

MINUTES

Audit, Risk and Improvement Committee Meeting

10 November 2025

Committee Members

Here within are the Minutes of the Audit, Risk and Improvement Committee Meeting held Monday 10 November 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.



Matthew Scott
ACTING CHIEF EXECUTIVE OFFICER

14 November 2025

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Audit, Risk and Improvement Committee Meeting - Minutes

1. DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

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

The Presiding Member formally welcomed the first meeting of the Committee as the external Presiding Member and external member Ms Shona Zulsdorf. The Presiding Member also welcomed Ms Carly Meagher (Acting Senior Director Financial Audit) and Mr Spencer Masenda (Audit Manager Financial Audit) from the Office of the Auditor General who presented and answered questions from Committee members relating to the content of Item 7.2 and Item 7.3.

2. ATTENDANCE

Elected Members

Mayor
Manning Ward
Mill Point Ward
Mill Point Ward
Moresby Ward

Greg Milner
Councillor André Brender-A-Brandis
Councillor Jacqueline Raison
Councillor Tim Houweling (Arrived at 6.03pm)
Councillor Stephen Russell

External Members

Ms Leah Horton (Presiding Member)
Ms Shona Zulsdorf (Deputy Presiding Member)

Officers

A/Chief Executive Officer
Director Corporate Services
Director Development and Community Services
Director Infrastructure Services
Manager Finance
Manager Information Systems
Manager Governance
Governance Officer

Mr Matthew Scott
Ms Bree Websdale
Ms Donna Shaw
Ms Anita Amprimo
Mr Abrie Lacock (Retired at 8.26pm)
Mr Jeff Jones
Ms Toni Fry
Ms Jane Robinson

Guests

Office of the Auditor General
Office of the Auditor General

Ms Carly Meagher (Retired at 6.58pm)
Mr Spencer Masenda (Retired at 6.58pm)

2.1 APOLOGIES

Nil.

2.2 APPROVED LEAVE OF ABSENCE

- Councillor Blake D'Souza for the period 10 November 2025 to 19 November 2025, inclusive.
- Councillor Bronwyn Waugh for the period 10 November 2025 to 24 November 2025, inclusive.

3. DECLARATIONS OF INTEREST

Nil.

4. CONFIRMATION OF MINUTES

4.1 AUDIT, RISK AND GOVERNANCE COMMITTEE MEETING HELD: 9 September 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 9 September 2025 be taken as read and confirmed as a true and correct record.

CARRIED (6/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis, Jacqueline Raison and Stephen Russell, Ms Leah Horton and Ms Shona Zulsdorf.

Against: Nil.

5. PRESENTATIONS

Nil.

6. BUSINESS ARISING FROM PREVIOUS MEETING

Nil.

7. REPORTS

Councillor Tim Houweling arrived at the meeting at 6.03pm, during consideration of Item 7.1.

7.1 TERMS OF REFERENCE - AUDIT, RISK AND IMPROVEMENT COMMITTEE

File Ref: D-25-30411

Reporting Officer(s): Pele McDonald, A/Director Corporate Services

Summary

The Terms of Reference for the Audit, Risk and Improvement Committee are presented for consideration by the Committee and referral to Council for adoption.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Ms Shona Zulsdorf

Seconded: Mayor Greg Milner

That the Audit, Risk and Improvement Committee recommends to Council that it adopts the Audit, Risk and Improvement Committee Terms of Reference as contained in **Attachment (a)**.

CARRIED (7/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis, Tim Houweling, Jacqueline Raison and Stephen Russell, Ms Leah Horton and Ms Shona Zulsdorf.

Against: Nil.

Background

The Audit, Risk and Improvement Committee Terms of Reference were last adopted by the Audit, Risk and Improvement Committee on 13 November 2023 and endorsed by Council at its meeting held 12 December 2023 in line with the local government elections.

Comment

The Terms of Reference state that they are to be reviewed in line with the election of new members following the local government election.

As such the attached Terms of Reference have been reviewed and updated in accordance with the *Local Government Amendment Act 2024* in relation to the composition of the committee. The amendments require Audit Committees to appoint an independent Presiding Member and Deputy Presiding Member to support impartial decision-making and ensure an appropriate level of independence. Additionally, the revisions also reflect emerging Local government reforms introduced by the Department of Local Government, Industry Regulation and Safety. As part of the reform, included in Tranche 2, Councils are expected to rename their audit committees to the Audit, Risk and Improvement Committee (ARIC) to reflect their expanded role in overseeing audit, risk management, and continuous improvement functions within local government.

