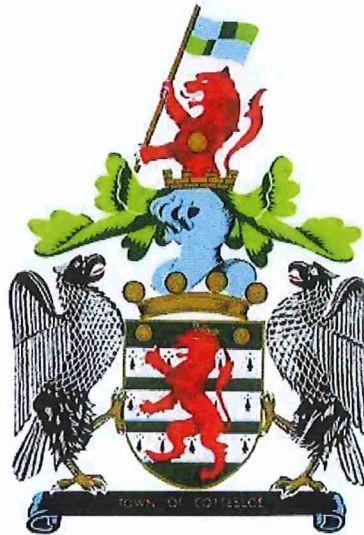


# TOWN OF COTTESLOE



## AUDIT COMMITTEE

# UNCONFIRMED MINUTES

AUDIT COMMITTEE  
HELD IN THE  
Mayor's Parlour, Cottesloe Civic Centre  
109 Broome Street, Cottesloe  
4:30 PM Monday, 8 September 2025

A handwritten signature in blue ink, appearing to read "Mark Newman".

**MARK NEWMAN**  
Chief Executive Officer

15 September 2025

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**1 DECLARATION OF MEETING OPENING/ANNOUNCEMENT OF VISITORS**

The Presiding Member announced the meeting opened at 4:50pm.

**1.1 ACKNOWLEDGEMENT OF COUNTRY**

I would like to begin by acknowledging the Whadjuk Nyoongar people, Traditional Custodians of the land on which we meet today, and pay my respects to their Elders past and present. I extend that respect to Aboriginal and Torres Strait Islander peoples here today.

**2 DISCLAIMER**

The Presiding Member drew attention to the Town’s Disclaimer.

**3 ATTENDANCE**

**Members**

|                   |                          |
|-------------------|--------------------------|
| Cr Helen Sadler   | Elected Member           |
| Cr Sonja Heath    | Elected Member           |
| Cr Jeffrey Irvine | Elected Member           |
| Mr Nathan Hart    | Community Representative |

**Officers**

|                 |   |
|-----------------|---|
| Mrs Vicki Cobby | Director Corporate and Community Services |
|-----------------|---|

**Visitors**

Nil

**Apologies**

|                      |                          |
|----------------------|--------------------------|
| Mayor Lorraine Young | Elected Member           |
| Mr Andrew Dimsey     | Community Representative |
| Mr Ian McKenzie      | Community Representative |

**4 DECLARATION OF INTERESTS**

Nil

**5 ANNOUNCEMENTS BY PRESIDING MEMBER WITHOUT DISCUSSION**

Nil

**6 CONFIRMATION OF MINUTES**

**That the Minutes of the Audit Committee Meeting held on Monday 26 May 2025 be confirmed as a true and accurate record.**

**Nil, to be confirmed at the next meeting.**

**7 PRESENTATIONS**

Nil

**8 REPORTS**

**8.1 REPORTS OF OFFICERS**

**8.1.1 NEW CREDIT CARD POLICY AND CREDIT CARD USER AGREEMENT**

**Directorate:** Corporate and Community Services  
**Author(s):** Vicki Cobby, Director Corporate and Community Services  
**Authoriser(s):** Mark Newman, Chief Executive Officer  
**File Reference:** D25/42258  
**Applicant(s):**  
**Author Disclosure of Interest:** Nil

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**SUMMARY**

The Credit Card Policy was reviewed and amended with Council’s approval at the June 2025 Ordinary Council Meeting, in the policy it was specified that the CEO was responsible for providing clear guidance on what is allowable and reasonable business use in the credit card user agreement. The administration is seeking endorsement by the Audit Committee on the draft Credit Card User Agreement for internal use.

**OFFICER RECOMMENDATION IN BRIEF**

That the Audit Committee NOTES the amended Credit Card Policy and ENDORSES the Credit Card User Agreement for internal use.

