

# AGENDA

## Audit & Risk Committee Meeting

Wednesday 5 June 2024

### Notice of Meeting

#### To Mayor & Councillors

A Meeting of the Audit & Risk Committee of the City of Nedlands is to be held on Wednesday 5<sup>th</sup> June 2024 in the Council chambers at 71 Stirling Highway Nedlands commencing at 5.30pm.

This meeting will be livestreamed - [Livestreaming Council & Committee Meetings » City of Nedlands](#)



**Keri Shannon | Chief Executive Officer**  
**31 May 2024**



## Information

Audit & Risk Committee Meetings are run in accordance with the City of Nedlands Standing Orders Local Law. If you have any questions in relation to items on the agenda, procedural matters, public question time, addressing the Committee or attending meetings please contact the Governance Officer on 9273 3500.

## Public Question Time

Public question time at an Audit & Risk Committee Meeting is available for members of the public to ask a question about items on the agenda. Questions asked by members of the public are not to be accompanied by any statement reflecting adversely upon any Council Member, Committee Member or Employee.

Questions should be submitted as early as possible via the online form available on the City's website: [Public question time | City of Nedlands](#)

Questions may be taken on notice to allow adequate time to prepare a response and all answers will be published in the minutes of the meeting.

## Addresses by Members of the Public

Members of the public wishing to address Council in relation to an item on the agenda must complete the online registration form available on the City's website: [Public Address Registration Form | City of Nedlands](#)

The Presiding Member will determine the order of speakers to address the Council and the number of speakers is to be limited to 2 in support and 2 against any item on an Audit and Risk Committee Meeting Agenda. The Public address session will be restricted to 15 minutes unless the Council, by resolution decides otherwise.

## Disclaimer

Members of the public who attend Audit and Risk Committee Meetings should not act immediately on anything they hear at the meetings, without first seeking clarification of Council's position. For example, by reference to the confirmed Minutes of Council meeting. Members of the public are also advised to wait for written advice from the Council prior to acting on any matter that they may have before Council.

Any plans or documents in agendas and minutes may be subject to copyright. The express permission of the copyright owner must be obtained before copying any copyright material.



## Table of Contents

1. Declaration of Opening .....	4
2. Present and Apologies and Leave of Absence (Previously Approved) .....	4
3. Public Question Time .....	4
4. Address by Members of the Public .....	4
5. Disclosures of Financial Interest .....	4
6. Disclosures of Interest Affecting Impartiality .....	5
7. Declaration by Members That They Have Not Given Due Consideration to Papers ....	5
8. Confirmation of Minutes .....	5
8.1. Audit & Risk Committee Meeting Minutes – 6 May 2024 .....	5
8.2. Audit & Risk Committee Meeting Minutes – 20 May 2024 .....	5
9. Items for Discussion.....	6
9.1. ARC 14.06.24 – Update from Independent Consultant Report 5 .....	6
9.2. ARC15.06.24 – Discussions by the Presiding Member.....	8
10. Date of Next Meeting.....	10
11. Declaration of Closure .....	10



## 1. Declaration of Opening

In Accordance with section 5.12 and schedule 2.3 division 1 of the Local Government Act 1995 the Chief Executive Officer declared the meeting open at 5.30pm and will draw attention to the disclaimer on page 2 and advised that the meeting is being livestreamed and recorded.

## 2. Present and Apologies and Leave of Absence (Previously Approved)

Leave of Absence Nil  
(Previously Approved)

Apologies None as at distribution of this agenda.

## 3. Public Question Time

Public questions submitted to be read at this point.

## 4. Address by Members of the Public

Addresses by members of the public who have completed Public Address Registration Forms to be made at this point.

## 5. Disclosures of Financial Interest

The Presiding Member will remind Council Members and Staff of the requirements of Section 5.65 of the Local Government Act to disclose any interest during the meeting when the matter is discussed.

A declaration under this section requires that the nature of the interest must be disclosed. Consequently, a member who has made a declaration must not preside, participate in, or be present during any discussion or decision-making procedure relating to the matter the subject of the declaration.

However, other members may allow participation of the declarant if the member further discloses the extent of the interest. Any such declarant who wishes to participate in the meeting on the matter, shall leave the meeting, after making their declaration and request to participate, while other members consider and decide upon whether the interest is trivial or insignificant or is common to a significant number of electors or ratepayers.



