

Services and Service Levels

Service	Objective	Service Level
Internal audit and risk mitigation	To report to the Audit and Risk Committee	<ul style="list-style-type: none"> • Provision of reports to allow the Audit and Risk Committee to oversee internal / external auditing, risk management, internal control and compliance functions of the City.
	To undertake activities listed in the Annual Internal Audit Program	<ul style="list-style-type: none"> • Provision of an independent and objective review of City operations and systems – provides assurance that risk management, controls and compliance processes are effective.
	To ensure the identification, remediation and assurance regarding risks to the City’s strategic objectives	<ul style="list-style-type: none"> • Maintaining a Risk Management Framework including policy, procedures and templates.
	To ensure governance processes exist for identifying and managing strategic, corporate (operational) and project risks as part of an integrated risk management program and in alignment with City strategic objectives	<ul style="list-style-type: none"> • Maintaining the City’s electronic risk system including the development and monitoring of risk registers. • Provision of training programs to enhance awareness of risk management and promotion of a positive risk culture that embeds risk management across systems and processes.

Services and Service Levels

Service	Objective	Service Level
Integrity and Conduct Controls	To enhance organisational culture to support ethical conduct	<ul style="list-style-type: none"> • Provision of programs (including the use of data analytics) for fraud, misconduct and corruption detection and prevention. • Maintaining the City's electronic gifts and contributions to travel registers including publishing of relevant registers on the City's website. • Maintaining the City's whistleblowing program to ensure regular awareness is provided to employees, contractors, suppliers and the public. • Reporting to external oversight agencies.
Executive Support Service	To support the role and functions of the Mayor and Elected Members	<ul style="list-style-type: none"> • Provision of a confidential and high level executive support service to the Office of the Mayor. • Provision of a high level executive support service to Elected Members.

NOTE: The Internal Audit Program assist the Chief Executive Officer to comply with section 17 of the *Local Government (Audit) Regulations 1996* – review the appropriateness and effectiveness of a local government’s systems and procedures in relation to risk management, internal control and legislative compliance.

Joondalup 2022 Key Theme and Objective	Actions and Projects	Informing Plan or Legislation	Project Milestone	
<p>Governance and Leadership</p> <p>Corporate Capacity For the community to have confidence and trust in the City that it can deliver services effectively and transparently</p> <p><u>Strategic Initiatives</u> Demonstrate accountability through robust reporting that is relevant and easily accessible by the community</p> <p>Continuously strive to improve performance and service delivery across all corporate functions</p>	Internal Audit Program	Local Government Act 1995	Q1 – Q4	Prepare relevant reports for the Audit and Risk Committee
			Q1 – Q4	Undertake relevant actions resulting from Audit and Risk Committee meetings
		Local Government (Audit) Regulations 1996	Q1 – Q4	Undertake unscheduled actions as directed by the Chief Executive Officer
		Corruption, Crime and Misconduct Act 2003	Q1 – Q4	Respond to referrals from external oversight agencies (including the Corruption and Crime Commission, Public Sector Commission, Office of the Auditor General and the Department of Local Government, Sport and Cultural Industries) that may require investigation and reporting as required by legislation
		Q1 – Q4	<p>Examine potential areas where fraudulent and/or misconduct activity may exist across City activities</p> <ul style="list-style-type: none"> • Changes to bank details • Invoices being paid without goods or services being received • Attempts to bypass quotation and tender thresholds • Variances between purchasing requisition amount, approved purchase order, payment made • Non-purchase order payments • Payments made to ghost employees or invalid suppliers • Payments made after employee termination • Inappropriate relationships (employee to employee; employee to supplier; supplier to supplier) 	
		Q1 – Q4	Live monitoring of employees’ and elected members’ gift registers including cross referencing of invitations received	
		Q1 – Q4	Audit follow-up on implementation of agreed recommendations	

Joondalup 2022 Key Theme and Objective	Actions and Projects	Informing Plan or Legislation	Project Milestone	
<p>Governance and Leadership</p> <p>Corporate Capacity For the community to have confidence and trust in the City that it can deliver services effectively and transparently</p> <p><u>Strategic Initiatives</u> Demonstrate accountability through robust reporting that is relevant and easily accessible by the community</p> <p>Continuously strive to improve performance and service delivery across all corporate functions</p>	Internal Audit Program	Local Government Act 1995	Q1	Complete the annual audit of compliance of the Information Protection Agreement between the City and VicRoads
		Local Government (Audit) Regulations 1996	Q1	Coordinate the completion of the annual Integrity and Conduct Survey and ensure its submission to the Public Sector Commission by the stipulated deadline
		Corruption, Crime and Misconduct Act 2003	Q2	Auditing of payroll process
			Q2	Auditing of tender specifications and assessment criteria
			Q2	Auditing of approved building permit applications
			Q2	Auditing of domestic rubbish bin identification numbers
			Q3	Auditing of employee use of fleet vehicles
			Q3	Auditing of employee use of City supplied mobile telephones
			Q3	Coordinate the completion of the annual Compliance Audit Return and ensure its submission to the Department of Local Government, Sport and Cultural Industries by 31 March 2020
			Q3	Coordinate the completion of the annual Compliance Audit Return and ensure its submission to the Department of Local Government, Sport and Cultural Industries by 31 March 2020
	Integrity and Conduct Controls	Corruption, Crime and Misconduct Act 2003	Q1 – Q4	Undertake investigations relating to fraud, corruption and/or misconduct activities and report to relevant audience (Chief Executive Officer and/or external oversight agencies)
			Q1 – Q2	Implementation of a whistleblowing program (Phase 1) <ul style="list-style-type: none"> • Development of policy • Development of protocol and associated documentation for internal use • Updating of documentation for external use • Development of a Statement of Business Ethics for contractors and suppliers
			Q2 – Q3	Implementation of a whistleblowing program (Phase 2) <ul style="list-style-type: none"> • Increase number of Public Interest Disclosure Officers • Provision of training for identified Public Interest Disclosure Officers • Undertake improved and regular awareness to employees, contractors and the public
Q4			Define and test controls for employees appointed to Positions of Trust	