The proposed amendments are in line with current legislation and the developing reforms.

Consultation

Nil.

Policy and Legislative Implications

Local Government Act 1995

Local Government Amendment Act 2024

Local Government (Audit) Regulations 1996

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	Officers have processes in place to review the Government Gazette to ensure legislative changes are not missed and have subscribed to receive updates from the Department of Local Government, Industry Regulation and Safety.

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

7.1 (a): Terms of Reference

7.2 2024/25 CITY OF SOUTH PERTH ANNUAL FINANCIAL REPORT

File Ref: D-25-33084

Reporting Officer(s): Pele McDonald, A/Director Corporate Services

Summary

This report tables the 2024/25 Annual Financial Report, the Independent Auditor's Report and the Office of the Auditor General Exit Report. The WA Auditor General has once again issued an unqualified opinion in the draft Independent Auditor's Report.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Ms Shona Zulsdorf

Seconded: Mayor Greg Milner

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

1. Adopt the Annual Financial Report shown at **Attachment (a)**;
2. Accepts the Independent Auditor's Report on the 2024/25 Annual Financial Report presented by the WA Auditor General shown at **Attachment (b)**; and
3. Accepts the WA Auditor General Annual Financial Audit Exit Report shown at **Confidential Attachment (c)**.

CARRIED (7/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis, Tim Houweling, Jacqueline Raison and Stephen Russell, Ms Leah Horton and Ms Shona Zulsdorf.

Against: Nil.

Background

It is the CEO's responsibility to ensure the preparation and fair presentation of the annual financial report in accordance with the requirements of the *Local Government Act 1995*, the Regulations and Australian Accounting Standards. It is the Auditor's responsibility to express an opinion on the annual financial report. The external audit report and Annual Financial Report is provided to the Audit, Risk and Improvement Committee (ARIC) for review. This is the seventh year that the City's external audit has been conducted by the WA Auditor General (OAG). The City of South Perth was one of the first Councils where the WA Auditor General conducted the external audit as part of the now completed staged transition for all local governments to be audited by the OAG.

The 2024/25 Annual Financial Report as shown at **Attachment (a)** provides the community with an open and accountable insight into how the City has performed against the adopted Annual Budget 2024/25 as the short term plan informed by the vision and strategic objectives outlined in the City's Strategic Community Plan 2021-2031.

Included in **Attachment (b)** is the draft Independent Auditor's Report for the 30 June 2025 Annual Financial Report. The WA Auditor General has presented their findings in the Annual Financial Audit Exit Report which is provided at **Confidential Attachment (c)**.

Comment

The Annual Financial Audit Exit Report in **Confidential Attachment (c)** at Part 2 titled "Result of key audit focus areas" confirms that there were no issues noted.

Part 3 titled "Management letter findings" summarises the movement of management letter findings for the 2024/25 financial year. Appendix 1 to the Annual Financial Audit Exit Report itemises the findings at a heading level. The findings relate to the Information Systems audit findings, there are no Reporting and Financial Control findings. Appendix 1 describes and includes a summary of the "Information systems control issues." The Information Systems audit is performed as part of the Annual Financial Audit. Details are reported to the ARIC in a separate report forming part of the agenda for this meeting.

Part 4 refers to an "Information Systems Maturity Model." As part of the information systems audit a Capability Maturity Assessment is performed. The capability maturity model is a way of assessing how well developed and capable the established IT controls are. The current assessment shows that the City's maturity across a number of areas have remained constant with only one rating lowered.

Part 5 of the Exit Report describes adjusted and unadjusted audit differences and confirms that there are no unadjusted differences.

Part 6 of the Exit Report is a summary of the status mandatory communications with the ARIC.

Parts 7 deals with next year's audit.

The WA Auditor General has once again issued an unqualified opinion in the draft Independent Auditor's Report.

Officers recommend that the ARIC receive the presentation by officers from the Office of the Auditor General and note the 2024/25 Annual Financial Report including the draft audit opinion and the Annual Financial Audit Exit Report.

The ARIC may make recommendations to Council, with Council to approve the Annual Financial Report to be included in the Annual Report, for presentation at the annual Electors' General Meeting.

The Annual Financial Report and Independent Auditor's Report are complete. There may be minor layout and textual amendments (presentation amendments) to the Annual Financial Report prior to it being presented to the Electors' General Meeting in February 2026.

Consultation

Nil.

