

TOWN OF BASSENDEAN
NOTICE OF A MEETING OF THE
AUDIT AND RISK MANAGEMENT COMMITTEE

Dear Committee Member

A meeting of the Audit and Risk Management Committee of the Town of Bassendean is to be held in the Council Chamber, 48 Old Perth Road, Bassendean, on Wednesday, 8 June 2016, commencing at 5.30pm.

MR BOB JARVIS
CHIEF EXECUTIVE OFFICER

3 June 2016

A G E N D A

1.0 **DECLARATION OF OPENING/ANNOUNCEMENT OF VISITORS**

Acknowledgement of Traditional Owners

The Town of Bassendean acknowledges the past and present traditional owners of the land on which we gather to conduct this meeting, and pays its respects to their Elders, both past and present.

2.0 **ATTENDANCES, APOLOGIES AND APPLICATIONS FOR LEAVE OF ABSENCE**

3.0 **DEPUTATIONS**

4.0 CONFIRMATION OF MINUTES

4.1 Minutes of the Meetings held on 9 March 2016

OFFICER RECOMMENDATION – ITEM 4.1

That the minutes of the meeting held on 9 March 2016 be confirmed as a true record.

5.0 ANNOUNCEMENTS BY THE PRESIDING PERSON WITHOUT DISCUSSION

6.0 DECLARATIONS OF INTEREST

7.0 BUSINESS DEFERRED FROM PREVIOUS MEETING

8.0 REPORTS

8.1 2015/16 Interim Audit – Macri & Partners (Ref: FINM/AUD1 Ken Lapham, Manager Corporate Services)

APPLICATION

The purpose of this report is to provide Council, through the Audit and Risk Management Committee, with details of the Interim Audit Report and provide management comments and information on the remedial action taken.

ATTACHMENTS

Confidential Attachment No. 1:
2015/16 Interim Audit Report

Attachment No. 1
2016 Interim Audit Requirements Schedule

BACKGROUND

In March 2016, Macri & Partners Auditors reviewed the following functions:

- Bank Reconciliations
- Investment of Surplus Funds
- Purchases

- Payments and Creditors
- Rate Receipts and Rate Debtors
- Receipts and Sundry Debtors
- Payroll
- General Accounting (Journals, etc.)
- IT Controls
- Registers (Tenders Register, etc.)
- Compliance
- Review of Council Minutes

COMMENT

The Interim Audit of systems and processes provides a level of assurance to auditors, the CEO, the Committee and Council in relation to the level of controls that are in place and staff adherence to those controls.

Additionally, the Australian Auditing Standards (ASA 240) requires the Auditor to consider the risk that fraud could occur within the Council. This was performed during the Interim Audit risk assessment in relation to the audit for the year ending 30 June 2016, and a copy of the statement is included as an attachment to this report. The Statement will then be signed by the Audit Committee Chairperson and on forwarded to the Auditor.

The Audit and Risk Management Committee can recommend that Council receives the Interim Audit Report and note management's comments.

In each of the areas covered, the Auditors consider the controls and procedures in place are adequate, however, have raised a number of issues that can be improved.

A summary of the issues identified by the Auditor is included as an attachment to the agenda.

Management comments in response to the issues raised by Macri & Partners have been made. Appropriate action to have the various recommendations implemented will be undertaken.

The Manager Corporate Services recommends that the Interim Audit Report prepared by Macri & Partners be received and that the management's comments be noted.

OFFICER RECOMMENDATION – ITEM 8.1

That the Audit and Risk Management Committee receives the:

1. Interim Audit Report for the 2014/15 financial period, from Macri & Partners; and
2. Statement on the Fraud and Error Assessment and authorises the Chairperson of the Audit and Risk Management Committee to sign the Statement and on forward it to Auditor.

Voting requirement: Simple majority

8.2 Notice of Motion – Cr Pule: Cash in Lieu report on all matters relating to Development Agreement and arrangements for the Town Centre Project with LandCorp and Swan Districts Football Club (Ref: LUAP/PLANNG/11 - Bob Jarvis, Chief Executive Officer)

APPLICATION

The purpose of the is report is to address the Notice of Motion that was passed by Council at its March 2016 meeting and relates to the Cash in Lieu applicable to the Town Centre Project.

