



Minutes

Audit and Risk Management Committee

Wednesday, 16 February 2022, 5.30 pm

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Audit and Risk Management Committee

Minutes of the Audit and Risk Management Committee meeting
held in the Council Chamber at the Walyalup Civic Centre, 151 High Street
Fremantle on **Wednesday, 16 February 2022** at 5.30 pm.

1. Official opening, welcome and acknowledgement

The Presiding Member declared the meeting open at 5.31pm.

2. Attendance, apologies and leaves of absence

2.1. Attendance

Ms Hannah Fitzhardinge	Mayor
Cr Frank Mofflin	Deputy Mayor/Hilton Ward
Cr Fedele Camarda	Deputy Presiding Member/Beaconsfield Ward
Cr Andrew Sullivan	South Ward
Cr Su Groome	Presiding Member/East Ward
Cr Doug Thompson	North Ward (<i>observing only, entered 5.57pm</i>)
Mr Glen Dougall	A/Chief Executive Officer
Mr Graham Tattersall	Director Infrastructure
Mr Matt Hammond	A/Director City Business
Ms Kylie Lamb	Manager Financial Services
Ms Charlie Clarke	Manager Governance
Ms Emma Aiberti	Revenue Team Leader
Ms Anne-Marie Bartlett	Meeting Support Officer

2.2. Apologies

Nil

2.3. Leave of absence

Nil

3. Disclosures of interests by members

Nil

4. Deputations

4.1 Special deputations

Nil

4.2 Presentations

Nil

5. Confirmation of minutes

COMMITTEE DECISION

Moved: Cr Su Groome

Seconded: Mayor Hannah Fitzhardinge

The Audit and Risk Management Committee confirm the minutes of the Audit and Risk Management Committee meeting dated 17 November 2021.

Carried: 5/0

**Mayor Hannah Fitzhardinge, Cr Andrew Sullivan,
Cr Frank Mofflin, Cr Fedele Camarda, Cr Su Groome**

6. Elected member communication

Cr Frank Mofflin provided an update from the WALGA Zone meeting he attended on 14 February 2022. Cr Mofflin advised he had listened to an update presentation given by the Auditor General, Caroline Spencer, outlining the OAG's approach to audits and what was causing delays.

Cr Mofflin outlined the following highlights from the presentation and advised that he would distribute a copy when he received it:

- In the last four years, the number of audits the OAG manage has increased three times, and the number of entities they have managed in this time has increased by 80% with resourcing unfortunately not matching that increase.
- 85% of the audits completed by the OAG are outsourced, but the City of Fremantle is included in the 15% that are completed inhouse.
- The OAG has begun audits relating to Universities and TAFE, which has delayed local government audit completion in some instances.
- The OAG stated that next year local government audits will be prioritised.

7. Reports and recommendations

ARMC2202-1 AUDIT AND RISK MANAGEMENT COMMITTEE – INDEPENDENT MEMBERS

Meeting date:	16 February 2022
Responsible officer:	Manager Governance
Decision making authority:	Council
Attachments:	Candidate Details (Confidential attachment under separate cover)
Additional information:	Nil

SUMMARY

The purpose of this report is to consider the appointment of independent members to the Audit and Risk Management Committee.

This report recommends that Council appoint Mr Ben Arnold as an independent member of the Audit and Risk Management Committee. The City will also explore other options to seek candidates for consideration to appoint as a second independent member.

BACKGROUND

Following each ordinary election, Council appoints all members, including independent members, to the Audit and Risk Management Committee, in accordance with the Committee's Terms of Reference.

A report for this appointment was presented for consideration at the Ordinary Meeting of Council held on 24 November 2021, where Council resolved to:

- 1. Request that the Chief Executive Officer, Presiding Member and Deputy Presiding Member of the Audit and Risk Management Committee interview a selected shortlist of applicants and provide a recommendation to Council for consideration before the February meeting of the Committee.*
- 2. Approve an amendment to the committee's terms of reference, membership clause, to include reference to two independent members.*

The Chief Executive Officer, Presiding Member and Deputy Presiding Member of the Audit and Risk Management Committee selected a shortlist of applicants for interview and conducted those interviews in December 2021. Following the interview process the interview 'panel', made up of the Chief Executive Officer, Mayor and Deputy Presiding Member recommended one candidate for appointment.

FINANCIAL IMPLICATIONS

The independent member of the Audit and Risk Management Committee may be reimbursed a maximum of \$250 per meeting in accordance with the Terms of Reference for that Committee.

Financial implications of this report also include the costs associated with the advertising of expressions of interest for this position.

LEGAL IMPLICATIONS

Part 7 of the *Local Government Act 1995* requires that all local governments establish an audit committee.

CONSULTATION

The Chief Executive Officer, Mayor (in the Presiding Member's absence) and Deputy Presiding Member conducted interviews with the selected shortlist of applicants.

OFFICER COMMENT

The panel determined that Mr Ben Arnold was a suitable candidate for appointment as one of the Independent Members of the Audit and Risk Management Committee.

The panel also determined that the City would explore some further options to find a second independent member including the possibility that the City may approach suitably qualified candidates to gauge their interest in appointment to the Audit and Risk Management Committee.

The City intends to specifically target individuals with proven experience in governance, and or change management to add value and diversity to the knowledge base of the committee.

VOTING AND OTHER SPECIAL REQUIREMENTS

Absolute majority required

OFFICER'S RECOMMENDATION

Moved: Cr Su Groome

Seconded: Cr Frank Mofflin

Council appoint Mr Ben Arnold as an independent member of the Audit and Risk Management Committee.

AMENDMENT

Moved: Cr Su Groome

Seconded: Cr Andrew Sullivan

To add a part 2 to the officer's recommendation, to read as follows.

Council:

1. Appoint Mr Ben Arnold as an independent member of the Audit and Risk Management Committee.
2. **Formally acknowledge Mr Phillip Draber's 9 years of service and contributions as the immediate previous independent member of the Audit and Risk Management Committee.**

Amendment carried: 5/0

Mayor Hannah Fitzhardinge, Cr Andrew Sullivan,
Cr Frank Mofflin, Cr Fedele Camarda, Cr Su Groome

COMMITTEE RECOMMENDATION ITEM ARMC2202-1 (Amended officer recommendation)

Moved: Cr Su Groome

Seconded: Cr Frank Mofflin

Council:

1. Appoint Mr Ben Arnold as an independent member of the Audit and Risk Management Committee.
2. ***Formally acknowledge Mr Phillip Draber's 9 years of service and contributions as the immediate previous independent member of the Audit and Risk Management Committee.***

Carried: 5/0

Mayor Hannah Fitzhardinge, Cr Andrew Sullivan,
Cr Frank Mofflin, Cr Fedele Camarda, Cr Su Groome

ARMC2202-2 ADOPTION OF THE 2021 COMPLIANCE AUDIT RETURN

Meeting date:	16 February 2022
Responsible officer:	Manager Governance
Decision making authority:	Council
Attachments:	1. 2021 Compliance Audit Return
Additional information:	1. Quantum Assurance – Quality Assurance Review Report

SUMMARY

The 2021 Compliance Audit Return (CAR) has now been completed by an independent auditor and is presented to Council for adoption in accordance with the requirements set by the Department of Local Government, Sport and Cultural Industries.

It is recommended that Council adopt the 2021 Compliance Audit Return as shown in attachment 1 and note it will then be submitted to the Department of Local Government, Sport and Cultural Industries.

BACKGROUND

In accordance with the *Local Government Act 1995* (the Act), each local government authority is required to carry out a compliance audit for the period 1 January to 31 December of each year as instructed by the Department of Local Government, Sport and Cultural Industries.

The City appointed Quantum Assurance as an independent auditor to undertake the 2021 CAR. An in-depth Quality Assurance Review Report has been provided by the auditor, and has been made available as additional information to this report for consideration.

The 2021 CAR contains 89 compulsory questions and 9 optional questions relating to the local government's compliance with the requirements of the Act and its Regulations, concentrating on areas of compliance considered "high risk".

Questions are generally asked in a positive phrase where a 'yes' response indicates compliance and a 'no' response indicates non-compliance. In some cases, an 'NA' response may be recorded which indicates that the question did not apply to the City during the return period.

Under section 14 (3A) of the *Local Government (Audit) Regulations 1996*, the Audit and Risk Management Committee is required to review the compliance audit return and make recommendations to Council on any action required in response to the audit findings. The Council are required to adopt the CAR prior to it being submitted to the Minister for Local Government before the deadline of 31 March 2022.

FINANCIAL IMPLICATIONS

Nil

LEGAL IMPLICATIONS

In accordance with Section 7.13(1)(i) of the *Local Government Act 1995* and Regulations 13, 14 and 15 of the *Local Government (Audit) Regulations 1996*, local governments are required to carry out an audit of compliance for the period 1 January to 31 December each year.

Following preparation of the return a local government is to:

- a. Review the audit report at its audit committee,
- b. Present the audit report to council,
- c. Adopt the audit report, and
- d. Record the audit report in the minutes of that meeting.

The return is to be signed by the Mayor and Chief Executive Officer before it is submitted to the Department of Local Government, Sport and Cultural Industries by the 31 March following the period to which the return relates.

CONSULTATION

In order to provide an appropriate response to each question, the auditor consulted with all appropriate officers within the city, seeking information and evidence in relation to the questions asked in the return.

OFFICER COMMENT

The City's reviewer has examined documents and records relevant to the 98 questions contained in the CAR, in order to verify answers, and has recorded responses based on these examinations.