## 6. Disclosures of Interest Affecting Impartiality

The Presiding Member reminded Council Members and Staff of the requirements of Council's Code of Conduct in accordance with Section 5.103 of the Local Government Act. Council Members and staff are required, in addition to declaring any financial interests to declare any interest that may affect their impartiality in considering a matter. This declaration does not restrict any right to participate in or be present during the decision-making procedure.

The following pro forma declaration is provided to assist in making the disclosure.

"With regard to the matter in item x ..... I disclose that I have an association with the applicant (or person seeking a decision). This association is ..... (nature of the interest).

Consequently, there may be a perception that my impartiality on the matter may be affected. I declare that I will consider this matter on its merits and vote accordingly."

The member or employee is encouraged to disclose the nature of the association.

## 7. Declaration by Members That They Have Not Given Due Consideration to Papers

Members who have not read the business papers to make declarations at this point.

## 8. Confirmation of Minutes

### 8.1. Audit & Risk Committee Meeting Minutes – 6 May 2024

The Minutes of the Audit & Risk Committee Meeting 6 May 2024 are to be accepted as a true and correct record of that meeting.

### 8.2. Audit & Risk Committee Meeting Minutes – 20 May 2024

The Minutes of the Audit & Risk Committee Meeting 6 May 2024 are to be accepted as a true and correct record of that meeting.



**9. Items for Discussion**

**9.1. ARC 14.06.24 – Update from Independent Consultant Report 5**

<b>Meeting &amp; Date</b>	Audit and Risk Committee Meeting – 5 June 2024
<b>Applicant</b>	City of Nedlands
<b>Employee Disclosure under section 5.70 Local Government Act 1995</b>	Nil.
<b>Report Author</b>	Craig Ross – Independent Consultant
<b>CEO</b>	Keri Shannon
<b>Attachments</b>	1. Progress Report - 3 2. Report 3 Appendix

**Purpose**

The Independent Consultant will verbally present a report to the Audit and Risk Committee.

**Recommendation**

That the Audit and Risk Committee receives the report from the Independent Consultant.

**Voting Requirement**

Simple Majority.

**Background**

N/A

**Discussion**

N/A

**Consultation**

Not applicable.

**Strategic Implications**



This item is strategically aligned to the City of Nedlands Council Plan 2023-33 vision and desired outcomes as follows:

**Vision**            **Sustainable and responsible for a bright future**

**Pillar**            **Performance**

**Outcome**        11. Effective leadership and governance

### **Budget/Financial Implications**

There are no budget or financial implications in this report.

### **Legislative and Policy Implications**

Not applicable.

### **Decision Implications**

The Committee will be presented with a report from Mr. Ross.

### **Conclusion**

Mr Ross will present his report to the Committee.

### **Further Information**

Nil.

<b>To</b>	<b>City of Nedlands Audit &amp; Risk Committee</b>
<b>From</b>	<b>Independent Consultant, Craig Ross</b>
<b>Date</b>	<b>31 May 2024</b>
<b>Subject</b>	<b>Progress Report 5</b>

## **Background**

This progress report summarises the remediation status of external audit findings identified by the Office of the Auditor General (OAG) during the audit of the financial report for the year ended 30 June 2023 of the City of Nedlands.

Other progress comments are also included associated with the audit of the financial report for the year ending 30 June 2024.

## **Progress work (17 to 31 May 2024)**

1. Continuing compilation of a 30 June 2023 City of Nedlands working papers file of underlying supporting accounting records and balance sheet reconciliations.
2. Management Accountant commenced on 29 May 2024. Responsibilities include monthly management accounting reporting and reconciliations, other periodic reporting, budget reporting and variance analysis, and supporting officers to manage their operational revenue/expenditure and capital budgets. This newly created position addresses gaps in skills and knowledge within the Financial Services team. This should also allow sufficient business continuity and coverage of other roles during periods of leave, and peak workload periods including the 30 June 2024 audit fieldwork visit commencing October 2024.
3. Recruitment process has commenced for the Coordinator Revenue position.
4. Processes and detailed preparation/timeline checklists for the 30 June 2024 end-of-year closing and financial reporting action points are underway by the Financial Services team.
5. Liaison with the auditor is ongoing who will be shortly drafting the Audit Planning Memorandum for the year ending 30 June 2024 which would include audit approach, key areas of audit focus, significant risks, critical areas in the financial report, and timetable milestones.



