

Audit Committee Meeting



MINUTES

Monday 18 December 2023





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TOWN OF MOSMAN PARK

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1 DECLARATION OF OPENING

The Presiding Member is to declare the meeting open.

2 RECORD OF ATTENDANCE**Members:**

Mayor	P. Shaw
Councillor	A. Baird
Councillor	J. Allsop
Deputy Mayor	A. Maurice

Officers:

Manager Governance	K. Jones
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2.1 APOLOGIES

Nil

2.2 LEAVE OF ABSENCE (PREVIOUSLY APPROVED)

Councillor	R. Armstrong
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3 CONFIRMATION OF MINUTES OF PREVIOUS MEETING

3.1 MINUTES OF THE AUDIT COMMITTEE MEETING HELD 12 DECEMBER 2023

RECOMMENDATION

That the Minutes of the Audit Committee Meeting held 12 December 2023 be confirmed as a true and accurate record.

4 DECLARATION OF INTEREST

In accordance with section 5.65 of the *Local Government Act 1995* a member who has an interest in any matter to be discussed at a Council or Committee meeting, that will be attended by the member, must disclose the nature of the interest.

- a) In a written notice given to the CEO before the meeting; or
- b) At the meeting immediately before the matter is discussed.

5 COMMITTEE REPORTS

5.1 STRATEGIC RISK MANAGEMENT

File No.:

Reporting Officer: Governance and Risk Officer

Responsible Officer: C Bywater, Chief Executive Officer

Attachments: 1. Current Strategic Risk Register as at November 2023

AUTHORITY/DISCRETION

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.

Strategic Plan Theme: 2 Sustaining

We are innovative in delivering services that are cost effective, future-focused and sustainable.

Strategic Aspiration: 2.1. An open and transparent Town that delivers community-focused services aligned with a strong governance framework

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION

That the Audit Committee recommends to Council:

That Council RECEIVES the Strategic Risk Register updated to November 2023, as detailed at Attachment 1.

IN BRIEF

1. The purpose of this report is to provide commentary on updates that have been made to the Strategic Risk Register since it was last reviewed in May 2023.
2. The risk ratings on the Strategic Risk Register remain unchanged from when the Audit Committee last reviewed the register in June 2023.
3. There has been one new risk added to the Strategic Risk Register, R12.
4. There have been further updates to the Risk Treatment Action Plans (RTAPs) and due dates.

BACKGROUND

5. Since February 2021, the Administration has been reviewing and developing the Town's risk management framework.
6. In December 2021, Council adopted the reviewed framework.

7. The risk management framework guides the identification, assessment, and mitigation of risks. The tools in the framework have been applied to update the Strategic Risk Register to November 2023, with results presented in this report.

DISCUSSION

8. The Strategic Risk Register at Attachment 1 has been reviewed and updated to November 2023.
9. In the Register, revisions are highlighted in purple, whilst new entries are indicated in blue.
10. The following updates have been made to the Register since it was last reviewed in May 2023:

(a) Risk R2: Failure to Maintain Town's Assets, infrastructure, facilities, and venues.

(i) Control A - Asset Management Plans for the Town's Assets:

The responsible risk owner has been updated to Manager Parks & Environment.

Risk treatment action plan (RTAP) updated to reflect the following changes:

Assets have been captured in the electronic Asset Management System with updated condition ratings, this is now complete.

(ii) Control B - Ensure adequate funding is available to support upgrades and maintenance of Assets and Facilities (linked to the Depreciation Schedules and Asset Management Plan):

Developed a 5 and 10 year Capital Works Program for all asset classes based on agreed hierarchy of criteria and aligned with Long Term Financial Plan and Corporate Business Plan.

(iii) Control C - Scheduled Maintenance Inspections for Town assets and facilities Half yearly. Playground - 1 Year, Parks/Parking - 1 Month, Road & footpaths - Annual, Facilities – Annual:

Responsible risk owner updated to Manager Parks & Environment.