Joondalup 2022 Key Theme and Objective	Actions and Projects	Informing Plan or Legislation	Project Milestone	
<p>Governance and Leadership</p> <p>Corporate Capacity For the community to have confidence and trust in the City that it can deliver services effectively and transparently</p> <p><u>Strategic Initiatives</u> Demonstrate accountability through robust reporting that is relevant and easily accessible by the community</p> <p>Continuously strive to improve performance and service delivery across all corporate functions</p>	Monitoring of new and amended legislation		Q1 – Q4	Local Government Act 1995 and associated Regulations – gifts and contributions to travel
	Risk Management Program	Local Government Act 1995	Q1 – Q2	Review and update risk management documentation <ul style="list-style-type: none"> • Policy • Framework • Corporate Risk Management Plan
		Local Government (Audit) Regulations 1996	Q1 – Q4	Maintain the electronic risk management system <ul style="list-style-type: none"> • System administration • Updating risk management practices • Updating the City’s risk rating descriptions and tolerances
		Q1 – Q4	Facilitation of the development of risk registers to identify risk owners, control / treatment owners and the ratings of inherent and residual risks <ul style="list-style-type: none"> • Subject specific and/or project based • Business Units • Operational • Strategic 	
		Q1 – Q4	Undertake risk management training <ul style="list-style-type: none"> • Risk Awareness • Risk Identification • Risk Analysis • Residual Risk and Control Effectiveness 	
		Q1 – Q4	Monitoring of overdue and/or non-compliance items	

Joondalup 2022 Key Theme and Objective	Actions and Projects	Informing Plan or Legislation	Project Milestone	
<p>Governance and Leadership</p> <p>Corporate Capacity For the community to have confidence and trust in the City that it can deliver services effectively and transparently</p> <p><u>Strategic Initiatives</u> Demonstrate accountability through robust reporting that is relevant and easily accessible by the community</p> <p>Continuously strive to improve performance and service delivery across all corporate functions</p>	Risk Management Program	Local Government Act 1995 Local Government (Audit) Regulations 1996	Q1 – Q4	Risk Reporting (based on risk tolerance) <ul style="list-style-type: none"> • High risks (quarterly reporting) • Extreme risks (immediately then monthly until within acceptable risk tolerance) • Risk profile (monthly as part of Corporate Dashboard) Reporting audience dependant on level of risk <ul style="list-style-type: none"> • Council • Audit and Risk Committee • Chief Executive Officer • Executive Leadership Team
	Business Continuity		Q1 – Q2	Undertake major review of current Consolidated Business Continuity Plan in conjunction with LGIS
			Q3	Present revised Consolidated Business Continuity Plan for approval by Chief Executive Officer
			Q4	Undertake scenario testing of approved Consolidated Business Continuity Plan
	Reports from external oversight agencies		Q1 – Q4	Undertake analysis of reports to <ul style="list-style-type: none"> • Compare the City's position • Compare the City's practices • Test the City's internal controls (via an internal audit) Report issues / outcomes of reports to relevant audience <ul style="list-style-type: none"> • Council • Audit and Risk Committee • Chief Executive Officer • Executive Leadership Team

TO NOTE

- From April 2019 the business unit name of Executive and Risk Services was changed to Audit and Risk Services.
- This change was made to better reflect the key activities of Internal Audit; Risk Management and Business Continuity; Integrity and Conduct Controls.
- Activities not reflected above were transferred to the Office of the CEO.