Policy and Legislative Implications

Section 5.53(1) of the *Local Government Act 1995* requires a local government to prepare an annual report for each financial year. Section 5.53(2) of the *Local Government Act 1995* specifies that the Annual Report is to contain the financial report and auditor's statement for that financial year.

Financial Implications

The fee for finalising the external audit for the 2024/25 Annual Financial Statements is estimated at \$111,554 (excluding GST). This amount was allowed for in the budget. The preparation of the Annual Financial Report occurs from City resources provided for in the 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	Low
Mitigation and actions	Annual Financial Report provided in compliance with the requirements of the <i>Local Government Act 1995</i> .

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

7.2 (a):	2024/25 City of South Perth Draft Annual Financial Report
7.2 (b):	2024/25 Draft Audit Opinion
7.2 (c):	Annual Financial Audit Exit Report (<i>Confidential</i>)

7.3 2024/25 ANNUAL FINANCIAL STATEMENTS (EXTERNAL) AUDIT INFORMATION SYSTEMS REPORT

File Ref: D-25-33277

Reporting Officer(s): Pele McDonald, A/Director Corporate Services

Summary

This report tables the Information Systems Audit report from the Office of the Auditor General (OAG), referred to as a Management Letter. Like prior years the Information Systems Audit was performed as part of the 2024/25 Annual Financial Statements Final Audit. The Information Systems Audit Management letter includes 15 findings, risk ratings, recommendations, and management comments.

It is recommended that all the findings are accepted and added to the City's Audit Register. Commentary on progress of resolution to be reported at each Audit, Risk and Improvement Committee Meeting. Carly Meagher, Acting Senior Director Financial Audit and Spencer Masenda, Audit Manager Financial Audit from the Office of the Auditor General will be in attendance to discuss and answer questions on the content of the Management Letter.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Ms Shona Zulsdorf

Seconded: Mayor Greg Milner

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

1. Notes and accepts the Information Systems Audit Management Letter **Confidential Attachment (a)**; and
2. Includes the findings in the Information Systems Audit Management Letter in the Audit Register.

CARRIED (7/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis, Tim Houweling, Jacqueline Raison and Stephen Russell, Ms Leah Horton and Ms Shona Zulsdorf.

Against: Nil.

Background

The external audit of the Annual Financial Report is conducted separately from any internal audit activities. External audit focuses on providing an objective independent opinion of the financial statements prepared by the City. In forming that opinion, testing is undertaken of internal controls, systems and procedures that form the basis of the balances that make up the Annual Financial Report.

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 Office of the Auditor General (OAG).

The changes also allow for the OAG to undertake various types of audits including Information System Audits. These audits are conducted at a sample of Local Government entities. The Information Systems Audit focuses on the computer environments to determine if these effectively support the confidentiality, integrity and availability of information they hold.

Following on from the last seven years, the OAG performed the City of South Perth 2024/25 Annual Financial Statements external audit. The external audit occurs in two steps, the first being an interim audit which typically tests controls around transactions, with the final stage being the audit work to attest the balances and notes that comprise the Annual Financial Statements.

The 2024/25 Information Systems Audit was the sixth such audit, with the first being conducted by the OAG for the financial year 2018/19 which included 19 findings.

A second Information Systems Audit was conducted in 2019/20, and it identified 23 findings (14 of which were a replication of previously identified findings), 2020/21 had 25 findings.

The 2021/22 Information Systems Audit identified 22 findings of which eight were replicated from previous audits. The 2022/23 Information Systems Audit identified 20 findings of which 18 were replicated from the previous audits.

Good progress was made and the 2023/24 Information Systems Audit identified 14 findings of which 9 were replicated from the previous audits.

The 2024/25 audit identified 15 findings of which 11 were replicated from the previous audits. No findings have been rated as significant and all findings are confirmed to have no impact on the audit opinion on the Annual Financial Report.

With reference to the Information Systems Audit, it is therefore recommended that the existing open replicated findings be closed and replaced with the 2024/25 findings.

All Audit recommendations are recorded in the Audit Register. Progress will be monitored by management, this Committee and Council.

Comment

The final audit was conducted in October 2025, with the Information Systems Audit Management Letter in **Confidential Attachment (a)** being issued. It includes 15 findings, risk ratings, recommendations, and management comments. This report is presented for the Committee's consideration.

Officers recommend that all findings are included in the Audit Register.

The WA Auditor General undertakes Information Systems Audits at selected Local Governments. Findings are presented to Parliament in the summary report. The results of the City's audit will be incorporated into the summary report presented to Parliament.