The City has achieved a 95% compliance rating for the period covered by the 2021 CAR. This compares with 100% compliance in 2020 and 99% in 2019. The reviewer identified five (5) non-compliances, which are outlined in the table below.

Reference	Question	Exception Notes
Disclosure of Interest	Question 5: Was an annual return in the prescribed form lodged by all relevant persons by 31 August 2021?	One annual return was received after the deadline. The DLGSC and Corruption and Crime Commission were notified as required.
Disclosure of Interest	Question 25: Did the CEO prepare, and implement and publish an up-to date version on the local government's website, a code of conduct to be observed by employees of the local government?	The new employee code of conduct is in the process of being finalised and is not yet available on the City's website.
Finance	Question 3: Was the auditor's report for the financial year ended 30 June 2021 received by the local government by 31 December	The Office of the Auditor General (OAG) is yet to conclude the audit and has provided advice that this is due to OAG resourcing issues.

Reference	Question	Exception Notes
	2021?	
Optional Questions	Question 3: Where a disclosure was made under sections 5.87A or 5.87B, was the disclosure made within 10 days after receipt of the gift? Did the disclosure include the information required by section 5.87C?	One exception occurred relating to a notification missing some information that was required, past the 10-day timeframe.
Tenders for Providing Goods and Services	Question 1: Did the local government comply with its current purchasing policy [adopted under F&G Reg 11A (1) &(3)] in relation to the supply of goods or services where the consideration under the contract was, or was expected to be, \$250,000 or less or worth \$250,000 or less?	The City has a structured approach to the implementation and management of procurement but does accept that occasional instances do arise where expenditure goes above the thresholds or where officers were not able to attain the minimum number of quotes due to supply issues or market conditions. The City monitors procurement through monthly reports of contractor / supplier expenditure and will highlight / review these instances with the line Manager where they might arise.

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple majority required

COMMITTEE RECOMMENDATION ITEM ARMC2202-2 **(Officer's recommendation)**

Moved: Cr Su Groome

Seconded: Cr Fedele Camarda

Council:

- 1. Adopt the 2021 Compliance Audit Return as shown in attachment 1.**
- 2. Note that the 2021 Compliance Audit Return will be submitted to the Department of Local Government, Sport and Cultural Industries following adoption.**

Carried: 5/0

**Mayor Hannah Fitzhardinge, Cr Andrew Sullivan,
Cr Frank Mofflin, Cr Fedele Camarda, Cr Su Groome**

ARMC2202-3 REVIEW OF CERTAIN SYSTEMS AND PROCEDURES BY THE CHIEF EXECUTIVE OFFICER REQUIRED BY REGULATION 17 – LEGISLATIVE COMPLIANCE

Meeting date:	16 February 2022
Responsible officer:	Manager Governance
Decision making authority:	Council
Attachments:	1. Civic Legal Systems and Procedures Review, Legislative Compliance – Final Report 2. Table of findings with officer comments
Additional information:	Nil

SUMMARY

The purpose of this report is for council to receive the report provided by Civic Legal, as shown in attachment 1, relating to the review by the Chief Executive Officer of certain systems and procedures in the area of legislative compliance, as required by Regulation 17 of the *Local Government (Audit) Regulations 1996*.

BACKGROUND

In accordance with the Local Government (Audit) Regulations 1996 – Regulation 17:

1. The Chief Executive Officer is to review, at least once every three years, the appropriateness and effectiveness of a local government's systems and procedures in relation to:
 - a) Risk management
 - b) Internal control and
 - c) Legislative compliance.

The City of Fremantle (the City) has engaged Civic Legal to undertake an extended Regulation 17 (reg 17) review of the City's systems and procedures in relation to risk management, internal control and legislative compliance. One of the three categories listed above has been reviewed each year, for the previous three years.

It was anticipated that conducting the review over an extended period of time would allow for a more in-depth review of each of these areas. A closer look at the City's systems and procedures in relation to the required categories allows a better understanding of how the City can better achieve 'best practise' principles across the organisation while also meeting the requirements of the Act.

FINANCIAL IMPLICATIONS

There are no financial implications identified because of this report.

LEGAL IMPLICATIONS

The review did not identify any breaches of legislation.

CONSULTATION

No external consultation was undertaken.

OFFICER COMMENT

The attached report reviews legislative compliance and is the third and final report to be delivered by Civic Legal over the three-year contract period.

The review of internal control was undertaken in 2019 and risk management in 2020, and progress on the suggested actions from those reviews is being reported to the Committee via the Audit Actions Register.

This review did not identify any breaches of legislation or other significant gaps in risk management practices which would require immediate action. Civic Legal have offered suggestions that the City may benefit from improvements to systems and procedures relating to risk management as identified in the “table of results” attached to this report.

Following the final report on legislative compliance being provided to the City, Managers who were consulted during the review were given the opportunity to provide comments in response to the ‘suggested actions’ outlined within the report. These comments are included in the ‘table of results’ as provided in attachment 2. Comments may include confirmation that the matter has already been addressed, agreement to undertake the recommended action, or an alternative professional recommendation.

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple majority required

COMMITTEE RECOMMENDATION ITEM ARMC2202-3 **(Officer’s recommendation)**

Moved: Cr Su Groome

Seconded: Cr Frank Mofflin

Council:

- 1. Receive the final report as shown in attachment 1, relating to the review by the Chief Executive Officer of certain systems and procedures in the area of legislative compliance, as required by Regulation 17 of the *Local Government (Audit) Regulations 1996*.**
- 2. Approve the City to undertake the following actions recommended in the review:**

No	System or procedure	Suggested action	Officer comment
1.	Elected member professional	Include a review deadline in the Elected Member Professional Development	Review deadline has been included in the Elected Member Professional Development Policy.

No	System or procedure	Suggested action	Officer comment
	development	Policy (September 2020). Amend the policy to highlight a preference that elected members prioritise training in areas where they have official capacities (e.g. Audit and Risk Management Committee responsibilities).	This policy will be included in a review of all elected member council policies, where this amendment will be considered. Estimated completion – 28 February 2022
2.	Record Keeping Plan review	Ensure internal reminder(s) are established to trigger the next Record Keeping Plan review. This reminder(s) should not be limited to an individual officer's calendar. For example, reminders could be added to the Governance Team's Compliance Calendar.	Information Management Team Leader will liaise with Governance to include Record Keeping Plan trigger dates for review, amend and rewrite as applicable.
3.	Completing the compliance audit return (CAR)	Amend the Compliance Audit Return (CAR) Procedure (February 2021) to identify minimum sampling requirements expected of the consultant. This could be included in the initial request and/or could be a major consideration when selecting the successful applicant.	Review deadline included in the CAR Procedure – completed October 2021 This amendment will be considered during the upcoming review of the procedure. Consultants will be appointed in accordance with the purchasing policy as previously. Estimated completion – 31 January 2022
4.	Complaints management	Review the Complaint Management System Policy (February 2013) (was due to be reviewed in 2017). Develop a comprehensive internal complaints procedure that can be followed by all departments and outlines minimum requirements and/or expectations.	Governance and Customer Service teams to meet, review and agree on an internal complaints procedure.
5.	Compliance with purchasing and tendering requirements	Review the <i>Employee Action Form</i> to assess whether further training options (not limited to purchasing and tendering) would be beneficial. For example, we understand that governance training will be available in September 2021 and delegation training in early 2022.	Yes, we can review the form and training requirements.
6.	Corporate Business Plan	We understand from discussion with the officers	The City is currently working on the development of a workforce

No	System or procedure	Suggested action	Officer comment
	(CBP) requirements	that the City does not have a Workforce Plan. Although this is not required by legislation, the City may consider drafting a Workforce Plan.	plan. Estimated completion – 31/12/2022
7.	Strategic Community Plan (SCP) requirements	Draft and endorse a guideline document for minor and major SCP reviews. This should include identifying the City's standards for community engagement, regulatory requirements of the SCP review, key stakeholders (internal and external) and the general review process.	Council endorsed pursuit of an integrated strategic planning and reporting framework involving biennial review after each election in September 2018. More detailed procedure could be prepared, referring to the Department of Local Government's Guidelines where appropriate. Estimated completion – 30 June 2022
8.	Reporting legal considerations to council	Ensure 'strategic implications' are included in all reports to council, along with 'legal implications' and 'financial implications'. Consider amending the policy and procedure for <i>Writing reports for Council and Committee</i> (2019) (and any relevant report templates) to include a risk assessment in all reports to council and committees. This may be in the form of a risk matrix. Although this is not required by legislation, it has the potential to improve the effectiveness of the City's risk management strategies.	A report will be taken to ELT for consideration to include an additional heading in the report template and policy amendment. Estimated completion – 31 January 2022.
9.	Compliance with meeting procedures	Review the <i>Elected Member Meeting Procedures Policy</i> (August 2018) (due to be reviewed in 2020) to retain contemporary relevance. Review the procedure for <i>Minute taking and packing down the North Fremantle Hall</i> (July 2019) (was due to be reviewed in July 2021). Include adoption/approval/review details in the policy and procedure for <i>Writing reports for Council and Committee</i> (2019).	The Meeting Procedures Policy is currently under review. Procedure for Minute taking and packing down the North Fremantle Hall will be deleted as the Hall will no longer be used for meetings. It should be noted that new procedure documents will be created for the Chamber at the Walyalup Civic Centre. Adoption/approval details are included in the policy and procedure for Writing Reports for Council and Committee. Estimated completion – 28 February 2022

