



# Minutes

## Audit and Risk Management Committee

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Tuesday, 7 August 2018, 5.30 pm

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## **Audit and Risk Management Committee**

Minutes of the Audit and Risk Management Committee meeting  
held in the City of Fremantle Administration Building at Fremantle Oval, 70 Parry Street  
Fremantle.  
on **7 August 2018** at 5.30 pm.

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### **1. Official opening, welcome and acknowledgement**

The Deputy Presiding Member declared the meeting open at 5.32 pm.

#### **2.1 Attendance**

Cr Jenny Archibald	Deputy Presiding Member / East Ward
Cr Doug Thompson	North Ward
Cr Rachel Pemberton	City Ward
Mr Philip Draber	External Advisor
Mr Graham Tattersall	Acting Chief Executive Officer
Mr Glen Dougall	Director City Business
Mr David Janssens	Acting Director Infrastructure and Project Delivery
Ms Narelle French	Manager Finance
Ms Charlie Clarke	Manager Governance
Mr Craig Best	Manager Asset Management
Mr Kevin Porter	Senior Procurement Officer
Ms Helen Bliss	Meeting Support Officer

#### **2.2 Apologies**

Mayor, Brad Pettitt

#### **2.3 Leave of absence**

Cr Jeff McDonald                      Presiding Member / Hilton Ward

### **3. Disclosures of interests**

Nil

### **4. Deputations**

#### **4.1 Special deputations**

Nil

#### **4.2 Presentations**

Nil

**5. Confirmation of minutes**

**COMMITTEE DECISION**

**Moved: Cr Jenny Archibald**

**Seconded: Cr Doug Thompson**

**That the minutes of the Audit and Risk Management Committee meeting dated 8 May 2018 be confirmed as a true and accurate record.**

**Carried: 4/0**

**Cr Doug Thompson, Cr Rachel Pemberton  
Cr Jenny Archibald, Mr Phillip Draber**

**6. Announcements by presiding member**

Nil

**7. Questions or personal explanations by members**

Nil

## 8. Reports and recommendations

### **ARMC1808-1 INTERNAL AUDIT PROGRAM UPDATE - PURCHASING AUTHORISATION, DELEGATION OF AUTHORITY, INFORMATION AND RECORDS MANAGEMENT**

<b>Meeting Date:</b>	7 August 2018
<b>Responsible Officer:</b>	Manager Governance
<b>Decision Making Authority:</b>	Council
<b>Agenda Attachments:</b>	Table of Issues and Action Taken – Purchasing Authorisation – Delegation of Authority – Information/Records Management

#### **COMMITTEE RECOMMENDATION ITEM ARMC1808-1** **(Officer's recommendation)**

**Moved: Cr Doug Thompson**

**Seconded: Mr Phil Draber**

#### **Council:**

Receive the attached update, reporting the progress in addressing issues, or areas for concern, raised by the City's internal auditor in its report presented in January 2018 relating to the following areas:

- Purchasing Authorisation
- Delegation of Authority
- Information/Records Management.

**Carried: 4/0**  
**Cr Doug Thompson, Cr Rachel Pemberton**  
**Cr Jenny Archibald, Mr Phillip Draber**

**ARMC1808-2 INTERIM MANAGEMENT REPORT FOR 1819 AUDIT PERIOD**

**Meeting Date:** 7 August 2018  
**Responsible Officer:** Manager Finance  
**Decision Making Authority:** Council  
**Agenda Attachments:** Moore Stephens Interim Management Report

**COMMITTEE RECOMMENDATION ITEM ARMC1808-2**  
**(Officer's recommendation)**

**Moved: Cr Jenny Archibald**

**Seconded: Cr Doug Thompson**

**Council receive the Interim Management Report from Moore Stephens for the audit period of 1 July 2017 to 30 June 2018.**

**Carried: 4/0**  
**Cr Doug Thompson, Cr Rachel Pemberton**  
**Cr Jenny Archibald, Mr Phillip Draber**

**ARMC1808-3 OVERDUE DEBTORS REPORT AS AT 30 SEPTEMBER 2017**

**Meeting Date:** 7 August 2018  
**Responsible Officer:** Finance Manager  
**Decision Making Authority:** Council  
**Agenda Attachments:** Summary of Overdue Debts above Threshold  
(Confidential Report - under separate cover)

**OFFICER'S RECOMMENDATION**

**Moved: Cr Doug Thompson**

**Seconded: Cr Rachel Pemberton**

Council:

1. Receives the overdue debts above threshold report with \$109,652.06 of outstanding debtors exceeding 90 days and the combined value exceeding \$10,000 as at 30 June 2018.
2. Receives the summary of sundry debtors debt waived in the amount of \$86,562.51 for the quarter to June 2018.