RTAP updated to reflect the following changes:

Leased facilities inspected on a bi-annual basis. Schedule of required works issued to leaseholder and followed up to confirm completion. Annual playground inspection and report to be completed by specialist consultant with maintenance and non-compliance recommendations (completed for 22/23). Monthly Parks inspections to be captured in the field via tablet and works orders to be generated through Datascape workflow process.

Ongoing - Playground inspections completed for 22/23 - new mobile asset maintenance capture process implemented for 23/24 covering all asset classes.

(iv) Control D - Effective Management of Town's leased/hired buildings and reserves (including heritage buildings):

The responsible risk owner has been updated to include the Manager Parks & Environment in addition to the Manager Infrastructure and Facilities.

RTAP updated to reflect the following changes:

Maintain and review asset management plans to ensure assets are maintained to the satisfaction of the Town. Regular inspections of the Town Facilities.

(b) Risk R3: Failure to manage project risks.**(i) Control A - Implement appropriate project management procedures and controls. Develop Operational Risk Register/s to manage operational risks relating to projects:**

The responsible risk owner has been updated to Chief of Community Planning and Place.

The RTAP has been updated to reflect the following changes:

Risk officer to assist in development of operational risk register in early 2024. Roll out of simple project plan templates.

(c) Risk R4: Failure to engage with the Community and Stakeholders**(i) Control A - Local Planning Framework and Local Planning Policies. 1 Revocation of Building Heights LPP. 2 Revocation of the Multiple Dwellings LPP. Revised LPP Position with relation to the Town of Mosman Park and Desired Future Character Statements:**

The responsible risk owner has been updated to Chief of Community Planning & Place.

The RTAP has been updated as follows:

Precinct Structure Plan Mosman Park Town Centre - WIP July 2024

Community Contributions Local Planning Framework - WIP: LPP - for approval November 2023

Public Open Space Strategy (POS) - WIP: POS Strategy by March 2024,

Car Parking Strategy Cash in Lieu -Commenced WIP in conjunction with PSP - July 2024

Traffic Modelling for PSP - WIP - July 2024

Heritage Framework including LPP - WIP - April 2024

LPP Residential Aged Care - Adopted August 2023

LPP Short Term Accommodation - Adopted March 2023

LPP SAT Procedures - Adopted April 2023

LPP Public Arts Contributions - Draft commenced WIP, July 2024

LPP Parklets – WIP - July 2024 to align with Placemaking initiatives next budget.

LPP McCabe Precinct - Adopted Feb 2023 **LPP Heritage Guidelines for**

Development and Local Heritage Survey consent to advertise June OCM 2023 LHS November 2023- finalise by July 2024

(ii) Control B - Compliance with all Planning and Building legislation:

Responsible risk owner updated to Chief of Community Planning & Place

(iii) Control L - Develop and Implement Reconciliation Action Plan:

RTAP due date updated to reflect Reconciliation Plan adopted by Council. Actions of RAP underway.

(iv) Control M - CRM - online fault reporting access:

A number of CRM dashboards have been created to provide leaders a comprehensive overview.

(d) Risk R6: Failure to Manage the Town's Workforce**(i) Control A - Review Workforce Management plan (also includes retention strategies and succession planning, Recruitment and selection Policy and Processes) every two years:**

Remuneration strategy revised as retention strategy. Recruitment and selection Policy and Processes currently under review. Succession planning and retention strategy ongoing.

The RTAP due date updated to complete.

(ii) Control I - Employee Code of Conduct:

The RTAP due date updated to training completed in March 2023 for all staff.

(iii) Control J - Social Media Guidelines for Staff:

Review Social Media Guidelines for staff in consultation with Media and Communications.

RTAP due date updated: to be completed in consultation with media and communications.

(e) Risk R8: Failure to effectively manage the Towns financial viability:**(i) Control A – Annual Budget process, midyear budget review, ad hoc budget amendments:**

The Annual budget process was adopted in June 2023, the mid-year budget review will be presented at the OCM in 2023, and ad hoc budget amendments will be presented to Council when required.