No	System or procedure	Suggested action	Officer comment
10.	Parking infringement appeals	Review the <i>Parking Infringement Appeals Policy</i> (November 2016). Include a review deadline in the <i>Parking infringement appeals Policy</i> (November 2016). Include in the policy or an internal procedure, the requirement for officers to declare interests in infringement matters (e.g. family members and close friends) Draft a procedure for writing off parking infringements (internal document) to support administrative staff handling appeals requests.	Procedure – Issuing a parking infringement covers issuing an infringement and writing off parking infringements. The Parking Infringement Appeals Policy is scheduled for review in November 2021, with a report to Council in early 2022 with recommended changes. Included in the policy will be a procedure, for officers to declare interests in infringement matters (e.g. family members and close friends) A procedure will be drafted in November 2021 for all staff involved in writing off parking infringements and to support administrative staff handling appeals requests.
11.	Leisure Centre chemical management	Consider implementing refresher training in relation to workplace health and safety requirements (e.g. PPE and chemical management) at the Leisure Centre.	A refresher training session on workplace health and safety will be included into the annual aquatic training program.
12.	Responding to Public Health Emergency Directives	Ensure all relevant staff are aware of the Fremantle Health Team's role of providing advice/clarification (or seeking if from PHEOC).	The Environmental Health Section will, in consultation with City's Communications Services, and prior to 24 December 2021, release a communique to City staff, advertising the role of the Environmental Health Section in advising on/and promoting Covid-19 safety and compliance.

3. Note the City considers no further action is required for the following actions recommended in the review:

No	System or procedure	Suggested action	Officer comment
1.	Ensuring the Audit and Risk Management Committee (ARMC) members understand their role	Consider amending the <i>Terms of Reference</i> to include specific training requirements for ARMC members. Although such amendment is not required by legislation, it has the potential to improve the quality of input from ARMC members. For instance, an amendment could be made that requires the councillors who comprise the ARMC to undergo suitable auditing and risk management training within three	Specific training is already offered and available to any elected member who would wish to undertake it. Elected members are already mandated to undertake training under the Local Government Act and are aware of and adopt the terms of reference for

No	System or procedure	Suggested action	Officer comment
		months of their appointment. Ensure all members of the ARMC sign to confirm they have read and understood the ARMC <i>Terms of Reference</i> .	the Audit and Risk Management Committee so have read and understood it. No further action considered necessary.
2.	ARMC compliance with regulation 16(d) of the <i>Local Government (Audit) Regulations 1996</i> (WA)	The procedure to address actions from Audits (refer to ARMC2011-2) is currently captured in council meeting minutes (25 November 2020). If not already done so, this procedure should be captured in an internal policy/procedural document.	This process has been captured in an internal procedure document titled "Capturing actions related to issues identified in audits" – July 2020. Complete – October 2021
3.	Responding to FOI access applications	Include a date on the <i>FOI Internal Process Flow Chart</i> to identify when it was last reviewed/updated.	Review date added to the footer of the document, that will be updated at every review. Complete - 29/10/2021
4.	Community engagement/consultation	Include a requirement for all engagement plans to contain a 'relevant legislation' section, or something to that effect. I.e. this could be included in any relevant template, guideline document and/or the <i>Community Engagement Policy</i> (March 2019). 'Nil' or 'not applicable' can be written under this section for plans where there is no legislative requirement to seek community consultation.	Complete: Engagement Plan template amended to include 'Legislative Requirements' section.
5.	Monitoring legislative changes	Ensure procedures for monitoring legislative changes are addressed in the organisational induction training module.	Officers will continue to be advised that they are responsible for keeping up to date on the legislation that applies to their role at the governance induction. The Governance Team will continue to monitor legislative changes through legislation.wa.gov.au and advise managers. No further action considered necessary.
6.	Monitoring legislative compliance	Ensure procedures for monitoring legislative compliance are addressed in the organisational induction training module.	Officers will continue to be advised that they are responsible for ensuring compliance with the legislation that applies to their role at the governance induction.

No	System or procedure	Suggested action	Officer comment
			No further action considered necessary.
7.	Providing support to officers on how to comply with relevant legislative requirements	Ensure the City has adopted, and regularly reviews, procedural documents/guidelines to support staff when completing common tasks that are regulated by legislation and/or regulations. For example, disposal of land transactions, managing rental agreements, recruitment, purchasing and legislatively mandated document reviews. Priority should be given to high risk and regular tasks. We note that the scope of this review did not allow for the multitude of those kinds of documents to be reviewed and commented upon. Ensure all employees (current and incoming) complete the governance induction training.	The City does not repeat legislative requirements by producing processes that are already included in legislation. The Governance Team are available to offer advice and support in interpreting the requirements of legislation and managers are qualified in the relevant areas of legislation specific to their role. No further action considered necessary.
8.	Dealing with elected member code of conduct breaches	Include a review deadline in the <i>Council Code of Conduct Division 3 Complaint Handling Policy</i> (June 2021).	Review deadline included in the Council Code of Conduct Division 3 Complaint Handline Policy. Complete – October 2021
9.	Auditing practices	Consider implementing internal processes for tests/checks for legislative compliance across the organisation. In particular, this would be to assist areas where legislative compliance might not be strongly understood and/or consequences are significant.	Given the additional expense and time constraints imposed in taking part in OAG audits, additional internal auditing was considered unnecessary as an additional burden in recent review of the City's internal review policy. No further action considered necessary.
10.	Monitoring breaches of the <i>Code of Conduct Employees 2020</i>	Include adoption/approval details in the <i>Code of Conduct Employees 2020</i> (similarly to the City's policy template).	Sign off on Code of Conduct compliance part of every induction. Adoption/approval details included in the Code of Conduct.
11.	Monitoring breaches of the <i>Council Members, Committee Members and Candidates</i>	Include adoption/approval details in the <i>Council Members, Committee Members and Candidates Code of Conduct 2021</i> (similar to the City's policy template).	Adoption/approval details included in the Council Members, Committee Members, and Candidates Code of Conduct 2021. Complete – October

No	System or procedure	Suggested action	Officer comment
	<i>Code of Conduct 2021</i>		2021
12.	Leisure Centre monitoring legislative compliance	Capture legislative requirements of the leisure centre in a compliance calendar. Ensure reminders are sent to multiple officers to ensure legislative compliance is met, without reliance on external bodies. Include legislative requirements for the leisure centre in induction and refresher training for relevant leisure centre employees.	The Centre has developed an annual planner to capture FLC/SRC legislative and compliance requirements.
13.	Preventing spread of infectious disease	Include a review deadline in the <i>Infectious Disease Prevention Policy for Coronavirus (COVID-19) Virus Administration Policy</i> (March 2020). The <i>Infectious Disease Prevention Policy for Coronavirus (COVID-19) Virus Administration Policy</i> was last reviewed in March 2020. If not already done, ensure this policy is being regularly reviewed (perhaps more regularly than the review deadline suggests). This is especially relevant following new information being released or a change in conditions.	Agreed. Policy reviewed January 2022 and review deadline included.
14.	Preparing COVID-19 Safety Plans	Conduct internal audits to ensure all sites are acting in accordance with their <i>COVID-19 Safety Plan</i> . These audits should all be conducted by the same team to ensure consistency.	All new employees at FLC/SRC are required to complete a COVID 19 infection control (hygiene) online course and have read and understood how to use PPE. Requirements outlined in the Safety Plan are continued to be actioned. FLC Manager undertakes random audits of cleaning checklists. COVID-19 safety plans in each of the City's operational sites will be audited by the Facilities Management team. Complete – October 2021

Carried: 5/0

Mayor Hannah Fitzhardinge, Cr Andrew Sullivan,
Cr Frank Mofflin, Cr Fedele Camarda, Cr Su Groome

ARMC2202-4 WALYALUP CIVIC CENTRE – PROJECT UPDATE

Meeting date:	16 February 2022
Responsible officer:	Director Infrastructure
Decision making authority:	Council
Attachments:	1. Risk Register Summary (February) 2. Green Mark – Incident report 26 November 2021
Additional information:	Nil.

SUMMARY

This report provides a progress update for the construction of the Walyalup Civic Centre. The report also covers standing / current risks or issues and provides a summary of costs as they relate to the building construction contract, this includes costs and works associated with the Liquidation of Pindan Pty Ltd and the City’s subsequent delivery model.

This report recommends that Council receive the project update and note the progress, management of current works and costs.

BACKGROUND

Following the Pindan Construction Pty Ltd liquidation event (19 May 2021) the City has managed the final stages of the construction works project; this has been facilitated through a Contractor Management arrangement with the CDI Group.

This arrangement also included the City directly employing four of the Pindan site project team. This was felt to be a critical move to ensure project continuity and preserve construction knowledge and contractor relationships.

The Building Occupancy Permit was approved 29 October 2021 and following a period of furniture fit out and service preparation the building was opened to the public and commenced service delivery on 22 November 2021.

Over the following weeks, the (phased) staff relocations progressed, and the FM team commenced the closeout of the outstanding defects list (with the CDI group and the consultants).

On Thursday 25 November a flooding incident occurred in the lower ground plant room area. The implications of this were significant and the building was subsequently closed to staff and the public until 6 December 2021.

FINANCIAL IMPLICATIONS

Works relating to the flooding event are currently being finalised and are subject to an insurance claim. The value of works and remediation is estimated at approximately \$250,000.

