records Coordinator following approval from the Business Unit Manager and/or the CEO in accordance with the relevant guides identified within the policy. This provides an additional level of approval when determining access to corporate records.

The responsibility for creating full and accurate records has been expanded to require all records created in the course of City business to be captured at the point of creation, regardless of format, with required metadata in the relevant business systems. This change aligns the policy with the requirements of the State Record Principles and Standards 2016.

The City provides training in relation to recordkeeping for all new employees as part of the onboarding process. Should staff identify that further training is required, this can be available upon request. Elected Member responsibility for record keeping will be communicated as part of the Elected Member Induction Program.

P702 Council Caretaker Policy

This policy was originally based on the template provided to Local Governments by WALGA and was modified to meet the specific requirements of the City. Amendments to the Act in 2023 formally introduced a caretaker period under section 1.4A, which applies to all ordinary local government elections from 2025 onwards.

The caretaker period begins from the close of nominations 44 days prior to the election and ends the day after the returning officer declares the results of the election. Section 3.73 of the Act restricts a local government from undertaking anything defined as a 'significant act' unless the decision to do the significant act was prior to the commencement of the caretaker period, authorised by the Department CEO or if the undertaking of a significant act is to comply with any of the below provisions:

- (a) *a written law;*
- (b) *an order of a court or tribunal;*
- (c) *a contractual obligation of the local government under a contract entered into by the local government before the caretaker period.*

A significant act includes any of the following responsibilities:

- (a) *making a local law (including making a local law to amend or repeal a local law);*
- (b) *entering into, or renewing or terminating, the contract of employment of the CEO or of a senior employee;*
- (c) *entering into a major land transaction;*
- (d) *entering into a land transaction that is preparatory to entry into a major land transaction;*
- (e) *commencing a major trading undertaking;*
- (f) *entering into a contract, or other agreement or arrangement, in prescribed circumstances;*
- (g) *inviting tenders in prescribed circumstances;*
- (h) *deciding to do anything referred to in paragraphs (a) to (g);*
- (i) *an act done under a written law or otherwise that is a prescribed act.*

Rather than the CEO of the local government having the vested responsibility of determining an extraordinary circumstance in which a significant act can be undertaken, the City is now required to obtain approval from the Department CEO.

The amendments to the policy reflect the legislative changes identified within the Act and subsequent regulations.

Policy to be revoked

The policy below and at **Attachment (b)** is recommended for revocation for the reasons detailed below:

P403 Charity Clothing Bins on City Managed Land

In November 2024, the City began the redevelopment of the City of South Perth Recycling Centre to establish a 'Re-Use Shop' for the resale of pre-loved items to reduce the amount of waste collected in landfill.

The community need for donating and accessing recycled clothing will be adequately met with the establishment of the Re-Use Shop and the facility will be operated by an external contractor on behalf of the City. At this stage, the Re-Use Shop is on schedule to open on 1 July 2025.

The City has limited locations where the establishment of charity clothing bins would be suitable due to ongoing supervision requirements and amenity considerations. As it currently stands, the City of South Perth Recycle Centre is the only location that may be suitable for applicants. As the Re-Use Shop will render the need for charity bins at the facility obsolete, it is proposed that this policy be revoked.

Consultation

Nil.

Policy and Legislative Implications

The reviewed and new policies are consistent with the *Local Government Act 1995*, relevant legislation and guidelines and other City documents.

Financial Implications

Nil.

Key Risks and Considerations

Risk Event Outcome	Legislative Breach Refers to failure to comply with statutory obligations in the manner in which the City, its officers and Elected Members conduct its business and make its decisions and determinations. This embraces the full gamut of legal, ethical and social obligations and responsibilities across all service areas and decision making bodies within the collective organisation
Risk rating	Low
Mitigation and actions	Review of all City policies on an annual basis.

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2021-2031](#):

Strategic Direction:	Leadership
Aspiration:	A local government that is receptive and proactive in meeting the needs of our community
Outcome:	4.3 Good governance
Strategy:	4.3.1 Foster effective governance with honesty and integrity and quality decision making to deliver community priorities

Attachments

7.5 (a):	Amended Policies
7.5 (b):	Policy for Revocation - P403

7.6 RESPONSE TO NOTICE OF MOTION - CITY OF SOUTH PERTH FINANCIAL INDICATORS

File Ref: D-25-7658
Author(s): Abrie Lacock, Manager Finance
Reporting Officer(s): Danielle Cattalini, A/ Director Corporate Services

Summary

This report provides the response to the Notice of Motion considered at the Audit, Risk and Governance Committee meeting held 11 March 2025, received from External Member Ms Shona Zulsdorf.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Ms Shona Zulsdorf
Seconded: Mr Warwick Gately

That the Audit, Risk and Governance Committee notes the report on the improvement of the financial indicators at South Perth over the last 10 years.

CARRIED (5/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis and Glenn Cridland, Mr Warwick Gately and Ms Shona Zulsdorf.

Against: Nil.

Background

The Audit, Risk and Governance Committee resolved at its meeting held 11 March 2025 to request the CEO to *'provide a report to the Committee at its next meeting on the improvement of the financial indicators at South Perth over the last 10 years.'*

External Member Ms Shona Zulsdorf submitted a Notice of Motion regarding a report on the improvement of the financial indicators at the City of South Perth over the last 10 years. The reason given was as follows:

'The report requested is to provide a clear and summarised representation with regards to significant improvement in the City of South Perth's financial position over the last few financial years.'

Comment

The City of South Perth recognised some years ago that its financial position needed to improve for it to remain financially sustainable into the future. Whilst a plan was put in place to improve the financial position at each budget and each half yearly budget review from 2017/18 onward, the impacts of the COVID-19 pandemic presented significant hurdles in achieving these improvements.