6. The current remediation status of audit findings identified by the OAG for the year ended 30 June 2023 is summarised in the attached Appendix.
7. Recruitment of the Manager ICT position has been finalised with a commencement date of 17 June 2024. The remediation status of ICT findings for the year ended 30 June 2023 is to be discussed with the new Manager ICT and comments included in subsequent progress updates.

*Any information provided is for the City of Nedlands sole use and any assumption of responsibility to any persons or users is disclaimed other than to the City of Nedlands.*

APPENDIX (31 May 2024 - Progress Report 5)

Summarised findings identified by the OAG during the audit of the financial report for the year ended 30 June 2023

Index of findings	Potential impact on audit opinion	Rating			Summarised findings (30 June 2023)	Summarised proposed action/progress comments (31 May 2024)	Status (31 May 2024)	Person responsible	Completion date
		Significant	Moderate	Minor					
<b>FINANCIAL ACCOUNTING FINDINGS</b>									
1. Review of external valuations	Yes	✓			Infrastructure assets listings assessed for valuation incomplete with significant variances compared to the accounting fixed asset register.  Multiple fixed assets registers.	1. Assets Officer recruited and taskforce working group established with Financial Services.	Complete	Manager Assets & Manager Financial Services	
						2. Review of 30 June 2023 infrastructure assets revaluation methodology and key assumptions. Contact re-established with the valuer to clarify outstanding audit queries.	Ongoing	Manager Assets	15-Jun-24
						3. Review of missing asset items and variances between the valuer's listing and the accounting fixed asset register.	Ongoing	Manager Assets & Manager Financial Services	30-Jun-24
						4a. Review of 30 June 2023 infrastructure assets listing - Completeness and mathematical accuracy.	Ongoing	Manager Assets & Manager Financial Services	30-Jun-24
						4b. Review of 30 June 2023 infrastructure assets listing - Asset classification and component grouping.	Ongoing	Manager Assets & Manager Financial Services	30-Jun-24
						4c. Review of 30 June 2023 infrastructure assets listing - Useful lives and depreciation.	Ongoing	Manager Assets & Manager Financial Services	30-Jun-24
						4d. Review of 30 June 2023 infrastructure assets listing - Reconciliation and alignment to accounting fixed asset records.	Substantially Open	Manager Assets & Manager Financial Services	1-Jul to 31-Aug-24
						5. Alignment of multiple fixed asset registers and compilation of Asset Masterfile.	Substantially Open	Manager Assets & Manager Financial Services	31-Aug-24
2. Controls regarding the Property, Plant & Equipment and Infrastructure process	Yes	✓			Reconciliations of the fixed assets register and the infrastructure asset register not undertaken.  Regular depreciation posting to the general ledger, additions and capitalisation of capital works in progress not processed.	1. Accounting Services Coordinator commenced 20 May 2024. Position responsible for day-to-day financial accounting processes, monthly reporting including fixed asset reconciliations.	Complete	Manager Financial Services	
						2. Finance Officer (Assets and Grants) recruited. Position responsible for the maintenance of the asset accounting procedures and fixed asset registers.	Complete	Manager Financial Services	
						3. Analyse capital work-in-progress expenditure and cost allocations, process additions, review depreciation calculations from 30 June 2022 to present.	Ongoing	Manager Financial Services	30-Jun-24
						4. Prepare movement schedules and reconciliations of Property, Plant & Equipment and Infrastructure to the underlying registers from 30 June 2022 to present.	Ongoing	Manager Financial Services	31-Jul-24
3. Supporting documentation for general journals	Yes	✓			Selected manual journals lacked proper explanation and supporting evidence.	Controls introduced March 2024 for manual journals to be appropriately prepared and reviewed with supporting documentation attached.	Complete	Manager Financial Services	
4. Bank signatories	Yes	✓			Former City employees not removed as signatories on a timely basis.	Bank authorising signatures list reviewed and sent to the bank for actioning.	Complete	Manager Financial Services	
5. Balance sheet reconciliations	Yes	✓			Lack of month end balance sheet reconciliations between detailed listings and sub-ledgers to the general ledger, and clearing of suspense accounts.	1. End-of-month balance sheet reconciliation process has been introduced and to be further formalised and embedded in future month ends.	Ongoing	Manager Financial Services	30-Jun-24
						2. Accounting Services Coordinator commenced 20 May 2024. Position responsible for day-to-day financial accounting processes including balance sheet reconciliations.	Complete	Manager Financial Services	
						3. Recruitment of Management Accountant commencing 29 May 2024. Responsible for monthly management accounting reporting, budget and variance analysis.	Complete	Manager Financial Services	
						4. Continuing compilation of a 30 June 2023 City of Nedlands working papers file of underlying supporting records and balance sheet reconciliations including suspense account analysis.	Ongoing	Manager Financial Services	1-Jul to 31-Aug-24
6. Understanding TechOne accounting software	Yes	✓			Lack of software understanding, alongside reporting deficiencies, created internal inefficiencies in analysing and reporting financial information.	Manager Financial Services has extensive OneCouncil operational and implementation experience.	Complete	Manager Financial Services	
7. Completeness and accuracy of transactions	Yes	✓			Failure to properly update accruals and prepayment balances and account for transactions within the correct accounting period.	Structured end-of-month balance sheet reconciliation processes established includes accruals and prepayments to be further formalised and embedded in future month ends.	Ongoing	Manager Financial Services	30-Jun-24
8. Matching of debtors against the respective debtor invoices				✓	No invoice and receipts matching within the debtors module. Inaccurate debtors ageing listing.	Debtor invoice/receipts matching and ageing reports within the debtors module are scheduled for Phase 3 Revenue (Debtors) implementation in OneCouncil. Authority is being replaced by TechOne and currently resources are not allocated to updating procedures specific to Authority.	To be addressed in OneCouncil Phase 3 Revenue (Debtors)	Manager Financial Services	1-Jul-25
9. Ageing of infringement debtors				✓	Lack of aged listing for infringement debtors.	System produced infringement debtors ageing reports are scheduled for Phase 3 Revenue (Debtors) implementation in OneCouncil. Manual review of infringement debtors ageing and collectibility is currently underway.	Ongoing	Manager Financial Services	15-Jun-24
10. Capitalisation of infrastructure assets				✓	Capitalisation of new infrastructure assets is undertaken at year end and not being depreciated from the point ready and available for use.	Analysis of capital work-in-progress expenditure, cost allocations, processing additions and reviewing depreciation calculations.	Ongoing	Manager Financial Services	30-Jun-24