The City manages costs associated with the delivery of the construction works via a 'Work Breakdown Structure' (WBS), within its financial system (Technology One), this was implemented to separate and track costs associated with original works delivery, associated works and costs and also costs resulting from the Pindan liquidation event.

Officers have commenced the final account / retention release process with contractors and suppliers.

The total value of works spend is currently \$46,757,818, this is inclusive of adjustments and other additional works which are funded from separate budgets as per the breakdown below:

Available Construction Budget (Building) <i>(Financials as at 2 February 2022)</i>			Remaining	
	Budget	Actuals / Spend	Outstanding	Retentions (to be paid from PBA)
Initial Contract	\$ 41,461,128			
Contingency - 5% (\$600k Ddt'd - moved to Town Hall works)	\$ 1,500,000			
Changing Places (Grant)	\$ 150,000			
Total	\$ 43,111,128	\$43,111,140	-\$12	\$ 812,053
Liquidation / Insurance Bonds	\$3,600,000	\$3,304,789	\$295,211	
Other bond (Street trees etc)	\$96,000			
Construction Works Budget	\$ 46,807,128	\$ 46,415,928	\$391,200	
Other Costs - (delivered by Contractors)				
Tenancy Fit out Works	\$219,194	\$ 263,850	-\$44,656	
Town Hall Basement waterproofing (blg maint')	\$47,487	\$ 47,487	\$0	
Kings sq paving inc William St link - (Eng Maint')	\$30,553	\$30,553	\$0	
Overall Payments	\$ 47,104,362	\$ 46,757,818		

The City currently holds \$812,053 in the form of retentions and has \$391,200 positive balance against the building construction works.

LEGAL IMPLICATIONS

Nil.

CONSULTATION

The project team have continued to actively engage with key stakeholders through the delivery stage of the project.

OFFICER COMMENT

The building reached practical completion in October 2021, it was subsequently occupied by staff and opened to the public on 22 November 2021.

Tenancies

Visitor Centre:

- Fit out works are complete – some furniture / minor (tenancy) works to include but the facility opened to the public at the end of January 2022.

Newman Court (x2):

- Fit out works to the walls and floors complete – Officers are liaising with prospective tenants with respect to requirements for heating and cooling.

Level 3 / other areas:

- Officers have agreed essential terms for the prospective tenants for a portion of level 3; discussions are underway with prospective tenants for the level 2 area of the triangle and opportunities are being investigated for the remaining areas.

Defects

At the point the building was declared as practically complete and handed over to the City there was an agreed list of outstanding defects; the defects (generated by the City's Architects) are all recorded from that point. Outstanding defects are relatively minor issues that do not affect building function, occupation, and use. Officers are working through these with contractors and consultants to close out defects.

The vast majority of outstanding items are mainly small, aesthetic, finishing items like painting / scratches / missing beads / cracks / chips / faulty handles etc.

The larger issues include:

- Balancing temperature control and ventilation – fine tuning the AC Units
- Louver / canopy controls, overrides and enhancements
- Lighting set points and timing – adjustments for specific uses
- Turf condition and maintenance (sloped bank)
- Roof flashing (decorative) and steelwork protective finishes not properly removed

Officers also have a number of furniture replacements and improvements to address with the suppliers – this is a separate contract from the construction works.

Final payments and retention monies are being withheld until works are completed to both the Architect and City's satisfaction.

It should be noted that there have been some significant delays in addressing the above defects as a result of COVID (labour, travel, and supply chain implications) and the Christmas close downs.

The City's FM team are meeting regularly with the CDI group and the consultants to progress the closure of the outstanding defects list.

Flooding Incident

On the morning of 25 November 2021 an incident occurred where the fire tanks located in the plant room area of the rear basement overflowed.

Summary of events:

- The building management system entered alarm mode (commencing at 8:07am) from sequential leak detection units; this prompted an Officer investigative response where flooding was identified to the fire tanks / pump room. The (inward opening) fire door was closed and already holding back a large volume of water, there was a large flow of water entering the lift sumps and filling quickly – this was also starting to seep through the secondary door (open) into the library area near the lifts.
- Officers of the Facilities response team, following emergency operation procedures, immediately shut down the mains water, isolated the area, evacuated the building, and called the Emergency Services.
- DFES and Western Power attended site and working with Officers, consultants and contractors facilitated draining the area and when cleared, accessed the fire pump room.
- The incoming water-flow had been isolated, and the pump room was empty, DFES / Western Power checked the basement areas and declared the situation as safe and subsequently left the site.
- Officers, consultants, and contractors worked as an incident response group and commenced cause investigation and cleaning and repair works.
- CoF staff and services, relocated back at the Fremantle Oval.
- The City's insurers LGIS were notified, and an independent Consultant, Green Mark Engineering, engaged to conduct an initial investigation.
 - The cause of the overflow is documented in the initial Green Mark report - see attachment 2.
- Rectification works identified and initiated immediately included:
 - Replacement of 2x Fire Pumps
 - Replacement of 5x Electrical Control Panels
 - Replacement of Lift Control boxes
 - Electrical
 - Underfloor electrical systems and floor boxes tested and dried. Comms cabling and connections need replacement.
 - Mechanical
 - Plenums/Floor require drying and precautionary anti-fungal treatment.
 - Access Floor
 - Wet Carpet tiles require replacement.
 - Access floor leg require anti-corrosion spray applied.

- Pump room Fire Doors.
 - Fire doors to be replaced.
- Whilst the drying out and testing works were relative straight forward and completed more quickly – the pumps, control panels and lift parts were subject to longer lead times for replacement.
- Officers liaised with the consultants and contractors and developed an interim management plan – this was supplied to DFES with temporary arrangements (using temporary fire wardens and mains pressure sprinklers). Services reopened from 6 December 2021.
- The remainder of the replacement works were completed and the building reopened (back to its designed function) on 20 December 2021.

Whilst a valve failure of this nature is apparently a rare event, officers and the consultant team have reviewed the design, the BMS alarms protocol and the control escalation mechanisms – they have developed a range of additional / improved mitigation strategies in order to manage the risk of another failure and subsequent flood.

The increased mitigation measures include:

- Addition of a strainer on the mains water infill to eliminate the risk of debris reaching main inlet valve
- Tank High Level Alarm
 - Arrange for a high-level float switch to the fire tank which reports to the FIP and the BMS as a critical alarm
 - Arrange for a leak detection device on the fire pump room floor to report to the BMS as a critical alarm
 - Cameras to be included for remote visual views
- Flow control Valve
 - To reduce infill to fire tanks to a min of 31L/s but
 - To be sufficient to operate the Combined Fire Hydrant and Sprinkler System in accordance with AS2118.6 (1 hour for sprinkler and 4 hours for fire hydrants)
- Additional Hydraulic Pump within Basement level
 - Only required for unlikely tank infill failure (overflow) event
 - There are currently two pumps currently installed capable of total 26l/s
 - Secondary pump size at position of previous platform lift, overflow pipe size and pump route
- Install secondary overflow to Fire Pump room
 - Core out 150-200mm diameter overflow 300mm above FFL in pump room to allow water to flow toward library
- Provide secondary access point from Street level to Western Power assets.
- Bunds
 - Install Bund to double doors in corridor.
 - Install additional Bund around UPS.

- **Management**
 - Critical/Emergency Management Plan to be reviewed and further developed by the CoF FM team – addressing BoH area / door management and Pump Room / Fire Tanks alarm response escalations and priority mains isolation process.

The above improvement works are now being progressed, unfortunately as with the defect works listed above, COVID and Christmas have delayed immediate completion of some of the works.

Green Mark Engineering have reviewed and are satisfied with the proposed mitigation strategies and proposed improvements - they will return and test the function and controls upon completion and will provide a final close out report.

The City's insurers have been on site and maintained contract throughout the interim period – they are aware of the interim arrangements and the subsequent works. They have requested all relevant information in relation to the incident and the parties to assess the claim, this is being facilitated by officers.

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple majority required

OFFICER'S RECOMMENDATION

Moved: Cr Su Groome

Seconded: Cr Fedele Camarda

Council note the current status in the report for the Walyalup Civic Centre Construction project, provided to the Audit and Risk Management Committee.

AMENDMENT

Moved: Cr Su Groome

Seconded: Cr Fedele Camarda

To add a part 2 to the officer's recommendation, to read as follows.

Council:

- 1. Note the current status in the report for the Walyalup Civic Centre Construction project, provided to the Audit and Risk Management Committee.**
- 2. Note the detailed summary of events, rectification, and mitigation actions in relation to the flooding event.**

Amendment carried: 5/0

**Mayor Hannah Fitzhardinge, Cr Andrew Sullivan,
Cr Frank Mofflin, Cr Fedele Camarda, Cr Su Groome**

COMMITTEE RECOMMENDATION ITEM ARMC2202-4
(Amended officer recommendation)

Moved: Cr Su Groome

Seconded: Cr Fedele Camarda

Council:

- 1. Note the current status in the report for the Walyalup Civic Centre Construction project, provided to the Audit and Risk Management Committee.**
- 2. *Note the detailed summary of events, rectification, and mitigation actions in relation to the flooding event.***

Carried: 5/0

**Mayor Hannah Fitzhardinge, Cr Andrew Sullivan,
Cr Frank Mofflin, Cr Fedele Camarda, Cr Su Groome**

ARMC2202-5 PURCHASING POLICY EXEMPTIONS DECEMBER 2021

Meeting date: 16 February 2022
Responsible officer: Director Infrastructure
Decision making authority: Council
Attachments: 1. Purchasing Policy Exemption Details
November 2021 to December 2021
Additional information: Nil

SUMMARY

The purpose of this report is to inform Council of purchases made by the City that were exempt to the requirements of the purchasing policy, during the period November to December 2021.