BACKGROUND

Council resolved at its Ordinary Council meeting held on the 22 March 2016, (OCM – 33/03/16):

“MOVED Cr Pule, Seconded Cr Bridges, that a full report be prepared and presented to the Audit and Risk Management Committee on all matters relating to cash in lieu regarding the Town Centre Project with LandCorp and Swan Districts Football Club”.

In considering the Notice of Motion at the March 2016 meeting, Cr Pule submitted the following information:

Comment – Cr Pule

The Audit and Risk Committee needs to have a comprehensive report on all the issues relating to cash in lieu for the above project. The potential value for the cash in lieu that may be due to the Town is a very large 10% of the costs, and a full analysis needs to be done to address accountability and ensure that all moneys that may be payable to the Town are accounted for.

- 1. The report needs to be presented for the next Audit and Risk Management Committee.*
- 2. This is part of the long term Strategic Plan ... “to improve the quality of life in Bassendean” and part of the financial responsibility of the Audit and Risk Management Committee.*

At the March 2016 OCM, the Officers provided the following information:

OFFICER COMMENT

The Development Agreement was presented to Council in a confidential report in July 2015 and a copy was provided to all Councillors.

Council resolved (OCM – 32/07/15) MOVED Cr Brinkworth, Seconded Cr Carter, that Council:

- “1. Authorises the signing of the Development Agreement for the Bassendean Activity Centre based on the Agreement dated 20 July 2015, as per the attached Confidential Attachment to the Confidential Report; and*
- 2. Appoints Cr Gangell, Cr Lewis and Cr Bridges, and the CEO as ex-officio, as Council’s representatives on the Project Steering Group established by the Development Agreement.”*

The Development Agreement that was signed by the Town, Swan District Football Club and LandCorp does not make any mention of the Cash In Lieu (CIL) contributions. The CIL can only be determined if and when there is a proposed development which indicates:

- The area of land to be development;*
- The location of land to be developed;*
- The area that will be provided as Public Open Space;*
- The valuation of the remaining land to be assessed as part of a Cash in Lieu contribution; and*
- Any other matters that will require consideration to calculating the CIL contribution.*

LandCorp has also provided the following comment:

“Cash in lieu for POS would need to be determined at the statutory planning phase in line with State Planning Policies and any local policies on this matter”.

Accordingly, Staff are of the opinion that the consideration of CIL at this stage is premature and cannot be determined.

STRATEGIC IMPLICATIONS

Town Planning & Built Environment

COMMENT

Further to the Officers’ comment, Staff obtained information from the LandCorp website that states the following:

Cash in Lieu of Public Open Space

It is an accepted State Government planning policy and practice that a minimum of 10% of gross subdivided land is ceded by the subdivider for Public Open Space (POS) when subdividing for residential purposes (refer to Western Australian Planning Commission (WAPC) Development Control Policy No. 2.3).

In some circumstances, in lieu of setting aside land for POS, the WA Planning Commission or Local Government (The Town of Bassendean) may request a cash-in-lieu (CIL) payment in accordance with Section 152 of the Planning and Development Act 2005. Any future concept plans and thereafter structure plan and subdivision plan(s) will be formally assessed by the Town and WA Planning Commission on that basis.

STATUTORY REQUIREMENTS

Planning & Development Act 2005

FINANCIAL CONSIDERATIONS

This matter will be assessed for Cash in Lieu if/when the development is approved.

OFFICER RECOMMENDATION — ITEM 8.2

That the Audit and Risk Management Committee recommends to Council that the information on the Cash in Lieu for the Town Centre Redevelopment be noted.

Voting requirements: Simple Majority

8.3 Annual Closed Circuit Television (CCTV) Report (Ref: INFT/ACQ/1 - Simon Stewert-Dawkins, Director Operational Services and Sharna Merritt, Senior Ranger)

APPLICATION

The purpose of this report is to present the annual reportable statistics for the Town's installed CCTV systems as required in the Closed Circuit Television (CCTV) Management & Operational Manual.

BACKGROUND

In April 2012 (OCM 10/04/2012) 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.

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 not received any requests for footage and has not had any maintenance or repair issues during this reporting period.

