

TOWN OF BASSENDEAN

MINUTES

AUDIT AND GOVERNANCE COMMITTEE

HELD IN THE COUNCIL CHAMBER, 48 OLD PERTH ROAD, BASSENDEAN
ON WEDNESDAY 15 SEPTEMBER 2021, AT 5.30PM

1.0 DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS

The Presiding Member opened the meeting, welcomed all those in attendance and conducted an Acknowledgement of Country.

2.0 ANNOUNCEMENTS BY THE PRESIDING PERSON WITHOUT DISCUSSION

Nil

3.0 ATTENDANCES, APOLOGIES AND APPLICATIONS FOR LEAVE OF ABSENCE

Present

Members

Cr Hilary MacWilliam, Presiding Member
Cr Kathryn Hamilton
Cr Chris Barty
Elliott Brannen, Community Representative

Staff/Consultants

Paul White, Director Corporate Services
Elizabeth Kania, Manager Governance & Strategy
Alex Evans, Manager Information & Technology
James Adams, RSM
Alasdair Whyte, RSM
Jay Teichert, Office of the Auditor General
Amy Holmes, Minute Secretary

Apologies

Cr Renee McLennan
Martin Le Tessier, Community Representative
Tom Klaassen, Community Rep

4.0 DECLARATIONS OF INTEREST

Nil

5.0 PRESENTATIONS OR DEPUTATIONS

Nil

6.0 CONFIRMATION OF MINUTES

6.1 Audit and Governance Meeting held on 9 June 2021

Committee/Officer Recommendation – Item 6.1 AGC-1/9/21

MOVED Cr MacWilliam, Seconded Cr Barty, that the minutes of the Audit and Governance Committee meeting held on 9 June 2021, be confirmed as a true record.

CARRIED UNANIMOUSLY 4/0

7.0 BUSINESS DEFERRED FROM PREVIOUS MEETING

Nil

8.0 REPORTS

Item No. 8.1	Annual Closed Circuit Television (CCTV)
Property Address (if applicable)	N/A
Landowner/Applicant (if applicable)	N/A
File Ref/ROC	INFT/ACQ/1
Previous Council Reports (if applicable)	N/A
Directorate	Community Planning
Authority/Discretion <input type="checkbox"/> <input checked="" type="checkbox"/>	
<input type="checkbox"/> Advocacy	When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
<input checked="" type="checkbox"/> Executive	The substantial direction setting and oversight role of the Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.
<input type="checkbox"/> Legislative	Includes adopting local laws, town planning schemes and policies.

<input type="checkbox"/> Review	When the Council operates as a review authority on decisions made by Officers for appeal purposes.
<input type="checkbox"/> Quasi-Judicial	When the Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (eg under <i>Health Act</i> , <i>Dog Act</i> or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.
Attachment	Nil.

Purpose

The purpose of this report is to present the 2020/21 annual statistics for the Town's existing CCTV systems, as per the requirements of the Closed Circuit Television (CCTV) Management & Operational Manual.

Background

In April 2012 (OCM-10/4/2012), Council adopted the Closed Circuit Television (CCTV) Management & Operational Manual. This document provides for the annual reporting of listed items to keep the Town updated on the effectiveness of CCTV installations throughout Council owned facilities.

The Manual states that '*CCTV Management Practices establish the operational objectives and reporting indicators for CCTV Operations, with a focus on nominated outcomes relevant to camera locations and other defined target areas*'.

Key indicators include the number of requests for footage, the time taken in responding to requests for footage, the number of requests for maintenance and the time taken to repair systems.

This data allows for the Town to quickly identify trends concerning fundamental operations, which may require early intervention or closer monitoring.

This information can then be used to determine if the installation is still necessary or if it has served its purpose in reducing reportable incidents in the area and can be re-installed elsewhere if needed.

It should be noted that the Town is in the process of reviewing the Manual, which will likely be the subject of a further report to Council.

Strategic Implications

Priority Area 1 – Strengthening and connecting our community

Direction	Potential Strategies	What Success Looks Like
Creating an environment where people feel welcome and safe	<ul style="list-style-type: none"> • Create public spaces and transport routes that encourage people to linger, interact and enjoy (including evening use) • Encourage the adoption of a collective responsibility towards safety 	<ul style="list-style-type: none"> • Increased use of public transport by different demographics • Increased active transport by different demographics • Reduced antisocial incidents

Priority Area 5: Facilitating people-centered services

Direction	Potential Strategies	What Success Looks Like
Deliver efficient and well-connected internet and computer technology systems	Improve efficiency of internet and computer technology systems for community-facing services	<ul style="list-style-type: none"> • Improved efficiency of online services for community • Improved efficiency of online services for administration • Increased customer base for online services • Ability to deliver core work and services via non-contact methods

Comment

Customer Service Centre CCTV

This system is running effectively and provides security for front of counter staff when dealing with customers to the Town.