COMPLETED ACTIVITIES	
Review of Event Risk Management Plans	<ul style="list-style-type: none">• ANZAC Day Dawn Service• Australia Day• Community Art Exhibition (Emergency Management Plan)• Craigie Leisure Centre Christmas Pool Party• Defeat the Beat• Joondalup Festival• Little Feet Festival• Music in the Park Concerts• Twilight Markets• Valentine's Concert
Internal Audits / Reviews / Investigations	<ul style="list-style-type: none">• VicRoads Information Protection Agreement Annual Audit• Graffiti Removal Contract Performance Bonus• Value of gifts from various gift givers• Use of surveillance devices• Youth Services Incident (Central Park)
External Audits / Reviews	<ul style="list-style-type: none">• Performance audit of local government building permits (Office of the Auditor General)• Three yearly review of the appropriateness and effectiveness of financial management systems and procedures (Deloitte)

COMPLETED ACTIVITIES

Reporting to the Audit and Risk Committee

- Risk Management Arrangements (August 2018)
- Executive and Risk Services Program 2018/2019 (August 2018)
- Fraud and Misconduct Risk Assessment and Data Analytics Approach – Procurement (August 2018)
- Controls Over Corporate Credit Cards (August 2018)
- 2018 Compliance Audit Return (March 2019)
- Three yearly reviews of financial management systems and procedures and risk management, internal control and legislative compliance – Interim Report (March 2019)
- Gift and Contributions to Travel Disclosures by Employees and Elected Members (March 2019)
- Department of Local Government, Sport and Cultural Industries – Report of the Inquiry into the Shire of Wiluna (March 2019)
- Western Australian Auditor General Reports during 2018 (March 2019)
- Corruption and Crime Commission Reports (March 2019)

Legislative Requirements

- Completion of 2018 Compliance Audit Return
- External Reporting to Oversight Agencies

Integrity and Conduct Controls

- Detection and prevention of fraud, misconduct and corruption
 - Implementation of Data Model # 2 displaying 22 months of live data
 - Data Model # 2 used to analyse timely payments of suppliers
- Completion of 2018 Public Sector Commission Integrity and Conduct Survey

COMPLETED ACTIVITIES

Analysis of Reports from External Oversight Agencies	Corruption and Crime Commission <ul style="list-style-type: none">• North Metropolitan Health Services (bribery and corruption in maintenance and service contracts)• Horizon Power (corruption in information technology)• Shire of Halls Creek (conflicts of interest undermining good governance – Chief Executive Officer)• Public Transport Authority (unauthorised release of confidential information)
	Office of the Auditor General <ul style="list-style-type: none">• Controls Over Corporate Credit Cards• Timely Payments of Suppliers• Information Systems Audit Report 2018• Local Government Procurement• Records Management in Local Government
	Department of Local Government, Sport and Cultural Industries <ul style="list-style-type: none">• Report of the Inquiry into the Shire of Wiluna

ONGOING ACTIVITIES	
Internal Audits / Reviews / Investigations (* Refers to use of data analytics program)	<ul style="list-style-type: none">• Examine potential areas where fraudulent activity may exist in purchasing practices<ul style="list-style-type: none">• Non-purchase order expenditure *• Potential false invoices *• Changes to bank details *• Employee / supplier relationships *• Disclosures / non-disclosures of gifts• Traffic management
External Audits / Reviews	<ul style="list-style-type: none">• Gifts and Sponsorship Arrangements (Department of Local Government, Sport and Cultural Industries)• Three yearly review of the appropriateness and effectiveness of a local government's systems and procedures in relation to risk management, internal control and legislative compliance (Deloitte)• Building improvements and gross rental valuations

ONGOING ACTIVITIES	
Risk Management	<ul style="list-style-type: none">• Review and updating of risk management documentation (Policy, Framework)• Development of risk management documentation (Corporate Risk Management Plan)• Facilitating development of business unit risk registers and subject specific risk registers• Implementation of electronic risk management system<ul style="list-style-type: none">• Updating of risk management practices• Consolidation of operational risks and controls/treatments• Updating the City's risk rating descriptions and tolerances• Establishing reporting requirements• Live monitoring of overdue/non-compliant risks and/or controls• Undertaking of training programs<ul style="list-style-type: none">• Promapp User Training – Risk and Compliance Module• Risk Awareness• Risk Identification and Analysis• Residual Risk and Control Effectiveness
Integrity and Conduct Controls	<ul style="list-style-type: none">• Implementation of a Whistleblowing Program<ul style="list-style-type: none">• Phase 1: Expansion of the public interest disclosure function

ONGOING ACTIVITIES	
Analysis of Reports from External Oversight Agencies	Office of the Auditor General <ul style="list-style-type: none">• Management of Supplier Master Files
	Audit Office of New South Wales <ul style="list-style-type: none">• Report on Local Government 2018
	Corruption and Crime Commission <ul style="list-style-type: none">• Report on the WA Commissioner in Japan• Serious misconduct in procurement of environmental services (Department of Mines, Industry Regulation and Safety)
Business, Financial and Operational Analysis (Transferred to the Office of the CEO)	<ul style="list-style-type: none">• Participation in Australasian Local Government Performance Excellence Program for 2017/18 (third year)• Service Efficiency and Effectiveness Review Program and Benefits Tracking System• Performance Review of Procurement and Contract Management• Performance Review of Community Development and Youth Services