**AMENDMENT**

**Moved: Cr Doug Thompson**

**Seconded: Cr Rachel Pemberton**

**Add a Part 3 to the Officer's Recommendation, as follows:**

3. ***The Committee notes the improvement in the overall recovery rate and examines the possibility of setting a benchmark.***

**Amendment carried: 4/0**  
**Cr Doug Thompson, Cr Rachel Pemberton**  
**Cr Jenny Archibald, Mr Phillip Draber**

**COMMITTEE RECOMMENDATION ITEM ARMC1808-3**  
**(Amended officer's recommendation)**

**Moved: Cr Doug Thompson**

**Seconded: Cr Rachel Pemberton**

**Council:**

- 1. Receives the overdue debts above threshold report with \$109,652.06 of outstanding debtors exceeding 90 days and the combined value exceeding \$10,000 as at 30 June 2018.**
- 2. Receives the summary of sundry debtors debt waived in the amount of \$86,562.51 for the quarter to June 2018.**
- 3. *The Committee notes the improvement in the overall recovery rate and examines the possibility of setting a benchmark.***

**Carried: 4/0**  
**Cr Doug Thompson, Cr Rachel Pemberton**  
**Cr Jenny Archibald, Mr Phillip Draber**



**ARMC1808-4 INFORMATION REPORT - PURCHASING POLICY EXEMPTIONS  
OCTOBER 2017**

**Responsible Officer:** Procurement Team Leader  
**Agenda Attachments:** Confidential Attachment

**COMMITTEE RECOMMENDATION ITEM ARMC1808-4**  
**(Officer's recommendation)**

**Moved: Cr Doug Thompson**

**Seconded: Cr Rachel Pemberton**

**Council receive the purchasing policy exemptions information report for May 2018,  
June 2018 and July 2018.**

**Carried: 4/0**  
**Cr Doug Thompson, Cr Rachel Pemberton**  
**Cr Jenny Archibald, Mr Phillip Draber**

## **ARMC1808-5 AUDIT AND RISK UPDATE FOR ASSETS**

**Meeting Date:** 7 August 2018  
**Responsible Officer:** Manager Asset Management  
**Decision Making Authority:** Audit and Risk Management Committee

### **OFFICER'S RECOMMENDATION**

**Moved: Cr Jenny Archibald  
Pemberton**

**Seconded: Cr Rachel**

Council receive the Officer's update in relation to the City's current position and progress with respect to the City's Asset Management program.

### **AMENDMENT**

**Moved: Cr Doug Thompson**

**Seconded: Mr Phil Draber**

**Amend the officer's recommendation to read:**

- 1. Council receive the Officer's update in relation to the City's current position and *note the significant* progress with respect to the City's Asset Management program.**
- 2. *For future Audit and Risk Management Committee meetings, officer's to provide an annual report in respect to Asset Management.***
- 3. *Officer's to provide a separate report to the next Audit and Risk Management Committee meeting in respect to emergency contingency planning and progress in terms of testing and embedding the system in the organisation.***

**Amendment carried: 4/0  
Cr Doug Thompson, Cr Rachel Pemberton  
Cr Jenny Archibald, Mr Phillip Draber**

**COMMITTEE RECOMMENDATION ITEM ARMC1808-5**  
**(Amended officer's recommendation)**

**Moved: Cr Jenny Archibald  
Pemberton**

**Seconded: Cr Rachel**

- 1. Council receive the Officer's update in relation to the City's current position and *note the significant* progress with respect to the City's Asset Management program.**
- 2. *For future Audit and Risk Management Committee meetings, officers to provide an annual report in respect to Asset Management.***
- 3. *Officers to provide a separate report to the next Audit and Risk Management Committee meeting in respect to emergency contingency planning and progress in terms of testing and embedding the system in the organisation.***

**Carried: 4/0**  
**Cr Doug Thompson, Cr Rachel Pemberton**  
**Cr Jenny Archibald, Mr Phillip Draber**

**ARMC1808-6 INFORMATION REPORT - OFFICE OF THE AUDITOR GENERAL  
PROCUREMENT PERFORMANCE AUDIT UPDATE**

**Responsible Officer:** Procurement Team Leader  
**Agenda Attachments:** None

**COMMITTEE RECOMMENDATION ITEM ARMC1808-6  
(Officer's recommendation)**

**Moved: Cr Doug Thompson**

**Seconded: Cr Jenny Archibald**

**Council receive the Office of the Auditor General Procurement performance audit information report.**

**Carried: 4/0**  
**Cr Doug Thompson, Cr Rachel Pemberton**  
**Cr Jenny Archibald, Mr Phillip Draber**

**9. Motions of which previous notice has been given**

Nil

**10. URGENT BUSINESS**

Nil

**11. LATE ITEMS**

Nil

**12. CONFIDENTIAL BUSINESS**

**ARMC1808-7 RISK UPDATE REPORT - AUGUST 2018 (CONFIDENTIAL)**

**Meeting Date:** 7 August, 2018  
**Responsible Officer:** Director City Business  
**Decision Making Authority:** Council  
**Agenda Attachments:** Nil

**REASON FOR CONFIDENTIALITY**

This report is **CONFIDENTIAL** in accordance with Section 5.23(2) of the *Local Government Act 1995* which permits the meeting to be closed to the public for business relating to the following:

- (d) legal advice obtained, or which may be obtained, by the local government and which relates to a matter to be discussed at the meeting

**13. CLOSURE OF MEETING**

**The Presiding Member declared the meeting closed at 6.38 pm.**