The CCTV System installed at the Customer Service Centre located at 35 Old Perth Road, Bassendean has received no requests for footage.

Whilst there have been some issues with the display, this has not resulted in downtime of the system.

Library CCTV

This system is currently operational and captures external footage under the library as well as internal footage inside the Library.

The CCTV System installed in the Library located at 46 Old Perth Road, Bassendean, has received one request for footage with the data provided to the requesting Police Officer. There have been no maintenance or repair issues in the reporting period.

Youth Services CCTV

The system at the Youth Services continues to be used to deter and as necessary, record evidence, of any anti-social or criminal behaviour located in and around the site.

The CCTV system installed at the Bassendean Youth Services located at the corner of West Road and Guildford Road, Bassendean, has received one request for footage and the data was submitted via the online submission tool. There have been no maintenance or repair issues in the reporting period.

Seniors & Disabilities CCTV

The system at this location is running effectively and provides security for the staff at this location and also provides a deterrent against break-ins.

The CCTV System installed at the Seniors and Disabilities Office located at 2 Colstoun Road, Ashfield, has received 1 request for footage with the data provided to the requesting Police Officer. There have been no reported system repair issues during this reporting period.

Depot CCTV

The system in this location is running effectively and provides coverage of areas inside the Depot Compound.

The CCTV system installed at the Depot Compound located at 69 Scaddan Street, Bassendean, has received one request for footage, with no system repair issues during this reporting period.

An additional camera has been installed in this system in the reporting period to increase the coverage area.

Mobile CCTV Trailer

The Town has a mobile CCTV trailer which it deploys at specific problem areas throughout the district at the request of the WA Police or based on potential 'crime hotspots'.

The trailer has been deployed in liaison with the WA Police at the Kiara Police Station to assist with evidence gathering activities, and Rangers continue to liaise with Kiara Police to identify locations and deploy the trailer in line with management policies and practices.

The CCTV trailer has been used during the last 12 months to monitor the Town of Bassendean's assets and identified locations to deter and prevent damage, theft and gather evidence as required.

The trailer has had a minor repair issue in the reporting period with no requests for footage.

Administration Building – 48 Old Perth Road

This installation captures images to the rear of the building, along the public accessway between the Library carpark and James Street, and out into the BIC Reserve and War Memorial area.

The system has been operating effectively for the reporting period with no requests for footage. There have been no maintenance or repair issues in the reporting period.

Alf Faulkner and Jubilee Reserve CCTV

Cameras at Alf Faulkner Hall cover the immediate area around the building and the cameras at Jubilee Reserve cover the immediate area around Stan Moses Pavilion, a second installation covers the immediate area around the kiosk and the third covers the area immediately outside the Caledonian Soccer Club facility.

There were two requests for footage at the Caledonian Soccer Club during the reporting period, but as the cameras were not operational during the events, the footage was not able to be provided.

The remaining cameras and systems have been operating effectively for the reporting period with one request for Alf Faulkner Hall, with the footage provided to the requesting Police officer. There has been no other maintenance and repair issues in the reporting period.

Statutory Requirements

Section 5.12 of the Closed Circuit Television (CCTV) Management and Operational Manual states:

“5.12 Monitoring, Review & Audit Reports and Protocols

5.12.1 Annual Review and Reporting

In accordance with AS4806.1:2006 Part 3.5 a report should be prepared on an annual basis to provide information on the operation and performance of the CCTV system. Except where there is a legitimate reason for non-disclosure or where restricted or classified by a government agency.”

Financial Considerations

Nil.

The manual is under review. The manual will be presented to the Committee on an annual basis.

Committee/Officer Recommendation – Item 8.1
AGC-2/9/21

MOVED Cr MacWilliam, Seconded Cr Barty, that the Audit & Governance Committee receives the Annual CCTV Report.

CARRIED UNANIMOUSLY 4/0

Item No. 8.2	Audit Risk Register
Property Address (if applicable)	N/A
Landowner/Applicant (if applicable)	N/A
File Ref/ROC	GOVN/CCLMEET/1
Previous Council Reports (if applicable)	N/A
Directorate	Corporate Services
Authority/Discretion <input type="checkbox"/> <input checked="" type="checkbox"/>	
<input type="checkbox"/> Advocacy	When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
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Confidential Attachment No. 1	Audit Risk Register

Purpose

The purpose of this report is to provide the Audit and Governance Committee with the Town's Audit Risk Register, with updated actions since the meeting of the Committee on 9 June 2021.