This report recommends that Council receive the Purchasing Policy Exemptions report for November to December 2021.

BACKGROUND

At the Ordinary Meeting of Council of 25 November 2020, Council adopted a new purchasing policy. The policy contains a list of tender exemptions (exempt under Regulation 11(2) of the *Local Government (Functions and General) Regulations 1996*) and policy exemptions.

Under this policy all exemptions used by the City are to be reported to the Audit and Risk Management Committee.

FINANCIAL IMPLICATIONS

Nil.

LEGAL IMPLICATIONS

Nil.

CONSULTATION

Nil.

OFFICER COMMENT

November 2021

The total value of spending exempt from the City of Fremantle Purchasing Policy was \$11,500.00 for the month of November 2021.

The value of exemptions by category is:

Exemption Category	Value
Artists Exemptions	\$11,500.00
Original Equipment Manufacturer (OEM) Exemption	\$0.00
Specialist Consultancy	\$0.00
Sole Source of Supply Exemption	fee for service
Total	\$11,500.00

Details regarding individual exemptions can be found in attachment 1.

December 2021

The total value of spending exempt from the City of Fremantle Purchasing Policy was \$195,345.00 for the month of December 2021.

The value of exemptions by category is:

Exemption Category	Value
Artists Exemptions	\$20,345.00
Original Equipment Manufacturer (OEM) Exemption	\$150,000.00
Specialist Consultancy	\$25,000.00
Sole Source of Supply Exemption	\$0.00
Total	\$195,345.00

Details regarding individual exemptions can be found in attachment 1.

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple majority required

COMMITTEE RECOMMENDATION ITEM ARMC2202-5 **(Officer's recommendation)**

Moved: Cr Su Groome

Seconded: Cr Frank Mofflin

Council receive the information report on purchasing policy exemptions for November 2021 to December 2021.

Carried: 5/0

**Mayor Hannah Fitzhardinge, Cr Andrew Sullivan,
Cr Frank Mofflin, Cr Fedele Camarda, Cr Su Groome**

ARMC2202-6 OVERDUE DEBTORS REPORT AS AT 31 DECEMBER 2021

Meeting date:	16 February 2022
Responsible officer:	Manager Financial Services
Decision making authority:	Council
Attachments:	1. Summary of Overdue Debts above Threshold (<i>Confidential attachment under separate cover</i>)
Additional information:	Nil

SUMMARY

This debtors report with a confidential attachment is provided to the Audit and Risk Management Committee together with details of overdue debts that exceed a threshold value of \$10,000.

This report recommends that Council receive the overdue debtors report and acknowledge the overdue debts exceeding ninety (90) days with the combined value exceeding \$10,000 as at 31 December 2021.

BACKGROUND

The report provides details to the Audit and Risk Management Committee (ARMC) on overdue debtors. The following information is provided on a quarterly basis:

- The amount of total debt outstanding for the period aged from current to over 90 days overdue with a comparison to the same period for the previous year.
- The value of debt that is in excess of ninety (90) days overdue and the combined value of those debt(s) which exceed \$10,000.
- All records of the uses of delegated authority, to waive or write off debts valued at \$1,000 or above per debtor, must be reported to the Audit and Risk Management Committee.
- A confidential report containing the individual debtor information in relation to the outstanding debtors exceeding 90 days with a combined value exceeding \$10,000 with comments, background, and a comparison to the previous quarters report.
- Debtor day ratio - the average number of days required for the City to receive payment from its customers for invoices issued to them.

FINANCIAL IMPLICATIONS

It is a requirement that annual financial statements include an allowance for impairment of receivables owed to the local government to be recognised as a cost to the budget in the year in which the impairment is made.

As at the year ending 30 June 2021 an amount of \$170,969 was held as an allowance for impairment of receivables. As at the 31 December 2021, the current allowance held as impairment is \$170,969 with no debts being written off in the 2021/22 financial year.

During this financial year the following reportable write-offs and waivers have been processed against this account:

Total Write-offs	NIL
Total Waivers	<u>NIL</u>
	NIL

Since the last report, no occurrences of delegated authority to waive or write off debts valued at \$1,000 or above per debtor by officers has occurred. Currently no debtor has been identified for potential write-off/waiver.

Summary of Sundry Debtor's Debts Written-off

Debtor No.	Name	Amount	Business Unit	Delegated Officer or Council
	TOTAL	NIL		

Summary of Rates Debtors Debts Written-off

PID No.	Name	Amount	Business Unit	Delegated Officer or Council
	TOTAL	NIL		

Summary of Sundry Debtor's Debts Waived

Debtor Name	Amount Waived Excl GST	Description
TOTAL	NIL	

LEGAL IMPLICATIONS

Section 6.12 (1) (c) of the *Local Government Act 1995* provides authority for the Council to write off outstanding monies.

In accordance with section 5.42 and 5.44 of the *Local Government Act 1995* the following delegated authority applies:

- The Chief Executive Officer has delegated authority to write off debts (not including rates or infringement) considered unrecoverable up to 50,000 per account where in the opinion of the Chief Executive Officer all other reasonable avenues of recovery have been exhausted.
- Directors and Managers have various sub-delegated authority to write off debts (not including rates or infringement) considered unrecoverable up to

20,000 per account where in the opinion of the Director or Manager all other reasonable avenues of recovery have been exhausted.

All records of the uses of this delegated authority, to waive or write off debts valued at 1,000 or above per debtor, must be reported to the Audit and Risk Management Committee.

Any amount in excess of 50,000 is to be written off by Council resolution. A council resolution authorising the write-off of any bad debt does not prevent Council from reinstating the debt if the future circumstances change and the debt becomes collectable.

CONSULTATION

Nil.

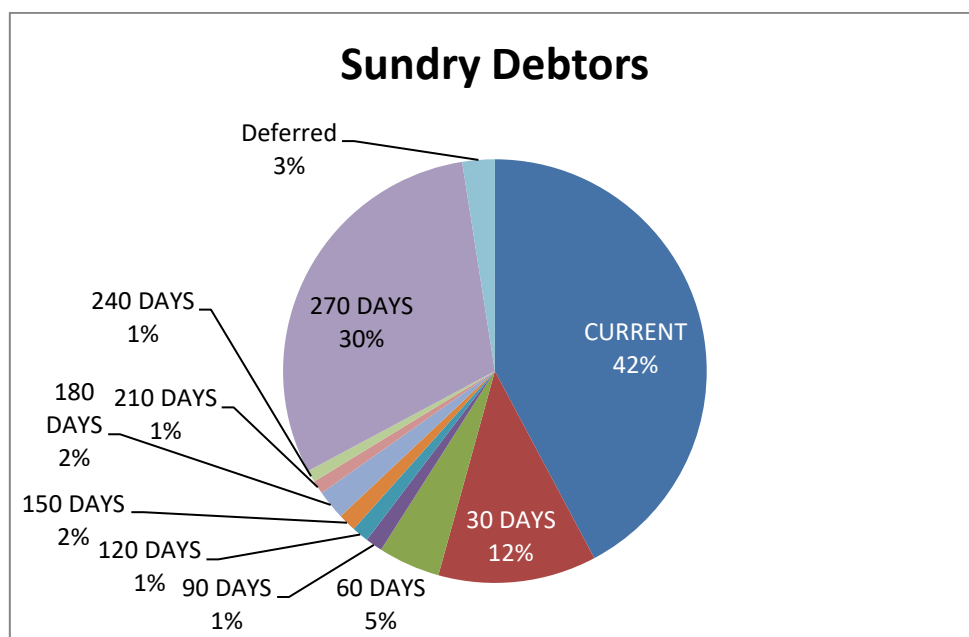
OFFICER COMMENT

The total of debtors outstanding as at 31 December 2021 is \$1,143,264. A breakdown of aged debt for the current period compared to prior year for the same period is tabled below.

Period Ending December	Current	30 Days	60 Days	90+ Days	Total
July 21 – December 21	42%	12%	5%	41%	100%
	482,729	138,071	54,138	468,326	1,143,264
July 21 – December 21 Excl. Commercial Properties	50%	13%	5%	32%	100%
	390,665	102,430	33,851	251,747	778,693
July 20 – December 20*	597,048	100,239	71,624	720,169	1,489,080

**Prior year reporting presented quarterly*

Of the total debt balance, the amount outstanding for 90+ days is \$468,326 or 40.96%. Below is a graph of the aged debt balances as at 31 December 2021.



Compared to the report of overdue debtors as at 31 October 2021, presented to Audit and Risk Management Committee at the 17 November 2021 meeting, the total value of outstanding debtors has increased by \$148,000.

Outstanding debt over 90 days has decreased from 504k at the end of the previous reporting date to 468k. The number of overdue debtors above the reporting threshold of \$10,000 and 90 days remains at 9 with a total value of \$387,055 and of this, \$28,321 is deferred and subject to an agreed payment arrangement to secure payment in full by 30 June 2023.

In accordance with delegated authority, any debts over 50,000 will be submitted to Audit and Risk Management Committee for approval and all recorded use of delegated authority by Chief Executive Officer, Directors and Managers will be reported to Audit and Risk Management Committee.

The confidential attachment contains debtor information in relation to the \$387,055 of outstanding debtors exceeding 90 days with a combined value exceeding \$10,000 with comments and background.

