



Minutes of Audit and Risk Committee Meeting

Held on

Monday 5 August at 5.30pm

Held at Council Chamber, 83 Mandurah Terrace, Mandurah

PRESENT:

COUNCILLOR	P ROGERS	TOWN WARD (Electronic Attendance)
COUNCILLOR	A KEARNS	EAST WARD
COUNCILLOR	S WRIGHT	EAST WARD
COUNCILLOR	C KNIGHT [Deputy Mayor]	NORTH WARD
COUNCILLOR	A ZILANI	NORTH WARD
COUNCILLOR	R BURNS	TOWN WARD
MAYOR	R WILLIAMS	
MR	J SETH	INDEPENDENT MEMBER
COUNCILLOR	D WILKINS	EAST WARD (Deputising)

ELECTED MEMBERS OBSERVING:

COUNCILLOR	J SMITH	COASTAL WARD (Electronic Attendance from 6.15pm)
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GUESTS:

MR	J LANGFORD-SMITH	OFFICE OF AUDITOR GENERAL
MR	M HOANG	ERNST AND YOUNG GLOBAL LIMITED
MRS	S IBRAHIM	ERNST AND YOUNG GLOBAL LIMITED
MS	C MIHOVILOVICH	CHIEF EXECUTIVE OFFICER
MR	B INGLE	ACTING DIRECTOR BUSINESS SERVICES
MS	J THOMAS	DIRECTOR PLACE AND COMMUNITY
MR	J CAMPBELL-SLOAN	DIRECTOR STRATEGY AND ECONOMIC DEVELOPMENT
MRS	T JONES	EXECUTIVE MANAGER GOVERNANCE SERVICES
MRS	L BARKER	MINUTE OFFICER

1. OPENING OF MEETING

Prior to commencement of this electronic meeting Committee Member and other attendee connections by electronic means were tested and confirmed.

The Chief Executive Officer (CEO) declared the meeting open at 5.30pm and called for a nomination for the Chairperson due to Councillor P Rogers attending the meeting via electronic attendance.

Mayor R Williams was nominated.

Moved: Councillor C Knight
Seconded: Councillor D Wilkins

CARRIED: 9/0

FOR Cr C Knight, Cr D Wilkins, Cr P Rogers, Cr A Kearns, Cr S Wright, Cr A Zilani,
Cr R Burns, Mayor R Williams, Mr J Seth

AGAINST Nil

Mayor R Williams resumed the meeting in the capacity of the Chairperson.

2. APOLOGIES

Apologies

Mr W Ticehurst

3. IMPORTANT NOTE

The purpose of this Committee Meeting is to discuss and make recommendations to Council about items appearing on the agenda and other matters for which the Committee is responsible. The Committee has no power to make any decisions which are binding on the Council or the City of Mandurah unless specific delegation of authority has been granted by Council.

No person should rely on or act on the basis of any advice or information provided by a Member or officer, or on the content of any discussion occurring, during the course of the meeting. The City of Mandurah expressly disclaims liability for any loss or damage suffered by any person as a result of relying on or acting on the basis of any advice or information provided by a Member or officer, or the content of any discussion occurring, during the course of the Committee meeting.

4. RESPONSE TO PREVIOUS QUESTIONS TAKEN ON NOTICE

Nil.

5. AMENDMENT TO STANDING ORDERS

AR.1/08/24 STANDING ORDERS LOCAL LAW 2016

The Chairperson advised the meeting that the *City of Mandurah Standing Orders Local Law 2016* will be modified to ensure Councillor P Rogers can participate in and follow the meeting as it progresses.

MOTION

Moved: Mayor R Williams

Seconded: Councillor S Wright

That the Audit and Risk Committee:

1. Suspend the operation of the following provisions of the *City of Mandurah Standing Orders Local Law 2016* for the duration of this electronic meeting to ensure Committee Member Councillor P Rogers can follow and participate in the meeting as it progresses:
 - 1.1. Standing Order 7.2 Members to occupy own seats whilst present in meeting room. Relevant only for Elected Members attending the Council Chambers.
 - 1.2. Agree under Standing Orders 8.1(1) and 12.2, that instead of requiring a show of hands, a vote will be conducted by exception with the Presiding Member calling for those Members against each motion. If no response is received the motion will be declared carried and minuted accordingly.
 - 1.3. Reiterate the requirement as per Standing Order 7.3 for Members to advise the Presiding Member when leaving or entering the meeting at any time.