(ii) Control B – Annual review of long-term financial Plan

This is currently under discussion with the finance team.

(iii) Control C - Grant Management Register:

A grant register is currently being managed. The RTAP due date updated to ongoing.

(iv) Control D - Monthly Variance Reporting to Council and internal management:

Presented to council every month.

(v) Control E - Annual and Interim Audit:

Annual audit for 22/23 is in progress and no interim Audit was conducted for 22/23

(vi) Control G - Contract Management via: contract register (includes compliance checks) and implementation of a centralised procurement platform through Vendor Panel:

Continue to use vendor panel and WALGA preferred suppliers.

(vii) Control F - Effective Policies Council Adopted:

Debt Collection Policy and the Investment Policy to be presented to Council in December 2023.

(viii) Control I - Develop and identify effective procurement processes and systems:

The Town is currently in the process of arranging procurement training with external bodies such as WALGA and reviewing all internal procurement processes.

(ix) Control H - Develop and Implement a Developer Contributions Policy:

The Town has proceeded with a Community Needs Analysis via Consultants to inform the development of the Community Benefits Contribution Local Planning Framework. CNA endorsed October 2022.

The RTAP due date has been updated to the following:

Community Needs Analysis Project underway. Planning Framework being developed. LPP to be adopted by December 2023

(f) Risk R9: Failure to provide Good Governance:**(i) Control B - Compliance Calendar**

The compliance calendar was developed in early 2023 and is currently being used on Attain by all relevant staff to manage compliance related tasks. Weekly automated emails are sent from Attain to the relevant staff member to remind them of tasks.

(ii) Control C – Completion and lodgement of Annual Compliance audit return with the Department of Local Government by 31st March annually

The Annual Compliance Audit Return (CAR) was lodged with the department on the 28th of March 2023. The Governance team is preparing for the next CAR which is usually received in early January.

(iii) Control D - "Effective Policies and Procedures: Executing Documents Policy, Council Members' Allowances and Expenses, Elected Member Continuing Professional Development Policy:

Governance is coordinating a review of the entire Council policy suite. Tranches of reviewed policies are scheduled for presentation to Council throughout 2024, commencing in Quarter 1.

(iv) Control E - Effective governance of all Council/ Committee meetings and decision-making Local Laws, Efficient Integrity and ethics framework, Quality assurance conducted by Governance, Develop, and effectively manage Intellectual Property compliance/copyright obligations:

The WALGA model Activities in Public Places and Local Government Local Law is currently being reviewed for application in Mosman Park. The timeline contemplates a draft being finalised by December 2023 for presentation to Council in February 2024 where approval will be sought to go out for public consultation.

A presentation to Councillors on the legal aspects of defamation is scheduled for delivery in February 2024.

(v) Control F – Induction and ongoing training of Councillors and staff

Governance training has been carried out in 2023 - Attain email training, CRM training and other procedural related training. A new Councillor Induction manual was developed following the October 2023 elections and all new councillors have been notified of the CME WALGA training for 2024.

(vi) Control G – Review effective delegations of authority.

Annual review of delegations completed in June 2023 and taken to Council.

(vii) Control I - Effective management of Council Elections via a Caretaker Policy prior to Council Elections

Currently liaising with the WA Electoral Commission to conduct an extraordinary election on 15 March 2024 to fill one vacancy.

(viii) Control J – Report on Risk Management matters at Audit Committee Meetings

Last reported in June 2023. Next Audit Committee meeting scheduled for December 2023.

(ix) Control O - Review Fraud, Corruption and Misconduct Risk Plan every two years:

The Fraud Corruption and Misconduct Control Plan will be considered as part of the Regulation 17 audit to be concluded in Jan/Feb 2024. A review of the FCMCP will consider any recommendations from the audit that may be made. The RFQ process to appoint consultants to conduct the Reg 17 audit is in the final stages.