It should be noted that whilst a number of findings have remained outstanding across audit years, there has been a large amount of work undertaken to address these however, due to costs, supplier issues and internal resourcing issues, some of these remain as a work in progress. The City will continue to work through all findings in priority order, within its resourcing constraints.

Consultation

Nil.

Policy and Legislative Implications

Local Government Act 1995 and Regulations.

Financial Implications

The fee for finalising the External Audit for the 2024/25 Annual Financial Statements is estimated at around \$111,554 (excl GST). This amount was allowed for in the budget.

The cost of City Officers' ongoing 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	Low
Mitigation and actions	Compliance with the <i>Local Government Act 1995</i> .

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):	Final Audit Information Systems Management Letter (<i>Confidential</i>)
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7.4 QUARTERLY ACTIVITY REPORT

File Ref: D-25-32478

Reporting Officer(s): Pele McDonald, 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

Moved: Ms Shona Zulsdorf

Seconded: Mayor Greg Milner

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

1. Notes the details of the Quarterly Activity Report as contained in the body of the report; and
2. Endorses the Strategic Risk Register as contained in **Confidential Attachment (a)**.

Amendment

Moved: Councillor Stephen Russell

Seconded: Councillor Tim Houweling

That the Audit, Risk and Improvement Committee recommends to Council that it replaces the word 'endorses' with 'notes' the Strategic Risk Register as contained in **Confidential Attachment (a)** in recommendation 2.

Reasons for Change

The amendment is self-explanatory to the discussion that we have had.

The amendment was put and declared CARRIED (7/0) and formed part of the substantive motion.

For: Mayor Greg Milner, Councillors André Brender-A-Brandis, Tim Houweling, Jacqueline Raison and Stephen Russell, Ms Leah Horton and Ms Shona Zulsdorf.

Against: Nil.

Amended Substantive Motion and COMMITTEE RECOMMENDATION**Moved:** Ms Shona Zulsdorf**Seconded:** Mayor Greg Milner

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

1. Notes the details of the Quarterly Activity Report as contained in the body of the report; and
2. Notes the Strategic Risk Register as contained in **Confidential Attachment (a)**.

CARRIED (7/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis, Tim Houweling, Jacqueline Raison and Stephen Russell, Ms Leah Horton and Ms Shona Zulsdorf.

Against: Nil.**Background**

The Council is responsible for the strategic direction of the City. The City's Audit, Risk and Improvement Committee (ARIC) 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 ARIC 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 ARIC. The register was last endorsed by the ARIC at its meeting held 9 September 2025.

The register, as contained in **Confidential Attachment (a)**, was reviewed by the Internal Risk Management Committee (IRMC) on the 8 October 2025 and the Executive Management Team (EMT) on 29 October 2025.

2) Operational Risk Register

In line with the Risk Management Framework 2024, all Corporate Operational Risks assessed with a residual risk rating of High or Extreme are submitted to the Audit and Risk Committee (ARIC) for review and noting. For this reporting period, there are no Operational risks rated as High or Extreme.

3) Business Continuity

The City is on schedule to review and finalise all Business Continuity Plans (BCPs) by the end of the 2025/26 financial year. Reviews of submitted plans are ongoing, and development of the organisation-wide BCP is expected to begin shortly.

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:

- The vacant WHS Officer position has been filled, with the new officer commenced in September.
- The internal ISO 45001 pre-audit was conducted by the LGIS Strategic WHS Consultant, with the report anticipated by late October or early November.
- The WHS Contractor Management module was revised and reuploaded to the e-learning platform.
- The new WHS procedure for planting day activities, along with the relevant forms, has been drafted and is awaiting final review and implementation.

5) Planned Activities

The following activities are planned (subject to the availability of organisational officers) for the remainder of the 2025/26 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 2025/26.

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

7.4 (a):	Strategic Risk Register (<i>Confidential</i>)
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At 7.50pm, following consideration of Item 7.4, the meeting was adjourned.

COMMITTEE RECOMMENDATION

Moved: Councillor Stephen Russell

Seconded: Ms Shona Zulsdorf

That the meeting be adjourned for 5 minutes.

CARRIED (7/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis, Tim Houweling, Jacqueline Raison and Stephen Russell, Ms Leah Horton and Ms Shona Zulsdorf.

Against: Nil.

The meeting reconvened at 7.55pm.

7.5 AUDIT REGISTER PROGRESS REPORT - 1ST QUARTER UPDATE

File Ref: D-25-32468

Reporting Officer(s): Pele McDonald, 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 Improvement Committee and Council.