CARRIED: 9/0

FOR: Mayor R Williams, Cr S Wright, Cr P Rogers, Cr A Kearns, Cr C Knight, Cr A Zilani, Cr R Burns, Mr J Seth, Cr D Wilkins

AGAINST: Nil

6. PUBLIC QUESTION TIME

Nil.

7. PRESENTATIONS

EXTERNAL AUDIT PLAN – PRESENTATION

Mr J Langford-Smith of the Office of Auditor General and Mr M Hoang of Ernst and Young presented the presentation.

8. DEPUTATIONS

Nil.

9. CONFIRMATION OF MINUTES

AR.2/08/24 CONFIRMATION OF MINUTES MONDAY 6 MAY 2024

MOTION

Moved: Councillor S Wright

Seconded: Councillor A Zilani

That the Minutes of the Audit and Risk Committee meeting of Monday 6 May 2024 be confirmed.

CARRIED: 9/0

FOR: Cr S Wright, Cr A Zilani, Cr P Rogers, Cr A Kearns, Cr C Knight, Cr R Burns, Mayor R Williams, Mr J Seth, Cr D Wilkins

AGAINST: Nil

10. DECLARATIONS OF INTERESTS

Nil

11. QUESTIONS FROM COMMITTEE MEMBERS

Questions of Which Due Notice Has Been Given

Nil

Questions of Which Notice Has Not Been Given

Nil

12. BUSINESS LEFT OVER FROM PREVIOUS MEETING

Nil

13. LATE AND URGENT BUSINESS ITEMS

Nil

14. CONFIDENTIAL ITEMS

AR.3/8/24 CLOSE DOORS

MOTION

Moved: Councillor C Knight

Seconded: Councillor A Kearns

That the meeting proceeds with closed doors at 5.42pm in accordance with Section 5.23(2)(d) of the *Local Government Act 1995*, to allow for the confidential discussion of an item.

CARRIED: 9/0

FOR: Cr C Knight, Cr A Kearns, Cr P Rogers, Cr S Wright, Cr A Zilani, Cr R Burns, Mayor R Williams, Mr J Seth, Cr D Wilkins

AGAINST: Nil

Members of the media, non-senior employees and persons in the gallery left the meeting at this point. The Minute Officer and Executive Manager Governance Services remained with Senior Officers.

THE MEETING PROCEEDED WITH CLOSED DOORS AT 5.43PM

14.1 CONFIDENTIAL PRESENTATION

IT INTERNAL AUDIT – RED TEAM EXERCISE CONFIDENTIAL PRESENTATION

The Executive Manager, Systems and Projects presented the confidential presentation.

14.2 CONFIDENTIAL REPORTS

AR.4/08/24 SYSTEMS INTERNAL AUDIT (CONFIDENTIAL REPORT 1)

Confidential discussion ensued regarding this issue

MOTION

Moved: Councillor C Knight

Seconded: Councillor A Kearns

That the Audit and Risk Committee receives this report and notes the actions taken

CARRIED: 9/0

FOR: Cr C Knight, Cr A Kearns, Cr P Rogers, Cr S Wright, Cr A Zilani, Cr R Burns, Mayor R Williams, Mr J Seth, Cr D Wilkins

AGAINST: Nil

**AR.5/08/24 AUDITOR GENERAL REPORT – SECURITY OF SERVER ROOMS
(CONFIDENTIAL REPORT 2)**

Confidential discussion ensued regarding this issue

MOTION

Moved: Mr J Seth

Seconded: Councillor A Zilani

That the Audit and Risk Committee receives this report and notes the City's position in respect of the Auditor General's recommendations.