The City, along with Council developed budgets that worked towards achieving a net operating surplus in the short to medium term. Achieving and maintaining an operating surplus served two purposes. Firstly, it ensured that funds were available to transfer to the City's reserve funds to fund future asset renewals and secondly, it ensured the City was able to achieve a Financial Health Indicator (FHI) score well above the benchmark of 70 as set by the Department of Local Government, Sport and Cultural Industries. An operating surplus position was weighted heavily in the FHI contributing 21 points out of a total of 100. As stated above - achieving operational surpluses is prudent financial management aimed at achieving long term sustainability, by ensuring funds are available for future asset renewals.

The FHI score is calculated from 7 weighted ratio's that were previously defined by the Local Government (Financial Management) Regulations 1996.

During June 2022, the first tranche of amendments to the Local Government (Financial Management) Regulations 1996 (Finance Regulations) and Local Government (Audit) Regulations 1996 (Audit Regulations) came into effect. The amendment removed, amongst other things, the legislated 7 ratios and the requirement for local governments to include financial ratios in the annual financial reports. The State Government has since designed a new Local Government Financial Index (LGFI) with four ratios, which replaces the previous Financial Health Indicator (FHI) as used on the MyCouncil website. Presented in the table below for comparative purposes.

The (old) ratios were calculated by the City for comparative purposes and to inform the FHI calculation as if still in use. These were used to measure our performance against the stated objective of improving the City's financial sustainability and deliver an improved FHI.

The City reached its goal and achieved operating surpluses for the 2022/23 (\$2.6m) and 2023/24 (\$4.5m) financial years, excluding underground power and including discontinued operations, being Collier Park Village. The City is forecasting an operating surplus of \$1.8m for 2024/25 financial year. These results were achieved by careful management of expenditure and optimising alternative revenue sources. The City divested from Collier Park Village as part of its cost management activities, eliminating an annual circa \$500,000 operating loss and tens of millions of dollars worth of future capital investment. This village is now being operated by a for-purpose operator to the benefit of residents.

The table below provides a summary of the City's operating financial results, showing the percentage rate increase against the March CPI. It should be noted that since 2019/20, the total rates increases were below CPI. The table also illustrates the improvement in the operating result turning operating losses (in red) into an operating surplus (in black). For information purposes, the FHI compared to the LGFI is also provided. As can be seen the FHI clearly illustrates the strong financial performance of the City in the last few years. The LGFI is less explicit, however it confirms the same upward trend. Some of the significant differences between the two indicators are as follows. The FHI consisted of 7 ratios, the LGFI only 4 (the LGFI does not consider asset management). The ratio composition has changed - in the LGFI it is easier to achieve the benchmark given that in the LGFI, an operating loss still scores points, whereas any operating loss scored zero under the FHI.

	Forecast 2024/25 \$'000	Actual 2023/24 \$'000	Actual 2022/23 \$'000	Actual 2021/22 \$'000	Actual 2020/21 \$'000	Actual 2019/20 \$'000	Actual 2018/19 \$'000	Actual 2017/18 \$'000	Actual 2016/17 \$'000	Actual 2015/16 \$'000	Actual 2014/15 \$'000
Total Revenue*	74,881	73,155	67,867	62,147	59,241	59,250	59,100	56,698	56,172	53,152	52,871
% Rate Increase	3.4%	5.0%	4.5%	1%	-1%	1%	1.6%	3%	3.7%	4.0%	6.0%
March CPI	3.4%	5.8%	7.6%	1%	2.1%	1.1%	0.9%	1.0%	0.7%	1.4%	3.1%
Local Government Cost Index	3.6%	3.6%	4.4%	6.4%	1.4%	1.2%	1.7%	1.5%	1.0%	N/A	N/A
* Excluding UGP including CPV											
Total Expenses	72,731	68,178	64,632	62,541	61,074	62,232	61,632	59,471	57,579	54,744	50,984
* Excluding UGP including CPV											
Interest Expense	343	463	589	348	327	353	463	578	636	517	537
Operating Result	1,806	4,514	2,646	-741	-2,160	-3,335	-2,995	-3,350	-2,044	-2,108	1,350
FHI	89	87	90	74	71	59	68	60	64	84	91
LGFI	91	92	90	88	87	87	86	85	86	88	88

Consultation

Nil.

Policy and Legislative Implications

Nil.

Financial Implications

No additional costs were incurred in providing the information requested.

Key Risks and Considerations

Risk Event Outcome	Reputational Damage Deals with adverse impact upon the professional reputation and integrity of the City and its representatives whether those persons be appointed or elected to represent the City. The outcome can range from a letter of complaint through to a sustained and co-ordinated representation against the City and or sustained adverse comment in the media.
Risk rating	Low
Mitigation and actions	The risk above is mitigated as the information provided is informative and legislative requirements around this information has changed. Although not required comparative information for the last two financial years were prepared on the same basis as if the legislative requirements for the old ratios were still in place.

Strategic Implications

This matter relates to the following Strategic Direction identified within Council's [Strategic Community Plan 2021-2031](#):

Strategic Direction:	Leadership
Aspiration:	A local government that is receptive and proactive in meeting the needs of our community
Outcome:	4.3 Good governance
Strategy:	4.3.3 Maintain a culture of fiscal efficiency

Attachments

Nil.

8. OTHER RELATED BUSINESS

Nil.

9. CLOSURE

The Presiding Member declared the meeting closed at 6.37pm.

These Minutes were confirmed at the next Audit, Risk and Governance
Committee Meeting yet to be determined.

Signed: _____
Presiding Member at the meeting at which the Minutes were confirmed.