(x) Control L - Develop, Implement and Monitor the Risk Management Policy and Framework:

Review of framework and policy will be carried out after the Regulation 17 audit is concluded in Jan/Feb 2024. The Town's risk management function will be considered as part of this audit. The audit report may include risk management recommendations to inform and guide review priorities. The RFQ process to appoint consultants to conduct the Reg 17 audit is in the final stages.

(xi) Control Q) Review Records Management Policy

The records Management Policy has been reviewed and will be presented to Council in February 2024 for approval.

(g) Risk R11: Failure to preserve and protect the natural environment.

(i) Control A - Compliance with Environmental Policies and Procedures including Street Tree and vegetation policies.

Policies are due to be reviewed in the Town's Policy Review in 2024.

(ii) Control B - Integration of environmental sustainability within our practice.

RTAP updated to in progress, work is dependent on Sustainability Strategy Adoption. The COO is to update and advice timing.

(iii) Control C - Effective management of the Towns natural resources (water, Bush, fire, floods etc:

The Town undertakes a range of fire hazard reduction that includes, firebreak maintenance (pruning vegetation and grass spraying) removal of fuel loads (removing dead wood adjacent to the firebreak) and grass spraying alongside the firebreaks to reduce fuel loads.

(iv) Control F - Coastal Hazard Risk Management Adaption Program (CHARMAP) to manage Erosion of coastal dunes:

The Town was successful with the CHRMAP funding with partners Fremantle Port Authority, City of Fremantle, and Department of Transport, to continue coastal monitoring.

(h) Risk R12 Failure to effectively store/manage the Towns Records:

(i) Initially the risk of record management was tied into Risk R9: Failure to provide good governance however it was deemed appropriate for the record function to have its own separate risk category, given the sensitive nature of record management. In August 2023 the new record was established and has since had various updates.

(ii) As of November, the RTAP has been updated to reflect the submission of the Record Keeping Plan, which has been reviewed and sent to the SRO and SRC for endorsement - the next meeting is scheduled for 27th November 2023.

(iii) A 12-month work plan in place to review and overhaul the Towns suite of records policies and procedures are due for completion August 2024.

(i) Typographical and formatting amendments:

Where required, typographical and formatting amendments have been made throughout the strategic risk register.

(j) Additional Reviews:

Management of the Town's event risks is currently under review and will be presented to the Audit Committee in early 2024.

A comprehensive risk review was due to be provided to the Audit Committee in December 2023. It was intended to review the current risk ratings on the strategic risk register and consider the addition/deletion of any risks that may either be relevant or irrelevant to the Town. Due to various extenuating circumstances, in particular the conduction and organisation of the 2023 Ordinary Election and the upcoming extraordinary election in March 2024, the Governance and Risk team have been unable to carry out the risk review with the level of detail that was intended. The review has been rescheduled for early 2024, presenting to the Audit Committee in the first half of 2024. Focusing on:

- Reviewing risk ratings in accordance with the Town's risk matrix
- New risks to the Town
- The risk management framework
- The development and management of an operational risk register

Consultation

11. No community consultation has been undertaken for this report.

Financial Implications

12. The Risk Management Framework defines financial losses:
- (a) less than \$10,000 to have minor to negligible financial impact;
 - (b) between \$50,000 to \$200,000 to have a moderate impact;
 - (c) between \$200,000 to \$1M to have a significant financial impact; and
 - (d) more than \$1M to have a major catastrophic impact.

Statutory Implications

13. Regulation 16 of the Local Government (Administration) Regulations 1996 provides that part of the Audit Committee's role is to provide advice and guidance to the Council about financial risk and compliance management functions.
14. Considering how risks are being managed by regularly reviewing the Strategic Risk Register assists the Audit Committee to carry out this aspect of its role.