Background

Creation of an Audit Risk Register was a recommendation arising from the 2019 review of the appropriateness and effectiveness of the Town's systems and procedures in relation to risk management, internal controls and legislative compliance pursuant to Regulation 17 of the Local Government (Audit) Regulations 1996.

Proposal

For the Audit and Governance Committee to receive the Audit Risk Register and consider the action taken or proposed to address the identified risks.

Communication and Engagement

Nil.

Strategic Implications

Priority Area 6: Providing Visionary Leadership and Making Great Decisions

<p>Make brave decisions in line with a risk appetite</p>	<ul style="list-style-type: none"> • Early identification of potential risks / issues/opportunities • Embed opportunity cost considerations 	<p>SHORT TERM</p> <ul style="list-style-type: none"> • Efficient and effective Council meetings • Defensible decision making that is based on the identification of opportunities and benefits as well as negative impacts <p>LONG TERM</p> <ul style="list-style-type: none"> • Examples of being first adopters
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Comment

The Audit Risk Register presents a summary of the audit risks and recommendations made in recent internal and external audit reports relating to the Town and provides an update on actions taken or proposed to address the identified risks.

The Audit Risk Register will continue to be updated and provided for each meeting of the Committee.

Statutory Requirements

Local Government (Audit) Regulations 1996, Regulation 16, states:

“An audit committee has the following functions:

- (a) *to guide and assist the local government in carrying out —*
 - (i) *its functions under Part 6 of the Act; and*

- (ii) *its functions relating to other audits and other matters related to financial management;*
- (b) *to guide and assist the local government in carrying out the local government's functions in relation to audits conducted under Part 7 of the Act;*
- (c) *to review a report given to it by the CEO under regulation 17(3) (the CEO's report) and is to —*
 - (i) *report to the council the results of that review; and*
 - (ii) *give a copy of the CEO's report to the council;*
- (d) *to monitor and advise the CEO when the CEO is carrying out functions in relation to a review under —*
 - (i) *regulation 17(1); and*
 - (ii) *the Local Government (Financial Management) Regulations 1996 regulation 5(2)(c);*
- (e) *to support the auditor of the local government to conduct an audit and carry out the auditor's other duties under the Act in respect of the local government;*
- (f) *to oversee the implementation of any action that the local government —*
 - (i) *is required to take by section 7.12A(3); and*
 - (ii) *has stated it has taken or intends to take in a report prepared under section 7.12A(4)(a); and*
 - (iii) *has accepted should be taken following receipt of a report of a review conducted under regulation 17(1); and*
 - (iv) *has accepted should be taken following receipt of a report of a review conducted under the Local Government (Financial Management) Regulations 1996 regulation 5(2)(c);*
- (g) *to perform any other function conferred on the audit committee by these regulations or another written law."*

Financial Considerations

Implementation of some audit recommendations may require additional funds and will be the subject of separate budget submissions as and when required. The Town's Purchasing Policy and Procurement Framework will govern any required engagements.

Risk Management Implications

Nil.

Committee/Officer Recommendation – Item 8.2
AGC-3/9/21

MOVED Cr Barty, Seconded Elliott Brannen, that the Audit and Governance Committee receives the Audit Risk Register and notes the action taken or proposed to address the identified risks.

CARRIED UNANIMOUSLY 4/0

Item No. 8.3	Interim Audit – OAG Management Letter and Audit Findings
Property Address (if applicable)	N/A
Landowner/Applicant (if applicable)	N/A
File Ref/ROC	FINM/AUD1
Previous Council Reports (if applicable)	N/A
Directorate	Corporate Services
Authority/Discretion <input type="checkbox"/> <input checked="" type="checkbox"/>	
<input type="checkbox"/> Advocacy	When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
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Confidential Attachment No. 2	OAG Interim Audit Letter and Attachment One: Findings Identified During the Final Audit

Purpose

The purpose of this report is to provide Council, through the Audit and Governance Committee, with the Interim Audit Report for 2020/21 furnished by the Office of the Auditor General, and the management comments provided in response to address the identified risks.

Background

The Auditor General became responsible for the Town's external audit from the 2018/19 financial year. The Auditor General may contract out the audit but maintains overall responsibility for the audit and the audit opinion. The Auditor General appointed RSM Australia (**RSM**) as the Town's auditors.

RSM conducted the interim audit for 2020/21 and will shortly conduct the annual financial audit for the Town, with oversight and final audit sign off by the Auditor General. The interim audit included an audit of risks, processes and controls for finance and information systems.

RSM and the Town agreed on the Audit Planning Memorandum, which details the proposed approach by RSM. The APM was tabled at the meeting of the Committee on 14 April 2021.