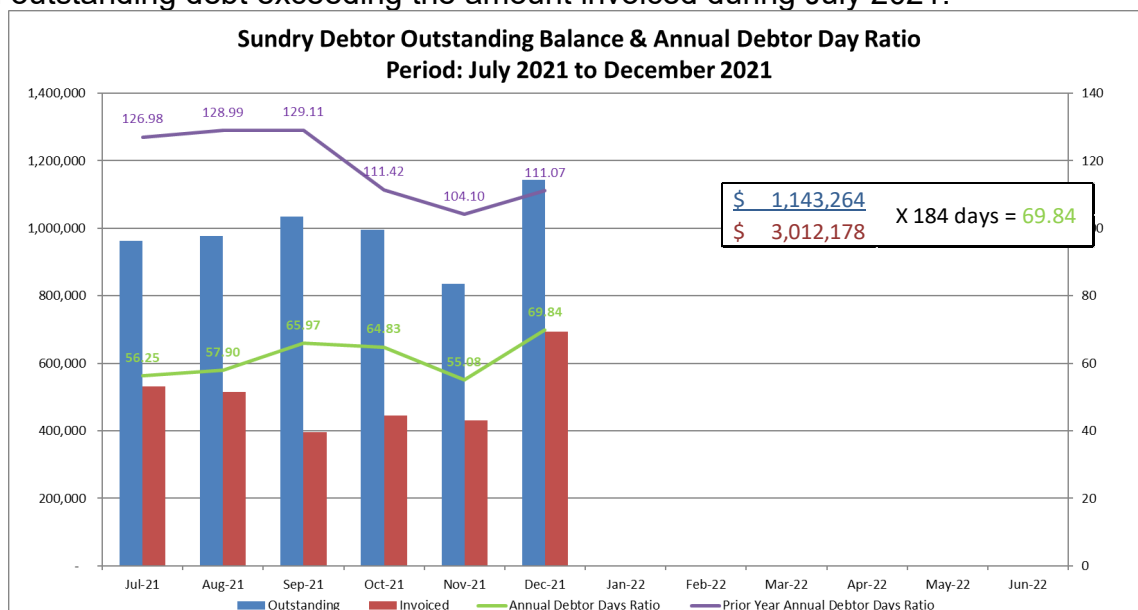
Debtors Outstanding

The debtor day ratio measures how quickly cash is being collected from debtors. The longer it takes for an organisation to collect, the greater the number of debtor days.

The calculation of the ratio considers the total amount outstanding at the end of the period over the total amount invoiced to that period for the financial year by the total number of days from 1 July to the end of the period. See calculation in graph below.

Prior financial year information is presented together with the current financial year as a comparative to demonstrate the City's ability to collect funds owed to the City when due.

At July 2021, \$892,055 of invoices raised prior to 2021/22 were outstanding resulting in outstanding debt exceeding the amount invoiced during July 2021.



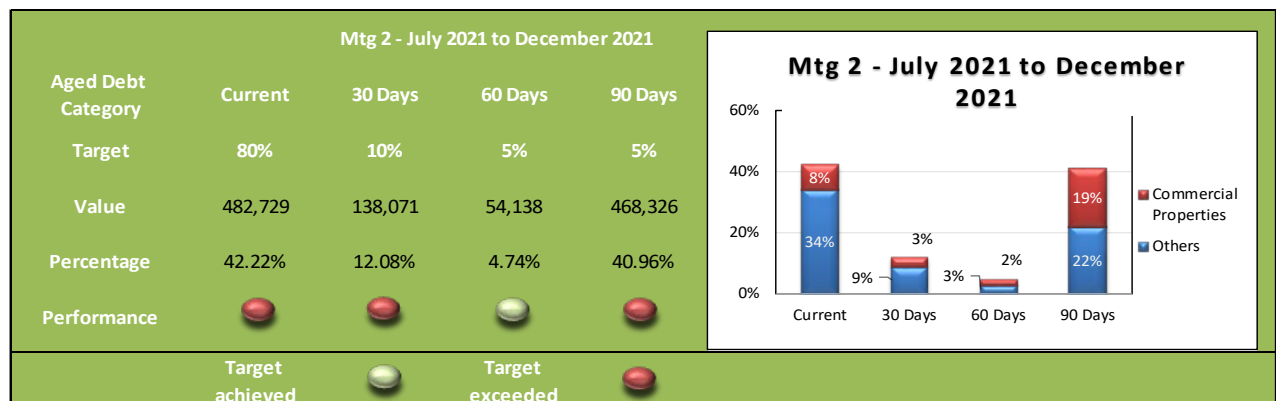
At reporting date, the debtor day ratio was 69.84 an increase from the prior reporting period. Of outstanding debt, 42% related to current invoices that were not yet due.

Key Performance Indicators

The Audit and Risk Management Committee recommended a performance measure be included to provide a reporting date 'snapshot' of performance against agreed indicators.

Internal debt management procedures have been reviewed resulting in officers engaging with debtors earlier where an amount is considered to have an increased risk of default. Upon review of debt levels over prior financial years, officers consider reasonable and recommend the following targets against which to report.

Key Performance Targets				
Current	30 Days	60 Days	90 Days	Total
80%+	<= 10%	<=5%	<=5%	100%

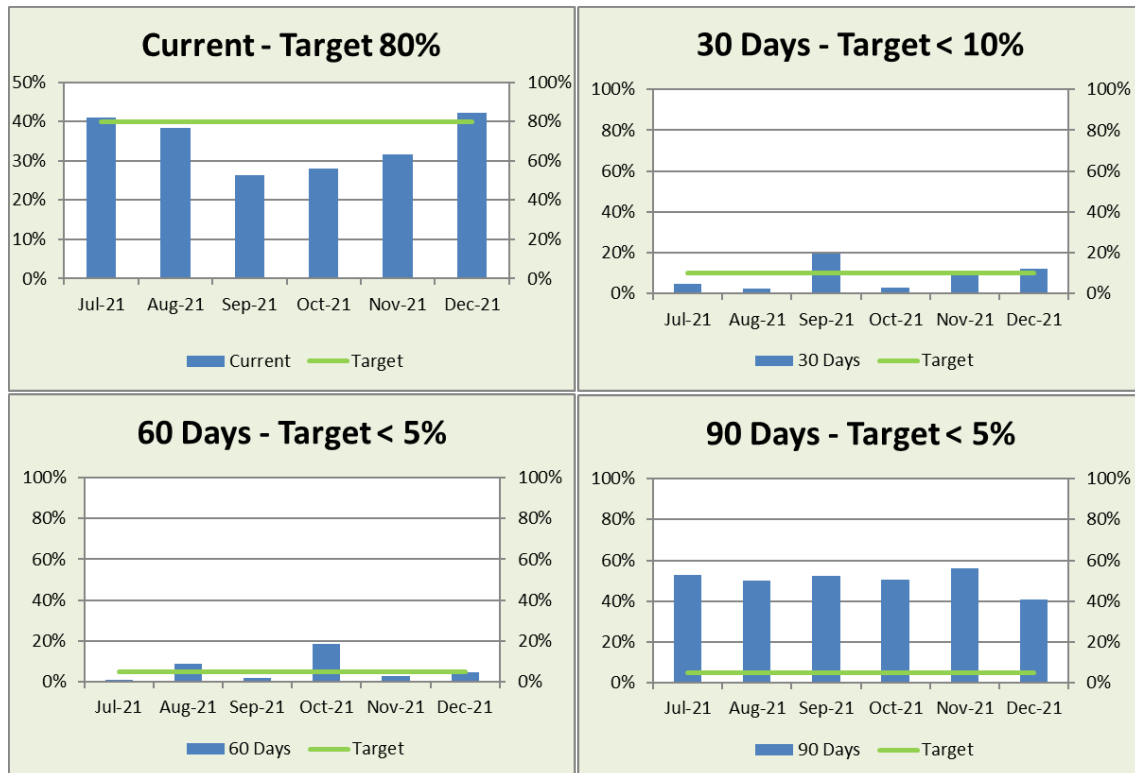


Of total overdue debt, Commercial Properties account for 41% (\$272,507) and 79% (\$216,579) of these debts extend 90 days & beyond. Deferred payment arrangements are currently in place for \$28,321 or 13% of total overdue Commercial Property debts.