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 at 46 Old Perth Road, Bassendean, has had two repair issues in this reporting period - one being the replacement of the fire damaged camera and the other being a repositioning of the new camera. The Library has received 4 Police requests for footage of which 3 relevant clips were provided at the time of the request or were collected by the requesting officer at a later date.

Youth Services CCTV

The system at 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 2 Police requests for footage and the data was provided on the day of request. The CCTV system has had 2 maintenance issues that resulted in nil hours of non-operation in the reporting period.

Seniors & Disabilities CCTV

The system at this location is running effectively and provides security for the staff 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 not received any requests for footage nor had any system repair issues during this reporting period.

Depot CCTV

The system in this location is newly installed and 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 not received any requests for footage and has not had any maintenance or repair issues in the reporting period.

Mobile CCTV Trailer

The trailer is designed to be deployed at random locations throughout the Town where it can be secured and monitored to prevent and deter anti-social and criminal behaviour. The Town has a schedule for deployment that can be adjusted to include any new hotspot locations as necessary and as per the Closed Circuit Television (CCTV) Management & Operational Manual guidelines.

The trailer has received several requests from the WA Police at the Kiara Police Station to be stationed around the Town to assist with evidence gathering activities, and Rangers continue to liaise with Kiara Police to prioritise the requested locations and deploy the trailer, in line with management policies and practices.

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

There has been 1 maintenance and repair issue with the trailer over the reporting period, which resulted in the trailer being unavailable for several weeks within the year.

STRATEGIC IMPLICATIONS

Bassendean Strategic Community Plan 2013-2023

Inclusiveness, Lifelong Learning, Health and Social Wellbeing:

Objective: Provide a safe environment.

Strategies: Support resident to feel safe in their homes, public places and shops in the Town through ranger patrols, community safety education, the deployment where appropriate of Close –Circuit Television (CCTV) in accordance with legislative requirements and joint activities with WA Police and other agencies to address anti-social behaviour.

The Town achieves the above by continually re-evaluating current data and its current CCTV installations, to ensure they are still performing correctly and in accordance with guidelines and accepted practices.

STATUTORY REQUIREMENTS

Commonwealth	
Privacy Act 1988	Establishes and regulates privacy principles for individuals, corporate entities and personal information.
Surveillance Devices Act 2004	Regulates use of optical surveillance devices without warrant
Western Australia	
Criminal Investigation Act 2006	Provides powers for the investigation and prevention of offences and for related matters.
Occupational Health and Safety Act 1984	Regulates the protection of persons at or near workplaces from risks to health and safety
Surveillance Devices Act 1998	Regulates use, installation and maintenance of optical surveillance devices
Security and Related Activities Act 1996	Regulates WA Security Providers
Security and Related Activities Regulations 1997	Regulates WA Security Providers

FINANCIAL CONSIDERATIONS

There are no financial considerations for this report.

OFFICER RECOMMENDATION – ITEM 8.3

That the Audit & Risk Management Committee notes the annual CCTV Management and Operation report.

Voting requirements: Simple majority

9.0 **MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

9.1 **Notice of Motion - Cr Bridges**

Cr Bridges has advised that he wishes to move the following motion at the next meeting:

“That the Audit and Risk Management Committee reviews the governance charter for the proposed heritage project at 1 Surrey Street to ensure due diligence is applied to the sustainability of the project.”

10.0 **ANNOUNCEMENTS OF NOTICES OF MOTION FOR THE NEXT MEETING**

11.0 **CONFIDENTIAL BUSINESS**

11.1 **Various Debts Write-off (Ref: FINM/DBTOS/2 – Ken Lapham – Manager Corporate Services)**

APPLICATION

- The purpose of this report is to recommend that various outstanding & unrecoverable debts be written off.
- The Manager Corporate Services recommends that Debtors, totalling \$2,260 be written off.

This matter is to be considered with members of the public excluded from the Chamber under Clause 5.23 (2) (e) (iii) of the Local Government Act as the officer report discusses a matter that if disclosed, would reveal information about a business, professional, commercial or financial affairs of a person.

12.0 **CLOSURE**

The next meeting will be held on Wednesday, 10 August 2016 commencing at 5.30pm.