11. Useful life of depreciating assets			✓		Depreciation on the City's property, plant and equipment and infrastructure assets not in line with the City's accounting policy for asset useful lives.	1. Comprehensive review of the fixed asset policy required to accurately reflect the useful lives of all depreciable assets.	Ongoing	Manager Assets & Manager Financial Services	31-Aug-24
						2. Adjustments to the Asset Masterfile and fixed asset register be made to reflect the appropriate useful lives and depreciation rate.	Substantially Open	Manager Financial Services	31-Aug-24
12. Contract variations			✓		Lack of segregation of duties for contract variations and invoice approval.	Policy updates including a separate approval process with different authorising officers be established or enforced for the variation or invoice approval process.	Substantially Open	Manager Financial Services	30-Jun-24
13. Underground power receivables			✓		The basis of accounting treatment for the underground power receivables and associated revenue is unclear.	Accounting treatment for underground power levies based on accounting standards and LGA Section 6.38 and remaining receivable balances clarified.	Complete	Manager Financial Services	
14. Manual input of fees and charges for invoicing				✓	The council approved schedule of fees and charges are not locked in the system and are manually input when invoicing.	Locking in approved fees within the debtors module is scheduled for Phase 3 Revenue (Debtors) implementation in OneCouncil. Authority is being replaced by TechOne and currently resources are not allocated to updating procedures specific to Authority.	To be addressed in OneCouncil Phase 3 Revenue (Debtors)	Manager Financial Services	1-Jul-25
15. Record of verbal quotations				✓	For purchases <\$5,000 no record of verbal quotes kept on file.	Procurement policy to be updated and refresher training provided.	Ongoing	Manager Financial Services	30-Jun-24