RSM conducted the interim audit in April and May 2021. The focus of the audit was to:

Evaluate the overall control environment, but not for the purpose of expressing an opinion on the effectiveness of internal control, and to obtain an understanding of the key business processes, risks and internal controls relevant to out audit of the annual financial report.

The Auditor General provided the Interim Audit Report on 13 September 2021, which identified some deficiencies in internal control, assessed as having moderate or minor implication. The Interim Audit Report includes management comments on the remedial action taken or proposed to address the identified risks, provided to RSM by the Town in response to the findings.

The OAG Management Letter and audit findings, with management comments, are confidential attachments to this report.

Proposal

That the Audit and Governance Committee receives the Interim Audit Report for 2020/21 and notes the findings and recommendations, and the management comments on the remedial action taken or proposed to address the identified risks.

Communication and Engagement

The Town and RSM engaged in regular communication during the conduct of the interim audit and in relation to draft findings, recommendations and management comments.

Strategic Implications

Priority Area 6: Providing Visionary Leadership and Making Great Decisions

<p>Make brave decisions in line with a risk appetite</p>	<ul style="list-style-type: none"> • Early identification of potential risks / issues/opportunities • Embed opportunity cost considerations 	<p>SHORT TERM</p> <ul style="list-style-type: none"> • Efficient and effective Council meetings • Defensible decision making that is based on the identification of opportunities and benefits as well as negative impacts <p>LONG TERM</p> <ul style="list-style-type: none"> • Examples of being first adopters
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Comment

The findings and recommendations from the interim audit will be included in the Town’s Audit Risk Register, which will continue to be updated and tabled at each meeting of the Committee.

Statutory Requirements

Section 7.2 of the *Local Government Act 1995* states:

The accounts and annual financial report of a local government for each financial year are required to be audited by an auditor appointed by the local government.

The *Local Government Act 1995* and the *Local Government (Audit) Regulations 1996* govern the annual audit requirements for local government.

Financial Considerations

Funding to meet the costs associated with the 2021 interim audit exists in the 2021/22 annual budget. Implementation of some audit recommendations may require additional funds and will be the subject of separate budget submissions as and when required.

Risk Management Implications

The OAG made eight findings as part of the audit, four of which are rated ‘moderate’ risk and four rated ‘minor’ risk. The attached Management Letter and audit findings details the risks associated with each of the findings.

Committee/Officer Recommendation – Item 8.3 AGC-4/9/21

MOVED Cr Barty, Seconded Elliott Brannen, that the Audit and Governance Committee recommends that Council receives the Interim Audit Report for 2020/21 and notes the findings and recommendations, and the management comments on the remedial action taken or proposed to address the identified risks.

CARRIED UNANIMOUSLY 4/0

9.0 MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN

Nil

10.0 ANNOUNCEMENTS OF NOTICES OF MOTION FOR THE NEXT MEETING

Nil

11.0 CONFIDENTIAL BUSINESS

Committee Recommendation – Item 11.0(a)
AGC-5/9/21

MOVED Cr Barty, Seconded Cr MacWilliam, that the meeting go behind closed doors in accordance with Section 5.23 of the Local Government Act 1995, the time being 5.54pm.

CARRIED UNANIMOUSLY 4/0

Alex Evans, James Adams, Alasdair Whyte & Jay Teichert left the meeting and did not return.

Item No. 11.1	Report of Minor Misconduct
Property Address (if applicable)	N/A
Landowner/Applicant (if applicable)	N/A
File Ref/ROC	HR/GRIEV
Previous Council Reports (if applicable)	N/A
Directorate	Chief Executive Office
Authority/Discretion <input type="checkbox"/> <input checked="" type="checkbox"/>	
<input type="checkbox"/> Advocacy	When the Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.
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Committee Recommendation – Item 11.1

AGC-6/9/21

MOVED Cr Barty, Seconded Cr MacWilliam, that the Audit and Governance Committee note the Confidential Report attached to the Audit and Governance Committee Minutes of 15 September 2021.

CARRIED UNANIMOUSLY 4/0

Committee Recommendation – Item 11.0(b)

AGC-7/9/21

MOVED Cr Barty, Seconded Cr Hamilton, that the meeting come from behind closed doors, the time being 6.05pm.

CARRIED UNANIMOUSLY 4/0

The Director Corporate Services tabled an Audit Update from the Office of the Auditor General. The document has been distributed to Committee members. Relevant items will be included for discussion at the next meeting with an update from the Auditor General.

12.0 CLOSURE

The next Audit and Governance Committee meeting is to be held on Wednesday 1 December 2021, commencing at 5.30pm.

There being no further business, the Presiding Member closed the meeting at 6.15pm.