Policy Implications

15. The Risk Management Policy sets out Council's overall commitment, objectives, and direction to manage strategic risks.
16. The Audit Committee's Terms of Reference provide that the committee has a responsibility to review and make recommendations to the Council regarding risk, specifically to:
- (a) Review whether management has in place an enterprise-wide Risk Management Framework to identify and manage the Town's risks, including fraud.*
 - (b) Review the Town's strategic risk register and measures that management is taking to address the identified risks and uncertainties*

Risks

17. An ongoing review and presentation of The Town's Strategic Risk Register to the Audit Committee and Council will mitigate Risk R9 noted in the Strategic Risk Register being 'Failure to provide good governance'.

CONCLUSION

18. The Town's Strategic Risk Register has been reviewed and updated to November 2023.
19. No changes have been made to risk ratings.
20. It is considered the Town's risks are being managed with the controls and mitigation measures in place.
21. A comprehensive review of the risk function at the Town that was scheduled to take place from July 2023, with results being presented to the Audit Committee in December 2023, has now been postponed to early 2024.

22. Accordingly, it is recommended that the Audit Committee recommend Council receive the Strategic Risk Register updated to November 2023 as detailed at Attachment 1 and for Council to adopt that recommendation.

AGENDA FORUM COMMENTS

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- (a) [Type here](#)
 - (i) [Type here](#)

5.2 2022/23 ANNUAL FINANCIAL REPORT AND AUDITOR'S REPORT

File No.:	FIN5
Reporting Officer:	A Ramrekha, Acting Finance Manager
Responsible Officer:	C Bywater, Chief Executive Officer
Attachments:	1. 2022-23 Annual Financial Report 2. 2022-23 Auditor's Report 3. 2022-23 Final Management Letter

AUTHORITY/DISCRETION

Legislative: Includes adopting local laws, town planning schemes and policies. It is also when Council reviews decisions made by Officers.

Strategic Plan Theme:	2 Sustaining We are innovative in delivering services that are cost effective, future-focused and sustainable.
Strategic Aspiration:	2.1. An open and transparent Town that delivers community-focused services aligned with a strong governance framework

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION

That the Audit Committee recommends:

That Council:

1. RECEIVES the 2022/23 Annual Financial Report (**Attachment 1**) and Auditor's Report (**Attachment 2**).
2. RECEIVES the 2022/23 Final Management Letter (**Attachment 3**) and NOTES that the identified findings and the Town's proposed mitigation actions will be reported to a future Audit Committee meeting in 2024.

PREVIOUSLY BEFORE COUNCIL

1. Nil

PURPOSE OF REPORT

2. The purpose of this report is to provide the Audit Committee with sufficient information to enable it to recommend to Council adoption of the 2022/23 Annual Financial Report and Auditor's Report.

IN BRIEF

3. This report presents the Annual Financial Report for the year ending 30 June 2023, the Independent Auditor's Report, and Auditor's Management Letter for review by the Audit Committee.

BACKGROUND

4. The Town's financial statements for the year ended 30 June 2023 have been prepared (**Attachment 1**) and the Audit of those financial statements have now completed by the Office of the Auditor General (OAG).
5. The Town's 2022/23 final Audit was conducted by the Crowe Australasia on behalf of the OAG in October 2023.

DETAILS

6. The Town ensures it complies with Local Government Financial Regulations and the requirements of the *Local Government Act 1995* through integrating the Town's key strategies, plans, resources and reporting.
7. Representatives of the OAG will attend the Audit Committee and Council Meetings at which this report is considered to allow the Council to meet with the auditor as required by section 7.12A(2) of the *Local Government Act 1995*.

CONSIDERATIONS**Statutory Implications**

The *Local Government Act 1995* Section 7.12AB states:

The auditor must audit the accounts and annual financial report of a local government at least once in respect of each financial year.