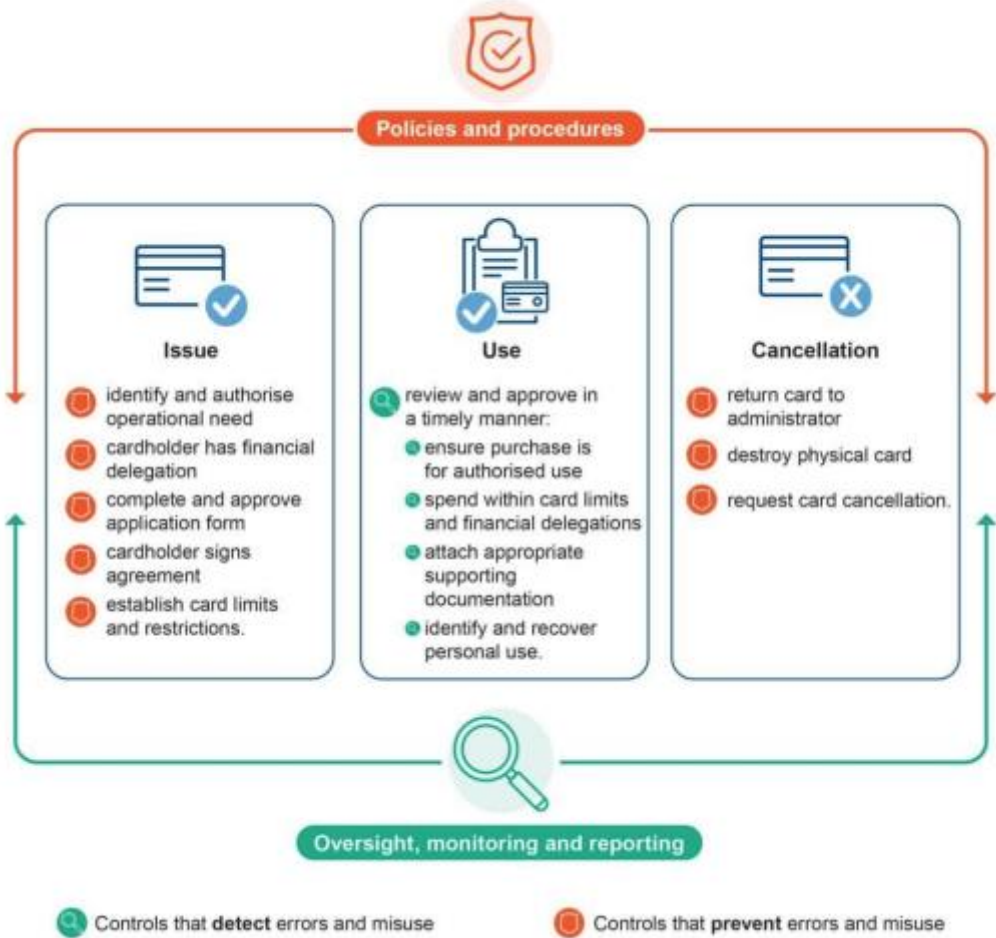
**OFFICER COMMENT**

**Credit Card Policy**

The Office of the Auditor General (OAG) has issued two reports in two years on Local Government entities management of purchasing cards. The most recent of these, published on 28 May 2025 was on larger metropolitan entities. The previous report, issued on 12 June 2024 was on regional Local Governments.

With the review of the Town’s Credit Card policy, the intention was to address the concerns raised by the OAG and ensure the Town of Cottesloe has effective and appropriate control over its credit card usage.

In both audits the OAG assessed the following controls;



Source: OAG

The resulting recommendations from the 2025 OAG report are;

Recommendations

1. The six entities should ensure their policy and guidance is clear on what is allowable and reasonable business use expenditure for items such as travel, alcohol, meals, entertainment and gifts.
2. The six entities, as relevant, should:
  - a. Report purchasing card transactions more transparently to council to enable better scrutiny of how public money is being spent.
  - b. Have suitable controls in place to manage the issue and timely cancellation of purchasing cards.
  - c. Review and approve purchasing card transactions in a timely manner
  - d. Keep proper records of the review and approvals of purchasing card transactions and card cancellations.
  - e. Regularly monitor and report on purchasing card controls to allow management to oversee usage and control effectiveness. The results of reviews should be documented and retained.