ICT FINDINGS

16. Privileged Access	Yes	✓			Risk of inappropriate or unauthorised access.	To discuss with new Manager ICT		Manager ICT	31-Jul-24
17. Authentication	Yes	✓			Deficiencies in multi-factor authentication and managing passwords.	To discuss with new Manager ICT		Manager ICT	31-Jul-24
18. TechOne Access	Yes	✓			Lack of periodic TechOne user access reviews for appropriateness.	To discuss with new Manager ICT		Manager ICT	31-Jul-24
19. Authority Access	Yes	✓			Lack of periodic Authority user access reviews for appropriateness.	To discuss with new Manager ICT		Manager ICT	31-Jul-24
20. Disaster Recovery			✓		DRP not reviewed and tested since 2020.	To discuss with new Manager ICT		Manager ICT	31-Jul-24
21. Network Access			✓		Deficiencies in user access management controls for the network.	To discuss with new Manager ICT		Manager ICT	31-Jul-24
22. Network Security			✓		Deficiencies in network security management.	To discuss with new Manager ICT		Manager ICT	31-Jul-24
23. Security Incident Monitoring			✓		Deficiencies in management of security incidents.	To discuss with new Manager ICT		Manager ICT	31-Jul-24
24. Change Management			✓		Change tickets do not clearly state the type of change.	To discuss with new Manager ICT		Manager ICT	31-Jul-24
25. IT governance				✓	IT governance documents to be updated.	To discuss with new Manager ICT		Manager ICT	31-Jul-24



## 9.2. ARC15.06.24 – Discussions by the Presiding Member

<b>Meeting &amp; Date</b>	Audit Committee Meeting – 5 June 2024
<b>Applicant</b>	City of Nedlands
<b>Employee Disclosure under section 5.70 Local Government Act 1995</b>	Nil.
<b>Report Author</b>	Keri Shannon
<b>CEO</b>	Keri Shannon
<b>Attachments</b>	1. 2024-2025 Internal Audit Plan 2. Internal Audit Action List

### Purpose

Presiding Member to outline;

1. 2024-2025 Internal Audit Plan
2. Status of Internal Audit Action List
3. Discussion on Monthly dashboard for Councillors
4. Discussion on Audit Committee Agenda content

### Recommendation

**That the Audit Committee notes the discussion**

### Voting Requirement

N/A

### Background

N/A

### Discussion

N/A

### Consultation

N/A



## Strategic Implications

This item is strategically aligned to the City of Nedlands Council Plan 2023-33 vision and desired outcomes as follows:

**Vision**            **Sustainable and responsible for a bright future**

**Pillar**            **Performance**

**Outcome**        11. Effective leadership and governance

## Budget/Financial Implications

There are no budget or financial implications in this report.

## Legislative and Policy Implications

Not applicable.

## Decision Implications

N/A

## Conclusion

The discussion points will be noted.

## Further Information

Nil.

## 2. Strategic Internal Audit Plan for FY24 and FY25 (cont.)

### A) Annual Internal Audit Plan – FY2025

**Table 2** below presents the status of the City’s Annual Internal Audit Plan for FY2025, including details of finalised, not started, in progress and deferred internal audit engagements.

No	Audit Topic	Financial Year	Status Update	Status
1	Emergency Management	2025	The Statement of Scope was sent to the City on 10 April 2024. This engagement has not commenced as it is scheduled for the following financial year.	Not Started
2	Fraud and Corruption (including Public Interest Disclosures)	2025	The Statement of Scope was sent to the City on 10 April 2024. This engagement has not commenced as it is scheduled for the following financial year.	Not Started
3	Complaints Management	2025	This engagement has been brought forward into the current FY. The Statement of Scope was signed on 10 April 2024 and entrance meeting occurred on 3 May 2024. Fieldwork has commenced.	In Progress
4	Policy Framework	2025	The Statement of Scope was sent to the City on 10 April 2024. This engagement has not commenced as it is scheduled for the following financial year.	Not Started
5	Community Engagement and Development	2025	The Statement of Scope was sent to the City on 10 April 2024. This engagement has not commenced as it is scheduled for the following financial year.	Not Started
6	Infrastructure Management	2025	The Statement of Scope was sent to the City on 10 April 2024. This engagement has not commenced as it is scheduled for the following financial year.	Not Started

**Table 2: Status of FY2025 Internal Audit Engagements at 7 May 2024**

5. Audit Log (cont.)

g) Details of Open Recommendations – High Risk Ratings

Below is a list of the twenty-six (26) open **High-Risk** recommendations (previously ten (10)) were reported to the Audit and Risk Committee in February 2024) per audit topic and status of each recommendation:

ID	Audit Topic	Recommendation	Rec Owner	Due Date	Days Overdue	Status
47	Occupational Safety and Health	The City should: 1) clearly document the key roles including competency and key training requirements; 2) investigate the training status and competency of staff in key OSH related positions; 3) recruit and have acting people in these roles only when they meet these key competencies and training requirements 4) update relevant staff training and certification on MYOSH (i.e. the City's system for OSH) 5) establish a City central register for each site on the OSH related training. For example first aid certifications, fire warden training and other related certifications); and 6) monitor expiry dates and ensure that qualifications are renewed and refresher training on a regular basis or when legislative requirements change.	Manager HR	30-Apr-22	738	In Progress
49	Occupational Safety and Health	The City should: 1) develop KPI's for monitoring OSH outcomes; 2) ensure KPI's are approved by the EMT; 3) determine the frequency and method of monitoring its progress against the stated objectives; and 4) regularly monitor; and report to the EMT and the Audit and Risk Committee the achievement of the OSH outcomes	Workplace Safety Officer	30-Apr-22	738	In Progress
29	Contracts Management Review	Regular Executive Reporting to Executive and the Audit and Risk Committee should take place.	Manager Financial Services	31-Aug-22	615	In Progress
30	Contracts Management Review	A Risk register should be developed	Manager Financial Services	31-Aug-22	615	In Progress
208	Conflict of Interest	Consider developing and implementing a formal budget dedicated to funding risk management and COI-related practices.	Coordinator Governance and Risk	30-Jun-23	312	Pending Evidence
213	Conflict of Interest	Develop and implement a Secondary Employment Register.	Manager HR	30-Jun-23	312	Not Started

## ARC15.06.24 - Attachment 2

ID	Audit Topic	Recommendation	Rec Owner	Due Date	Days Overdue	Status
217	Conflict of Interest	Develop and implement a COI training program for Council, Management, employees, contractors and volunteers which is supplemented by assessment components and scheduled refresher training. This should be underpinned by a COI training program for risk and COI related activities. Training materials and attendance should records be maintained.	Coordinator Governance and Risk	31-Oct-23	189	Not Started
218	Conflict of Interest	Employees should be requested to declare any actual, potential, or perceived conflicts of interest upon hire, confirm their existence or absence once a year and be familiarised with the processes in which they can submit COI declarations at any given point in time. All conflicts should be recorded in the Conflicts of Interest Register and be managed in accordance with the policy and procedure already in place.	Coordinator Governance and Risk	31-Oct-23	189	Not Started
219	Conflict of Interest	Consider conducting background and due diligence checks on potential staff, suppliers, contractors and business partners, particularly in circumstances that involve elevated risk.	Manager HR	31-Oct-23	189	Not Started
220	Conflict of Interest	Consider performing data analytics to identify undeclared conflicts of interest. This may include but is not limited to implementing periodic comparison of vendor information with current employees' information such as addresses and telephone numbers.	Manager Financial Services	31-Oct-23	189	In Progress
221	Conflict of Interest	Consider a review of the policy and procedure already adopted by the City to ensure that it meets the required objectives. Partner this with recommendation 5, in developing and implementing a training program for the City to ensure that all stakeholders are aware of the requirements of the policy and procedure to adopt them effectively.	Coordinator Governance and Risk	31-Oct-23	189	In Progress
84	Risk Management	Develop, approve, monitor and report on a Risk Appetite, Risk Tolerance within the City and then consider these in relation to the Residual Risk rating and whether the City are within the Risk Appetite and Risk Tolerance.	Coordinator Governance and Risk	31-Mar-24	37	In Progress
89	Risk Management	Development and approve a comprehensive Fraud and Corruption Control Framework, Fraud and Corruption Control Policy, Fraud and Corruption Control Procedure Fraud Risk Assessment, Fraud Risk Register, Fraud Incident Register which aligns to the Fraud and Corruption Control Standard.	Manager Financial Services	31-Mar-24	37	In Progress
OAG-31	FY23	We recommend that the project on transition of the accounting system should be properly managed and implemented only upon a successful migration of the data. We also recommend for management to engage TechOne's service support to ensure all reports can be extracted and reconciled, with variances from the migration process investigated and resolved.	Director Corporate Services	31-Mar-24	37	In Progress
OAG-26	FY23	It is recommended that management review the completeness of their asset listings within their fixed asset register against the valuer's report to ensure that all items are revalued. In addition, management establish an understanding behind the valuer's calculations, and challenge the assumptions used to justify the report.	Manager Financial Services	30-Jun-24	Not Due	In Progress