CARRIED: 9/0

FOR: Mr J Seth, Cr A Zilani, Cr P Rogers, Cr A Kearns, Cr S Wright, Cr C Knight, Cr R Burns, Mayor R Williams, Cr D Wilkins

AGAINST: Nil

**AR.6/08/24 AUDITOR GENERAL REPORT – INFORMATION SYSTEMS 2022-23
(CONFIDENTIAL REPORT 3)**

Confidential discussion ensued regarding this issue

MOTION

Moved: Councillor A Zilani

Seconded: Councillor A Kearns

That the Audit and Risk Committee receives the report and notes the City's comments on the recommendations of the Auditor General.

CARRIED: 9/0

FOR: Cr A Zilani, Cr A Kearns, Cr P Rogers, Cr S Wright, Cr C Knight, Cr R Burns, Mayor R Williams, Mr J Seth, Cr D Wilkins

AGAINST: Nil

AR.7/08/24 STRATEGIC RISK UPDATE REPORT (CONFIDENTIAL REPORT 4)

Confidential discussion ensued regarding this issue

MOTION

Moved: Councillor C Knight

Seconded: Mr J Seth

That the Audit and Risk Committee note Quarter Four FY2023/24 –Strategic Risk Bowtie Report as per Confidential Attachment 4.1

CARRIED: 9/0

FOR: Cr C Knight, Mr J Seth, Cr P Rogers, Cr A Kearns, Cr S Wright, Cr A Zilani, Cr R Burns, Mayor R Williams, Cr D Wilkins

AGAINST: Nil

AR.8/08/24 ANNUAL AUDIT PLAN 2024/2025 (CONFIDENTIAL REPORT 5)

Confidential discussion ensued regarding this issue

MOTION

Moved: Councillor R Burns
Seconded: Councillor C Knight

That the Audit and Risk Committee recommend that Council:

- 1. Adopts the Strategic Internal Audit Plan 2023/24 – 2025/26 which contains the Annual Audit Plan 2024/25 as detailed in Confidential Attachment 5.1.**
- 2. Adopts the amended Internal Audit Charter as detailed in Confidential Attachment 5.2.**
- 3. Adopts the amended Internal Audit Manual as detailed in Confidential Attachment 5.3.**
- 4. Approves the Environmental Water Internal Audit not to commence.**
- 5. Notes the Strategic Internal Audit Plan Monitoring Report for Quarter Four 2023/24 Financial Year as detailed in Confidential Attachment 5.4.**

CARRIED: 9/0

FOR: Cr R Burns, Cr C Knight, Cr P Rogers, Cr A Kearns, Cr S Wright, Cr A Zilani,
Mayor R Williams, Mr J Seth, Cr D Wilkins
AGAINST: Nil

Councillor J Smith joined the meeting electronically as an observing Elected Member at 6.15pm

AR.9/08/24 WORKFORCE PLAN UPDATE (CONFIDENTIAL REPORT 6)

Confidential discussion ensued regarding this issue

MOTION

Moved: Councillor A Kearns
Seconded: Councillor A Zilani

That the Audit & Risk Committee notes the Workforce Plan update.

CARRIED: 9/0

FOR: Cr A Kearns, Cr A Zilani, Cr P Rogers, Cr S Wright, Cr C Knight, Cr R Burns,
Mayor R Williams, Mr J Seth, Cr D Wilkins
AGAINST: Nil

**AR.10/08/24 WORK HEALTH AND SAFETY (WHS) ANNUAL REVIEW
PERFORMANCE OVERVIEW FOR FINANCIAL YEAR (FY) 2023-2024
(CONFIDENTIAL REPORT 7)**

Confidential discussion ensued regarding this issue

MOTION

Moved: **Councillor C Knight**

Seconded: **Councillor A Zilani**

The Audit and Risk Committee recommends to Council that it notes-

- 1. The City's WHS performance for the 2023 - 2024 financial year.**
- 2. The progress of the 2022-2025 3-Year Strategic WHS Plan.**

CARRIED: 9/0

FOR: Cr C Knight, Cr A Zilani, Cr P Rogers, Cr A Kearns, Cr S Wright, Cr R Burns,
Mayor R Williams, Mr J Seth, Cr D Wilkins

AGAINST: Nil

AR.11/08/24 OPEN DOORS

MOTION

Moved: **Councillor A Kearns**

Seconded: **Councillor S Wright**

That the meeting proceeds with open doors.