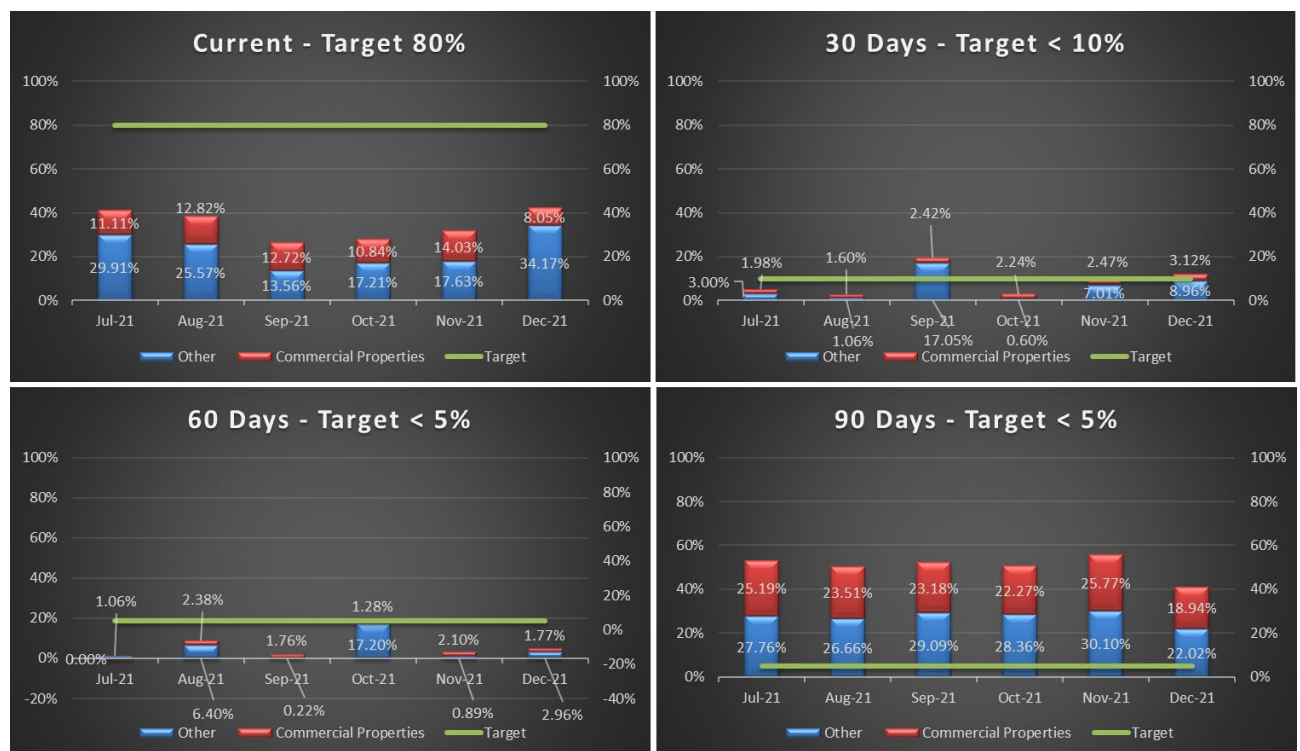
Of the non-deferred debt 90 days & beyond, 87% (\$128,935) relates to debtors included in the confidential attachment. City officers continue to liaise with all commercial tenants to provide assistance, including payment arrangements, where appropriate.

The following charts demonstrate performance against the recommended target for each aged debt category by period to reporting date for this financial year.

Summary by total debtors by days



Summary by debtor type by days



Impact of COVID on Commercial Property

In response to COVID-19, the State Government created legislation and guidelines aimed at protecting commercial tenants who may have been subject to financial duress as a result of the pandemic.

The City adhered to the legislation and guidelines in order to support its commercial tenants and opted to provide rent waivers in cases where tenants could demonstrate financial loss as a result of COVID-19.

During the emergency period (April 2020 – September 2021) landlords were required to provide waivers of up to 100%. The waivers during this period were to be provided commensurate with any loss that could be demonstrated by the business as a result to COVID-19.

During the recovery period (October 2020 – March 2021) landlords were required to provide waivers up to 50%. The waivers during this period were to be provided commensurate with any loss that could be demonstrated by the business as a result to COVID-19.

The total amount waived for commercial properties relating to COVID-19 during both the emergency period and recovery period was **\$656,975**.

After waivers the City invoiced a total of **\$492,579** for commercial properties.

To date, of the \$492,579 only **\$28,321** remains outstanding a reduction, since the prior reporting period, of \$3,810 (0.77%), with all debtors currently successfully paying this back via direct debit arrangements.

As at 1 April 2021 all COVID-19 waiver arrangements came to an end and 100% of normal rent is now payable.

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple majority required

OFFICER'S RECOMMENDATION

Moved: Cr Su Groome

Seconded: Fedele Camarda

Council receive the overdue debtors report and acknowledge the overdue debts exceeding ninety (90) days with the combined value exceeding \$10,000 as at 31 December 2021.

AMENDMENT

Moved: Cr Su Groome

Seconded: Cr Andrew Sullivan

To add a part 2 to the officer's recommendation, to read as follows.

Council:

1. Receive the overdue debtors report and acknowledge the overdue debts exceeding ninety (90) days with the combined value exceeding \$10,000 as at 31 December 2021.
2. Request officers prepare a report and recommendations for Council in relation to debtors with long term outstanding debt whose debt is increasing.

Amendment carried: 5/0

Mayor Hannah Fitzhardinge, Cr Andrew Sullivan,
Cr Frank Mofflin, Cr Fedeles Camarda, Cr Su Groome

COMMITTEE RECOMMENDATION ITEM ARMC2202-6 (Amended officer recommendation)

Moved: Cr Su Groome

Seconded: Cr Fedeles Camarda

Council:

1. Receive the overdue debtors report and acknowledge the overdue debts exceeding ninety (90) days with the combined value exceeding \$10,000 as at 31 December 2021.
2. *Request officers prepare a report and recommendations for Council in relation to debtors with long term outstanding debt whose debt is increasing.*

Carried: 5/0

Mayor Hannah Fitzhardinge, Cr Andrew Sullivan,
Cr Frank Mofflin, Cr Fedeles Camarda, Cr Su Groome

ARMC2202-7 TENDERS AWARDED UNDER DELEGATION DECEMBER 2021

Meeting date: 16 February 2022
Responsible officer: Director Infrastructure
Decision making authority: Council
Attachments: Nil
Additional information: Nil

SUMMARY

The purpose of this report is to summarise tenders awarded under delegation by various delegated officers and Committees during the period November 2021 to December 2021.

This report recommends that Council receive the report on tenders awarded under delegation between November 2021 and December 2021.

BACKGROUND

Tenders awarded by the City are awarded under the following delegations, approved at Council on 8 July 2021:

Delegated Authority	Amount of Delegation
Finance, Policy Operations and Legislation Committee (FPOL)	\$500,000+ (if within budget)
CEO	Up to \$500,000
Directors	Up to \$500,000

Items identified under 'Officer Comment' of this report detail tenders awarded under delegation.

FINANCIAL IMPLICATIONS

All tenders were awarded within budget approved at Council on 23 July 2021.

LEGAL IMPLICATIONS

All tenders awarded met the requirements of Regulations 11A – 24AJ of the *Local Government (Functions and General) Regulations 1996* and S3.57 of the *Local Government Act 1995*.

Under delegation 2.11 Expressions of interest and tenders or the City's Delegated Authority Register, the Chief Executive Officer is required to report the use of this delegation to the Audit and Risk Management Committee.

CONSULTATION

Nil.

OFFICER COMMENT

Below is a list of tenders awarded under delegation between November 2021 and December 2021.

November 2021

Tender Description	Awarded By	Contractor(s)	Contract Term	Contract Value
FCC567/21 - Cleaning of Walyalup Civic Centre, Library and Old Town Hall	FPOL	Briteshine Cleaning and Maintenance Services Pty Ltd	4 years	\$1,034,228
FCC568/21 - Cleaning Services Various City Facilities	Director	OCE Corporate	4 years	\$162,84
FCC572/21 - Plumbing Services	FPOL	Techworks Plumbing	4 years	\$1,065,208
FCC586/21 - Chemical Free Weed Control	FPOL	Greensteam Australia Pty Ltd	5 years	\$2,008,380
WFCC80/21 - Road Pavement Microsurfacing	FPOL	Colas	3 years	\$705,076

December 2021

Tender Description	Awarded By	Contractor(s)	Contract Term	Contract Value
FCC584/21 - HVAC Mechanical Services	CEO Delegation	Australian Hvac Services Pty Ltd	4 years	\$300,000
WFCC90/21 - After Hours Call Centre Management	Director	Royal lifesaving Society of Australia	3 years	\$93,780

VOTING AND OTHER SPECIAL REQUIREMENTS

Simple majority required

COMMITTEE RECOMMENDATION ITEM ARMC2202-7
(Officer's recommendation)

Moved: Cr Su Groome

Seconded: Cr Andrew Sullivan

Council receive the report on tenders awarded under delegation between November 2021 and December 2021.

Carried: 5/0

**Mayor Hannah Fitzhardinge, Cr Andrew Sullivan,
Cr Frank Mofflin, Cr Fedele Camarda, Cr Su Groome**

ARMC2202-8 INFORMATION REPORT – FEBRUARY 2022

STATUS REPORT OF COUNCIL MOTIONS – 1 JULY 2021 TO 30 NOVEMBER 2021

Responsible officer:	Manager Governance
Attachments:	1. Status Report of Council motions – 1 July 2021 to 30 November 2021
Additional information:	Nil

Best practice principles support the recording and reporting of actions taken on Council decisions to ensure they are implemented, and that the actions are completed in a timely manner.

Where possible, Council decisions are actioned as soon as practicable after a Council meeting; however, there are projects or circumstances that mean some decisions take longer to implement than others. The City keeps a register of all final decisions made at Council and Committee meetings.

The City's motions register does not capture ongoing progress of projects and related activities, only how the initial decision has been, or will be, actioned. For instance, the register will record the adoption of a plan and the actions needed to disseminate and publish that plan, however the register will not include how the actions included in the plan are implemented, only that the plan was adopted appropriately.

The attached register excerpt provides the status of the actions taken by responsible officers in response to all final decisions of council. It has been organised into separate parts for ease of understanding and reference, as attached:

Part 1. Motions incomplete and ongoing in reporting period

The motions included in this section are those decisions that have not yet been fully actioned. Progress comments or explanations are provided.

Part 2. Development Application motions completed in reporting period

The motions included in this section are those decisions about Development Applications (DA's) that have been completed. They have been grouped for ease of reference only.