The *Local Government Act 1995* Section 7.12AD states:

1. (1) *The auditor must prepare and sign a report on a financial audit.*
2. (2) *The auditor must give the report to —*
 3. (a) *the mayor, president or chairperson of the local government; and*
 4. (b) *the CEO of the local government; and*
 5. (c) *the Minister.*

The *Local Government Act 1995* Section 7.12A(2) – (4) states:

6. (2) *Without limiting the generality of subsection (1), a local government is to meet with the auditor of the local government at least once in every year.*
7. (3) *A local government must —*
 8. (aa) *examine an audit report received by the local government; and*
 9. (a) *determine if any matters raised by the audit report, require action to be taken by the local government; and*
 10. (b) *ensure that appropriate action is taken in respect of those matters.*
- (4) *A local government must —*

- (a) prepare a report addressing any matters identified as significant by the auditor in the audit report, and stating what action the local government has taken or intends to take with respect to each of those matters; and*
- (b) give a copy of that report to the Minister within 3 months after the audit report is received by the local government.*

The Local Government (Audit) Regulations 1996, regulation 9 states:

- (2) An auditor must carry out an audit in accordance with the Australian Auditing Standards made or formulated and amended from time to time by the Auditing and Assurance Standards Board established by the Australian Securities and Investments Commission Act 2001 (Commonwealth) section 227A.*
- (3) An auditor must carry out the work necessary to form an opinion whether the annual financial report —*
 - (a) is based on proper accounts and records; and*
 - (b) fairly represents the results of the operations of the local government for the financial year and the financial position of the local government at 30 June in accordance with —*
 - (i) the Act; and*
 - (ii) the Australian Accounting Standards (to the extent that they are not inconsistent with the Act).*

Policy Implications

8. Nil

Financial Implications

9. The findings identified by Crowe Australasia on behalf of the OAG in the 2022/23 Management Letter (**Attachment 3**) will be added to the audit log. Subsequent actions pertaining to these findings will be reported in a future Audit Committee meeting. There may be financial implications arising because of these actions, but at this stage an estimate of cost is not available.

Community Consultation

10. The 2022/23 Financial Statements (**Attachment 1**) will be included in the 2022/23 Annual Report.

The 2022/23 Annual Report will be endorsed at the Annual General Meeting of Electors.

CONCLUSION

Independent Auditor's Report

11. As detailed with the Report, the auditor considered that the annual financial report of the Town has been based on proper accounts and records, and fairly represents in all material respects, the results of the operations of the Town for the year ended 30 June 2023.

Management Letter

12. Crowe Australasia on behalf of the OAG have provided a final Management Letter for the period to 30 June 2023, (**Attachment 3**) which details those findings identified during the final audit. This letter identified four moderate findings that require attention. Management comments to address and respond to these findings are included in this final Management Letter.
14. The Town has addressed all the findings and is working to address the remaining items.

AGENDA FORUM COMMENTS

5.3 UPDATE ON PROGRESS OF IMPLEMENTING 2022 GOVERNANCE REVIEW RECOMMENDATIONS**File No.:****Reporting Officer:****Manager Governance and Risk****Responsible Officer:****C Bywater, Chief Executive Officer****Attachments:**

- 1. Governance Processes Review - Final Report (confidential)**
- 2. Table - Progress on Implementing 2022 Governance Review Recommendations**

AUTHORITY/DISCRETION

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.

Strategic Plan Theme:**2 Sustaining**

We are innovative in delivering services that are cost effective, future-focused and sustainable.

Strategic Aspiration:

- 2.1. An open and transparent Town that delivers community-focused services aligned with a strong governance framework

VOTING REQUIREMENTS

Simple Majority

OFFICER RECOMMENDATION

That the Audit Committee recommend to Council to NOTE:

1. Progress made throughout 2023 on implementing the recommendations from the 2022 Governance processes review as detailed in the table at **Attachment 2**; and
2. That the results of reviews of Council policies are scheduled to be presented to Council to consider throughout 2024-25.
3. A progress report will be presented to Council in March 2023, on the continuing implementation of the 2022 Governance processes review recommendations.