CARRIED: 9/0

FOR: Cr A Kearns, Cr S Wright, Cr P Rogers, Cr C Knight, Cr A Zilani, Cr R Burns,
Mayor R Williams, Mr J Seth, Cr D Wilkins

AGAINST: Nil

THE MEETING PROCEEDED WITH OPEN DOORS AT 6.23PM

AR.12/08/24 ENDORSE RESOLUTIONS

MOTION

Moved: **Councillor C Knight**

Seconded: **Councillor A Kearns**

That Council endorses the resolutions taken with closed doors.

CARRIED: 9/0

FOR: Cr C Knight, Cr A Kearns, Cr P Rogers, Cr S Wright, Cr A Zilani, Cr R Burns,
Mayor R Williams, Mr J Seth, Cr D Wilkins

AGAINST: Nil

15. CLOSE OF MEETING

There being no further business, the Chairperson declared the meeting closed at 6.25pm.

Confirmed

CONFIRMED:[CHAIRMAN]

Attachments to Committee Minutes: Audit and Risk Agenda 5 August 2024

NOTICE OF MEETING

AUDIT AND RISK COMMITTEE

Members of the Audit and Risk Committee are advised that a meeting of the Committee will be held in the Council Chambers, 83 Mandurah Terrace Mandurah on

**Monday 5 August 2024
at 5.30pm**

Casey Mihovilovich
Chief Executive Officer
1 August 2024

Committee Members:

Councillor P Rogers [Chairperson]
Councillor C Knight [Deputy Mayor]
Councillor A Kearns
Councillor S Wright
Mr J Seth

Mayor Williams
Councillor R Burns
Councillor A Zilani
Mr W Ticehurst

Deputies:

Councillor B Pond
Councillor D Wilkins

AGENDA

1. OPENING OF MEETING

2. APOLOGIES

3. IMPORTANT NOTE

Members of the public are advised that the decisions of this Committee are referred to Council Meetings for consideration and cannot be implemented until approval by Council. Therefore, members of the public should not rely on any decisions of this Committee until Council has formally considered the resolutions agreed at this meeting.

4. RESPONSE TO PREVIOUS QUESTIONS TAKEN ON NOTICE

5. AMENDMENT TO STANDING ORDERS

Modification to *Standing Orders Local Law 2016* - electronic attendance at meeting.

6. PUBLIC QUESTION TIME

Public Question Time provides an opportunity for members of the public to ask a question of Council. For more information regarding Public Question Time please visit the City's website mandurah.wa.gov.au or telephone 9550 3787.

7. PRESENTATIONS

7.1 Audit Plan Presentation

8. DEPUTATIONS

Any person or group wishing to make a Deputation to the Committee meeting regarding a matter listed on this agenda for consideration must complete an application form. For more information regarding making a deputation please visit the City's website mandurah.wa.gov.au or telephone 9550 3787.

9. CONFIRMATION OF MINUTES 6 MAY 2024

Minutes available on the City's website via mandurah.wa.gov.au/council/council-meetings/agendas-and-minutes.

10. DECLARATIONS OF INTERESTS**11. QUESTIONS FROM COMMITTEE MEMBERS**

11.1 Questions of Which Due Notice Has Been Given

11.2 Questions of Which Notice Has Not Been Given

12. BUSINESS LEFT OVER FROM PREVIOUS MEETING

Nil

13. REPORTS

Nil

14. LATE AND URGENT BUSINESS ITEMS**15. CONFIDENTIAL ITEMS**

No.	Item	Page No	Note
1	Systems Internal Audit	3 - 28	Confidential Item
2	Auditor General Report – Security of Server Rooms	29 - 32	Confidential Item
3	Auditor General Report – Information Systems 2022-23	33 - 44	Confidential Item
4	Strategic Risk Update Report	45 - 55	Confidential Item
5	Annual Audit Plan 2024/2025	56 - 102	Confidential Item
6	Workforce Plan Update	103 - 133	Confidential Item
7	Work Health and Safety (WHS) Annual Review Performance Overview for Financial Year (FY) 2023-2024	134 - 145	Confidential Item

16. CLOSE OF MEETING