The following excerpt from the June Ordinary Council Meeting report explains why the amended credit card was not presented to the audit committee first.

*“The credit card policy was last reviewed in May 2016, and is now being recommended for a significant revision and amendment. The results of the most recent OAG review on local government management of purchasing cards has demonstrated that the Town currently has inadequate controls and monitoring. While this is an appropriate report to present to the Audit Committee (soon to become the Audit, Risk and Improvement Committee), the administration believes immediate action to ensure the Town of Cottesloe is reducing risk and improving accountability, control and transparency, is paramount.”*

**ATTACHMENTS**

- 8.1.1(a) Credit Card Policy - AMENDED June 2025 [under separate cover]**
- 8.1.1(b) DRAFT Credit Card User Agreement [under separate cover]**

**CONSULTATION**

Executive Team

**STATUTORY IMPLICATIONS**

- Local Government Act 1995*
- Section 2.7(2)(a)and(b)
- Section 6.5(a)
- Local Government (Financial Management) Regulations 1996*
- Regulation 11(1)a
- Regulation 13A

**POLICY IMPLICATIONS**

The Credit Card User Agreement reinforces and mirrors key requirements of the Purchasing Policy, ensuring consistency and compliance.

**STRATEGIC IMPLICATIONS**

- This report is consistent with the Town’s *Council Plan 2023-2033*.
- Priority Area 4: Our Leadership and Governance - Strategic leadership providing open and accountable governance.
- Major Strategy 4.3: Deliver open, accountable and transparent governance.

**RESOURCE IMPLICATIONS**

Resource requirements are in accordance with the existing budgetary allocation.

**ENVIRONMENTAL SUSTAINABILITY IMPLICATIONS**

There are no perceived sustainability implications arising from the officer’s recommendation.

**RISK MANAGEMENT IMPLICATIONS**

Non-compliance risk – Without a suitable credit card user agreement, there is no formal mechanism requiring cardholders to adhere to key policy obligations, increasing the likelihood of misuse or policy breaches.

Accountability risk – Lack of a signed agreement weakens accountability, making it difficult to enforce consequences for inappropriate or unauthorised use.

Audit and governance risk – Failure to implement a user agreement may be viewed negatively in internal or external audits, as a gap in governance controls over financial transactions.

Financial and reputational risk – Misuse or mismanagement of credit cards could result in financial losses and damage to the Town’s reputation.

**VOTING REQUIREMENT**

Simple Majority

**AC009/2025**

**OFFICER AND COMMITTEE RECOMMENDATION**

Moved Cr Heath                                Seconded Mr Hart

THAT the Audit Committee

1. NOTES the amended Credit Card Policy as per Attachment (a)

Carried 4/0  
For: Cr Irvine, Cr Heath, Mr Hart and Cr Sadler  
Against: Nil

**AC010/2025**

Moved Cr Sadler                                Seconded Cr Irvine

THAT the Audit Committee

1. ENDORSES the Credit Card User Agreement Policy as outlined in Attachment (b).

Carried 4/0  
For: Cr Irvine, Cr Heath, Mr Hart and Cr Sadler  
Against: Nil



## 8.2 ITEMS FOR DISCUSSION

### 8.2.1 ERP PROJECT UPDATES

**Attachments:** Nil

The ERP Project Updates report is to provide an update to the Audit Committee on the progress of the project.

The Town had a successful GO LIVE transition on 3 July 2025. There were a lot of issues raised during the Hypercare period as anticipated, with priority given to issues that were affecting the Town's ability to receipt money, issue infringements and serve our customers.

The Hypercare phase is now complete, and a handover to the Datascape support team has taken place.

At the end of the Hypercare period there were still issues outstanding, but the Town was able to receipt payments, issue infringements and we developed temporary workarounds to achieve all business as usual tasks.

Currently, four weeks post Hypercare, we still have the following issues;

**Payroll** – The Town has not been able to run a complete payroll process without DataScape intervention over the five payment cycles we have completed in the system. There has been something 'fail' on their side each time. This has been identified as a system integration issue between DataScape and the payroll module DataPay. The calculating and processing of pays is working well.