IN BRIEF

1. In late 2022, consultants delivered the results of an assessment of the Town's governance processes. During 2023, Council has been regularly updated with progress on implementing recommendations of the consultant's report.
2. This update consolidates work done during 2023 and proposed for 2024-25. It provides Council with a clear picture of what has been done, and what's left to be done, to bring the Town's governance processes up, and beyond, the standard recommended by consultants in December 2022.

BACKGROUND

3. In [March 2022](#), Council resolved to require “an audit of the Town’s governance processes be carried out”.
4. A consultant was subsequently engaged - the scope of the brief being to assess the Town’s governance processes with reference to statutory compliance and good practice. The review was to identify gaps, opportunities and areas for improvement.
5. In [December 2022](#), Council was presented with the consultant’s findings and recommendations from the audit. These are at **Attachment 1** and form the roadmap the organisation has been following for the past year to improve its governance processes.
6. In [March 2023](#) and [June 2023](#), Council was updated with progress on implementing this roadmap.

DISCUSSION

7. Guided by the governance review roadmap, further improvements to governance processes have been achieved during 2023 by focussing on:
 - (a) revoking outdated Council policies;
 - (b) clarifying Council’s policy position in matters involving decision-making at workshops and Council meetings;
 - (c) developing a framework to support the suite of Council policies and CEO procedures; and
 - (d) developing processes that guide the settlement of Council agendas.

Status of review recommendations implemented

8. Table 1 provides a snapshot of progress made on implementing the 15 high and medium rated actions recommended from the 2022 governance processes review:

Table 1 – Status of progress on high and medium priority recommendations

High priorities (10)	Medium priorities (5)
6 - fully completed	2 - fully completed
1 – substantially completed	1 - partly completed
3 - partly completed	2 - yet to be commenced

Work in progress

9. Of the 15 actions, only two are yet to be commenced due to the need to divert resources to manage the 2023 local government elections. The remainder of actions are either completed or are work in progress.
10. The discussion following summarises what has been done, and what is left to do. It is ordered under the topics identified in the confidential consultant’s report at **Attachment 1** as:
 - (a) Review of Council Policies;
 - (b) Review of CEO Policies (referred to lately as CEO Procedures);
 - (c) Review of Council Meetings and Briefings;

- (d) Review of Council Reports.

Review of Council policies

11. One of the review recommendations implemented in December 2023, was to revoke a number of redundant and outdated regulatory Council policies.
12. Also during 2023, the foundation of a Council policy framework was developed. Council approved categories for its policy suite; a policy to guide the development and management of Council policies; and a standard Council policy template.
13. Building on the foundation of this framework, the suite of Council policies has been assessed internally from a risk perspective. The outcome has been to commence a review of the majority of Council policies based on the risks identified of not doing so.
14. A risk analysis has informed a timeline to prioritise reviews of Council policies throughout 2024. This significant body of work will continue into 2025. Presentations of policies may slow, or stall temporarily in 2023, as resources are diverted to manage the March 2024 extraordinary election.
15. A CEO Procedure on reviewing Council policies has been developed, together with a guide for officers about what to take into account when reviewing policies. Officers reviewing policies will be asked to take note to:
 - (a) remove legislative references;
 - (b) remove procedural content from policies;
 - (c) ensure reviewed policies take account of any legislative reforms that may have been introduced since a policy was introduced or last reviewed;
 - (d) standardise the way policy content is presented by ordering it according to the headings in the Council's approved policy template.

Review of CEO Procedures

16. During 2023, the foundation for a CEO Procedures framework was commenced with the development of a standard CEO Procedures template.
17. During Q1 and Q2 of 2024 the proposal is that:
 - (a) CEO Procedures will be categorised to align with Council's policy suite. It is expected that there will be additional categories included in the suite of CEO Procedures that relate to operational aspects of the CEO's role;
 - (b) standard templates will be developed for guidelines and processes to support the implementation of CEO Procedures and Council policies; and
 - (c) business rules, and other governance requirements for the development, review, rescission and authorisation of CEO Procedures will be further investigated and, where resources permit, implemented;
 - (d) protocols and systems will be developed to strengthen governance around operational decision making.