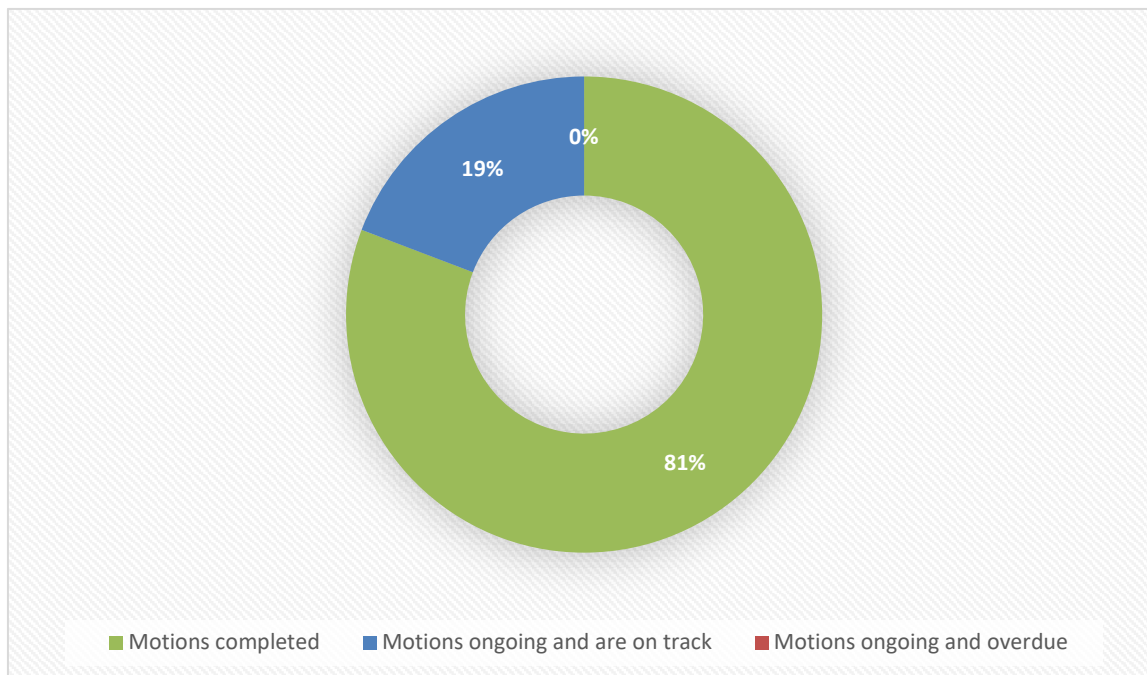
Part 3. Motions other than DA's completed in reporting period

The motions included in this section are all other decisions made by Council (except DA's that have been completed, captured above at part 2).

Part 4. Motions where no action was required in reporting period

The motions included in this section are from those reports that were provided to Council for information only.

Motion activity since last report



Reporting period from 1 July 2021 to 30 November 2021 (previous report 18 August 2021)

Motions	Number
Number of motions brought forward from previous report	31
Number of motions added to the register since the previous report	146
Motions that have been completed in this reporting period	143
Motions that are ongoing, and are on track	34
Motions that are ongoing, and have exceeded estimated completion date	0
Motions with estimated completion dates amended since last report	11
Motions where no update has been received	0
Total motions in this report	177

STATUS REPORT OF AUDIT ACTIONS TO 30 NOVEMBER 2021

Responsible officer:	Manager Governance
Attachments:	1. Audit actions progress report to 30 November 2021 2. Information systems audit actions progress report to 30 November 2021 (<i>Confidential attachment under separate cover</i>)
Additional information:	Nil

This report presents the City's central register that captures the progress of all recommended actions agreed to be undertaken by the City as suggested or recommended in an audit or review report.

Information from an audit or review report is inputted into the Audit Actions Register (the register) including recommendations/suggested actions, the responsible officer and the initial comment provided by the responsible Manager/Director to the auditor/reviewer.

When an item is given a rating (as agreed by the City) of "high" or "extreme", the item will be added to the Corporate Risk Register.

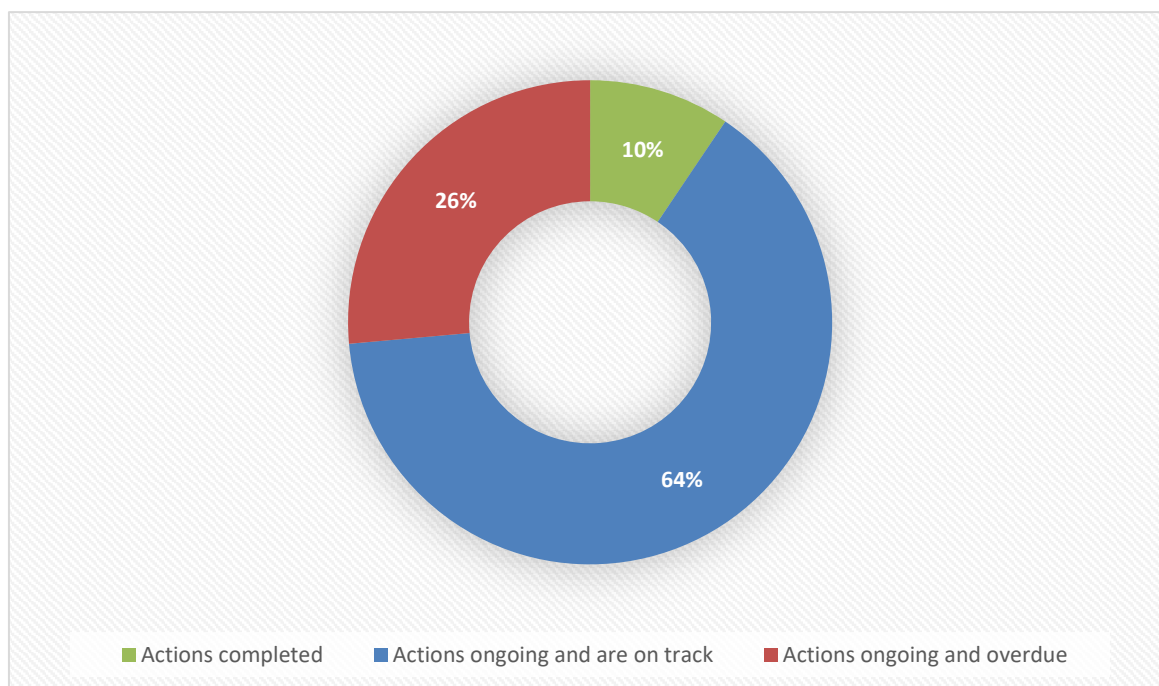
The attached report provides a summary of the progress the City has made in response to the recommendations/suggested actions in an audit or review findings report.

Information Technology Systems audit actions are presented in the confidential attachments under separate cover.

The audits or reviews in this progress report are:

- Systems and Procedures Review
 - Internal Control
 - Risk Management
- Regulation of Consumer Food Safety
- Financial Management Review
- Interim Audit – Finance
- Interim Audit – Information Systems
- Annual Financial Statements

Audit action activity since last report



Reporting period from 1 July 2021 to 30 November 2021 (previous report 18 August 2021)

Actions	Number
Number of actions brought forward from previous report	53
Number of actions added to the register since the previous report	0
Actions that have been completed in this reporting period	5
Actions that are ongoing, and are on track	34
Actions that are ongoing, and have exceeded estimated completion date	14
Actions with estimated completion dates amended since last report	31
Actions where no update has been provided	6
Total actions in this report	53

OFFICER'S RECOMMENDATION

Moved: Cr Su Groome

Seconded: Cr Frank Mofflin

Council receive the following information reports for February 2022:

1. Status report of Council motions – 1 July 2021 to 30 November 2021.
2. Status report of audit actions to 30 November 2021.

AMENDMENT

Moved: Cr Frank Mofflin

Seconded: Mayor Hannah Fitzhardinge

To add a part 2 to the officer's recommendation, to read as follows.

Council:

1. Receive the following information reports for February 2022:
 - a. Status report of Council motions – 1 July 2021 to 30 November 2021.
 - b. Status report of audit actions to 30 November 2021.
2. Request that the status report on audit actions includes a risk ranking for all actions.

Amendment carried: 5/0

Mayor Hannah Fitzhardinge, Cr Andrew Sullivan,
Cr Frank Mofflin, Cr Fedele Camarda, Cr Su Groome

COMMITTEE RECOMMENDATION ITEM ARMC2202-8 (Amended officer's recommendation)

Moved: Cr Su Groome

Seconded: Cr Frank Mofflin

Council:

1. Receive the following information reports for February 2022:
 - a. Status report of Council motions – 1 July 2021 to 30 November 2021.
 - b. Status report of audit actions to 30 November 2021.
2. *Request that the status report on audit actions includes a risk ranking for all actions.*

Carried: 5/0

Mayor Hannah Fitzhardinge, Cr Andrew Sullivan,
Cr Frank Mofflin, Cr Fedele Camarda, Cr Su Groome

8. Motions of which previous notice has been given

Nil

9. Urgent business

Nil

10. Late items

Nil

11. Confidential business

ARMC2202-9 EMERGING ISSUES REPORT - FEBRUARY 2022

Meeting date: 16 February 2022
Responsible officer: Director City Business
Decision making authority: Council
Attachments: Nil
Additional information: 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

12. Closure

The Presiding Member declared the meeting closed at 6.50pm.