Officer Recommendation AND COMMITTEE RECOMMENDATION

Moved: Ms Shona Zulsdorf

Seconded: Mayor Greg Milner

That the Audit, Risk and Improvement 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 (7/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis, Tim Houweling, Jacqueline Raison and Stephen Russell, Ms Leah Horton 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 Improvement Committee (ARIC), 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 ARIC are filtered to the end of the register.

The ARIC is requested to recommend that Council notes 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 ARIC 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 approximately \$60,000 for the 2025/26 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 ARIC 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 ARIC. 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

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

7.6 2025/26 CORPORATE BUSINESS PLAN - 1ST QUARTER UPDATE

File Ref: D-25-32837

Reporting Officer(s): Pele McDonald, 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 2025/26 - 2028/29.

It is recommended that the Audit, Risk and Improvement Committee notes the progress recorded against each Corporate Project/Activity contained within the 2025/26 Corporate Business Plan Quarter 1 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: Mayor Greg Milner

That the Audit, Risk and Improvement 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 (7/0)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis, Tim Houweling, Jacqueline Raison and Stephen Russell, Ms Leah Horton 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 2025/26 to 2028/29 was endorsed by Council at its meeting held 24 June 2025.

Comment

This is the progress report for Quarter 1 of the 2025/26 planning year.

Corporate Actions

The following table provides an overview of the progress of the 36 Corporate Actions scheduled for delivery in the CBP for 2025/26:

On Track	Complete	On Hold
32 (89%)	3 (8%)	1 (3%)

The project that is noted as 'On Hold' is the review of the South Perth Precinct Structure Plan which is due to commence in April 2026.

The CBP Report (**Attachment (a)**) is presented for information, with an officer comment in the 'Quarterly Updates' column.

Measures of Success (KPIs)

The following table provides an overview of the progress of the 35 Key Performance Indicators (KPI's / Measures of Success) included in the CBP:

Achieved	Not Achieved
29 (83%)	6 (17%)

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.

The following table extracts information from this Report in relation to KPIs that were Not Achieved:

KPI	Measure	Target	Result	Status Update
Library Attendee Targets - The number of people visiting or attending the City's two Library branches (Manning and South Perth).	= 5 visits per capita annually (ALIA minimum benchmark) (235,000 visits p.a. for 25/26)	58,750	49,719	The lower-than-expected library attendance is primarily due to the seasonal decline typically experienced during the winter months. Library hours are currently under review.
Event Attendee Targets - The number of people attending the City's community events and partnership events.	Obtain the targeted number of 10,000 people per annum at community events delivered by the City and partnering organisations	2,500	450	Smaller scale events held in the Quarter attracting 400 people (Evolve program, NAIDOC week, and national citizenship day ceremony). The larger scale events are scheduled later in the

KPI	Measure	Target	Result	Status Update
				financial year review period.
Recreation Programs Satisfaction - The percentage satisfaction rate of recreation program user survey respondents reporting satisfaction with the Recreation Program offered by the George Burnett Leisure Centre.	Maintain satisfaction rate above 70%	70	0	This is a new KPI. The City is currently developing a Recreation Programs Satisfaction Survey to measure this rating. The satisfaction rating will be available from Quarter 3.
Recreation Facility Condition Satisfaction - The percentage satisfaction rate of facility user survey respondents reporting satisfaction with the condition of the facility they have booked.	Maintain satisfaction rate above 70%	70	59	This rating was derived from the recent MARKYT Community Scorecard that rated sport / recreation services and facilities at 59% (due to facilities unfit-for-purpose e.g. substandard indoor sports courts).
Parking Revenue - The percentage increase in parking revenue.	Increase the City's revenue from parking by 10% each year	2.5	0	9.4% decrease for this period compared to the same period last year. This may be due to the "Zoo for You" promotion offered last year and possibly the wetter winter in 2025.
Internal Audit Completion - The number of internal audits completed relative to the number of audits planned in the strategic internal audit plan (SIAP). (Complete/Planned).	Maintain completion rate above 75%	75	0	Three internal audits are scheduled for 2025/26. The first one commenced on 17 September 2025 and is currently in progress.

Consultation

Nil.

Policy and Legislative Implications

Local Government (Administration) Regulations 1996.