Review of Council meetings and briefings

18. During 2023, the majority of the governance review recommendations were completed and implemented including:

- (a) reviews of the Council and Committee Meetings Policy and the Informal Meetings Policy which were both subsequently adopted by Council in June 2023;
- (b) amending processes to ensure Audit Committee meeting minutes are published on the website; and that Audit Committee minutes and recommendations are presented in OCM agendas for formal adoption; and
- (c) advice to Council not to implement the recommendation to delegate authority to the Audit Committee to meet annually with the auditors. The advice was based on the fact that this is usual practice and happens without the need for delegated authority to do so.

19. The recommendation yet to be implemented is a review of Council's Advisory Groups Policy. This is scheduled to take place in Q1 2024, with results being presented to Council during Q1.

Review of Council reports

20. During 2023, an agenda settlement process was developed as recommended. It remains to develop the CEO Procedure referencing this process. This has been scheduled for Q1, 2024.

Summary of schedule of actions proposed for 2024

21. Discussed above is work that has been completed during 2023 to implement the 2022 governance processes review recommendations. Work outstanding and proposed for 2024 is summarised in Table 2 below. This work includes commencement of the additional proposal to review priority Council policies.

Table 2 – Schedule of actions for 2024

2024 timeline	Action
Quarter 1	<ul style="list-style-type: none"> Review and present to Council a tranche of Council policies including the Pricing Policy, Public Works Policy and Advisory Groups Policy identified in the governance processes review as high priorities for review; Develop categories for the CEO Procedures framework; Draft a CEO Procedure to formalise the current agenda settlement process; and Develop standard templates for guidelines and processes and clearly delineate what can be used when to complement a CEO Procedure.
Quarter 2	<ul style="list-style-type: none"> Review and present to Council policies identified as priorities for review through an internal risk analysis; and Develop business rules, procedures and protocols to strengthen governance around operational decision making relating to CEO Procedures.

Quarters 3 and 4	<ul style="list-style-type: none">Review and present to Council policies identified as priorities for review through an internal risk analysis.
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Consultation

22. Internal consultation has informed the timeline proposed for the review of priority Council policies in 2024.

Financial Implications

23. The work in 2024 to implement the actions identified in Table 2 above will be done in-house.

Statutory Implications

24. There are a range of statutory requirements that have been considered in the governance processes review. None are directly relevant to this progress report.

Policy Implications

25. This report discusses various policy implications relating to the 2022 governance processes review recommendations. In addition, it informs Council of the intention to review Council policies identified by order of priority during 2024-25.

Risks

26. If the actions recommended in the 2022 governance processes review are not fully implemented, Council is exposed to the risk of failure to provide good government for the people of the district.
27. The risk of reliance on outdated, redundant or non-compliant policies is that decision making could lack legal authority exposing Council to the possibility of liability.

CONCLUSION

28. Significant work has been done during 2023 to implement the recommendations of the 2022 governance processes recommendations in confidential **Attachment 1**.
29. The 2022 review focussed on the fact that a significant number of Council policies required reviewing. This has led to an internal risk analysis to develop a timeline for reviewing Council policies that is likely to run throughout 2024-25.
30. The work proposed to complete the governance review recommendations is set out in this report as is the proposal to commence a broader review of the Council policy suite throughout 2024-25.
31. It is recommended that Council note the progress achieved in 2023; that reviewed Council policies are scheduled to present to Council throughout 2024-25; and that a further progress report will be presented to Council in March 2024, to keep Council informed.

AGENDA FORUM COMMENTS

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6 DATE OF NEXT MEETING

The next Audit Committee Meeting will be held .

7 MEETING CLOSURE

The Presiding Member to declare the meeting closed.

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