## ARC15.06.24 - Attachment 2

ID	Audit Topic	Recommendation	Rec Owner	Due Date	Days Overdue	Status
OAG-27	FY23	It is recommended that management implement the correct controls as well as safeguarding behind Property, Plant and Equipment and Infrastructure assets, given the significant of the balance in the City's financial statements.	Manager Financial Services	30-Jun-24	Not Due	In Progress
OAG-32	FY23	We recommend that management perform a reconciliation of all accounts and transactions to correctly determine all section balances as at year end. We also recommend that management update its accruals and prepayment balances to ensure that all transactions are accounted for within the correct accounting period.	Manager Financial Services	30-Jun-24	Not Due	In Progress
OAG-41	FY23	The City should: Ensure users with privileged access have a separate non-privileged account to perform normal work activities. Utilise uniquely identifiable privileged accounts for an accurate audit trail of privileged actions. Develop and configure a new password standard for privileged users that is more complex than the generic password standard for all users. Ensure all privileged accounts belong to authorised users and are removed when no longer required.	Manager IT	30-Jun-24	Not Due	Not Started
OAG-42	FY23	The City should: Configure an additional authentication method to provide a second layer of defence when accessing a user's virtual desktop. Enable MFA for active Authority user accounts. Prevent the use of shared user accounts and ensure passwords are changed appropriately. Align the current password history configuration to the documented password policy. Set the minimum password age to at least one day or more. Update the documented password policy to reflect the current session lockout configuration.	Manager IT	30-Jun-24	Not Due	Not Started
OAG-43	FY23	The City should: Disable generic accounts that do not serve a business function. Define and endorse a formalised approach to review user access which aims to appropriately restrict user permissions based on job function, prevent segregation of duty conflicts, and disable accounts that no longer have a purpose or function while maintaining a documented and auditable evidence trail of the reviews performed. Regularly perform segregation of duty reviews for the TechOne financial application. Disable accounts of terminated personnel in a timely manner. Disable accounts that do not belong to authorised personnel.	Manager IT	30-Jun-24	Not Due	In Progress
OAG-44	FY23	The City should: Ensure active accounts belong to currently employed staff only. Define and endorse a formalised approach to review user access which aims to appropriately restrict user permissions based on job function, prevent segregation of duty conflicts, and disable accounts that no longer have a purpose or function while maintaining a documented and auditable evidence trail of the reviews performed. Disable accounts of terminated personnel in a timely manner. Disable accounts that do not belong to authorised personnel.	Manager IT	30-Jun-24	Not Due	Not Started
209	Conflict of Interest	Consider appointing a resource to perform risk management including COI practices within the City. A Senior Governance Officer position is referred to in the City's Policy documents. We understand that the position of "Coordinator Governance and Risk" is currently being recruited at the City.	None Specified	N/A	No Due Date	Pending Evidence

ID	Audit Topic	Recommendation	Rec Owner	Due Date	Days Overdue	Status
211	Conflict of Interest	Ensure that the City's Register of Financial Interest is updated to include all required information, including all Primary and Annual Declarations in the form prescribed by legislation.	None Specified	N/A	No Due Date	Pending Evidence
212	Conflict of Interest	Ensure that the City's website is updated to include all information disclosures as per legislative requirements.	None Specified	N/A	No Due Date	Pending Evidence
214	Conflict of Interest	Consider adding an additional column to the electronic gifts register to distinguish between the date of the declaration and the date of the record to evidence compliance with the 10 day rule.	None Specified	N/A	No Due Date	Pending Evidence
216	Conflict of Interest	Implement control procedures to ensure that an up-to-date version of the register is uploaded to the City's website in accordance with legislation.	None Specified	N/A	No Due Date	Pending Evidence

**Table 6: List of Open Recommendations – High Risk**



**10. Date of Next Meeting**

**The date of the next meeting of the Audit & Risk Committee Meeting is to be 17 June 2024.**

**11. Declaration of Closure**

There being no further business, the Presiding Member will declare the meeting closed.