Financial Implications

All projects and activities listed in the CBP Quarter 1 Update are fully funded within the 2025/26 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: 1. Annual business planning with business units to identify new actions for the financial year. 2. Monitor progress of the Strategic Community Plan (SCP) through 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

7.6 (a):	Quarter 1 - 2025/26 Corporate Business Plan Project Status Updates
7.6 (b):	Quarter 1 - 2025/26 Corporate Business Plan KPI Status Updates

7.7 POLICY REVIEW

File Ref: D-25-28471

Reporting Officer(s): Anita Amprimo, Director Infrastructure Services

Summary

The Terms of Reference of the Audit, Risk and Improvement 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

Moved: Ms Shona Zulsdorf

Seconded: Mayor Greg Milner

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

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

P202	Energy Conservation
P203	Ground Water Management
P206	Urban Forest (Now Urban Greening)
P209	Shade Structures
P401	Graffiti Management
P669	Elected Member Continuing Professional Development
P692	Sustainability

Absolute Majority Required for P669.

Amendment

Moved: Councillor Tim Houweling

Seconded:

That P206 Urban Forest (Now Urban Greening) be further amended to remove the following section:

Request for Removal of trees on City managed land

As protecting, enhancing and managing the tree canopy is an essential component to achieve the strategic direction of the Strategy, the City will not consider requests for removal of trees on land under the care and control of the City unless it is for the following reasons:

- *Removal of the tree is required for public safety; or*
- *Removal of the tree is required to protect the health of flora and fauna in the area.*

The motion lapsed for want of a seconder.

Officer Recommendation AND COMMITTEE RECOMMENDATION**Moved:** Ms Shona Zulsdorf**Seconded:** Mayor Greg Milner

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

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

P202	Energy Conservation
P203	Ground Water Management
P206	Urban Forest (Now Urban Greening)
P209	Shade Structures
P401	Graffiti Management
P669	Elected Member Continuing Professional Development
P692	Sustainability

Absolute Majority Required for P669.

CARRIED (6/1)

For: Mayor Greg Milner, Councillors André Brender-A-Brandis, Jacqueline Raison and Stephen Russell, Ms Leah Horton and Ms Shona Zulsdorf.

Against: Councillor Tim Houweling.

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 will be presented to the Audit, Risk and Improvement Committee and subsequently to Council for adoption. During this review, there were no new policies drafted for consideration and no policies put forward for revocation.

Comment

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:

P202 Energy Conservation

The City no longer has a Sustainable Strategy as the components of this have been captured in the City of South Perth Strategic Community Plan. References to this strategy have been removed and amended to align with the Strategic Community Plan.

P203 Ground Water Management

References to development approvals have been removed from this policy as part 8 of the Planning and Development (Local Planning Schemes) Regulations 2015 provides for applications for development approval. An application for development approval must be accompanied by the plans and information specified in the Regulations, including a report on any specialist studies in respect of the development that the local government requires the applicant to undertake. In this manner, the City can require dewatering management plans, geotechnical information and hydrological studies as required depending on the location of the proposed development. The City liaises with the Department of Water, Environmental and Regulation and the Department of Biodiversity, Conservation and Attractions where relevant in relation to proposals impacting the Swan and Canning Rivers and for advice on the assessment of applications, and can undertake peer review of reports if required.

P206 Urban Forest (Now Urban Greening)

Following Council's endorsement of the Urban Greening Strategy at the July 2025 Ordinary Council Meeting, this policy has been amended to reflect the principles, pillars and reporting commitments of the strategy.

In response to community feedback from the Notice of Motion to remove six juvenile trees from Sir James Mitchell Park, a clause has been added in regard to requests for tree removal on City managed land.

P209 Shade Structures

Inclusion of the consideration that new community facilities planned within the City of South Perth are subject to a shade audit to ensure that suitable shade is incorporated into the design.

P401 Graffiti Management

This policy has been updated to include Community, Culture and Recreation as a relevant Business Unit.

The policy now identifies the City's commitment to address deter graffiti through initiatives with the Community Development Business Unit.

P669 Elected Member Continuing Professional Development

In accordance with section 5.128(5)(a) of the *Local Government Act 1995*, Council must review Policy P669 Elected Member Continuing Professional Development after each Ordinary Election.

The proposed change of this policy is to capture the compulsory Council Member Essentials course that must be completed within the first 12 months of being elected to Council.

P692 Sustainability

The City no longer has a Sustainable Strategy as the components of this have been captured in the City of South Perth Strategic Community Plan. References to this strategy have been removed and amended to align with the Strategic Community Plan.

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

7.7 (a):	Amended Policies
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8. OTHER RELATED BUSINESS

Nil.

9. CLOSURE

The Presiding Member declared the meeting closed at 8.51pm.

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

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