**Timesheets** – The timesheet approval process is not working, but has not been a priority for the payroll team to date.

**Allocation of payments** – While officers can now take payments and receipt through DataScape, not all payments are being allocated to the original request (for example, building applications require manual allocation by the finance team).

**New dog registrations** – The customer service team are unable to add a new dog to Datascape.

**Data migration (building and planning)** – The data migration for building and planning was expected to have been completed by now, but other priorities and issues have seen this delayed. The information is still accessible through the legacy ERP.

**Chart of Accounts** – Before the final modules can be implemented (Work Orders and Assets), the Chart of Accounts needs to be amended, as it is currently incompatible. DataScape is assisting the Town with this, but considerable time and effort needs to be applied to this task. The Town is considering options for external assistance.

Ongoing support is continuing on the above issues with both the DataScape Project team and the new support team post Hypercare. Further urgency was applied on the Town's behalf by the DataScape Product Lead (Financials) after a meeting with the CEO and the Director Corporate and Community Services.

While there is some officer fatigue caused by onerous workarounds and frustration with ongoing issues, it is very important to note that issues are being solved every week. While it feels like two steps forward and one step back often, an enormous amount of work and effort have solved many issues to date.

A dedicated SME (subject matter experts) team, led by our Business Analyst have done an amazing job to date and are meeting regularly to update, share and support each other.

**8.2.2 COMPLIANCE CALENDAR****Attachments: 8.2.2(a) Compliance Calendar - September 2025 [under separate cover]**

The Compliance Calendar has been adapted specifically for the Town of Cottesloe from the WALGA model to govern best practices across the calendar year.

The Compliance Calendar is provided for the information of the Audit Committee.

Since the last meeting, the administration have updated the Compliance Calendar from the latest template from WALGA.

**8.2.3 AUDIT COMMITTEE RESOLUTION DATABASE**

**Attachments: 8.2.3(a) Audit Committee Resolution Database - September 20256 [under separate cover]**

The Audit Committee Resolution Database provides an update on Council resolutions put forward by the Audit Committee since the previous meeting and resolutions linked to their Charter. This is provided for information.

**9 GENERAL BUSINESS**

Director Corporate and Community Services discussed;

- New Governance Coordinator.
- Upcoming audits to be conducted by Moore Australia.
- Nominations opening soon for Audit Risk and Improvement Committee, all current community representatives will be invited to re-nominate.

**9.1 COMMITTEE MEMBERS**

Nil

**9.2 OFFICERS**

Nil

**10 MEETING CLOSED TO PUBLIC****10.1 MATTERS FOR WHICH THE MEETING MAY BE CLOSED**

AC011/2025

**MOTION FOR BEHIND CLOSED DOORS**

Moved Cr Sadler

Seconded Cr Heath

That, in accordance with Section 5.23(2) (f(ii)), the discuss the confidential reports behind closed doors.

Carried 4/0

For: Cr Irvine, Cr Heath, Mr Hart and Cr Sadler

Against: Nil

*The public and members of the media were requested to leave the meeting at 5.35pm*

**10.1.1 AUDIT ACTIONS REGISTER**

This item is considered confidential in accordance with the *Local Government Act 1995* section 5.23(2) (f(ii)) as it contains information relating to a matter that if disclosed, could be reasonably expected to endanger the security of the local government's property.

**10.1.2 RISK REGISTER UPDATE**

This item is considered confidential in accordance with the *Local Government Act 1995* section 5.23(2) (f(ii)) as it contains information relating to a matter that if disclosed, could be reasonably expected to endanger the security of the local government's property.

AC012/2025

**MOTION FOR RETURN FROM BEHIND CLOSED DOORS**

Moved Cr Heath

Seconded Cr Sadler

In accordance with Section 5.23 that the meeting be re-opened to members of the public and media and motions passed behind closed doors be read out if there are any public present.

Carried 4/0

For: Cr Irvine, Cr Heath, Mr Hart and Cr Sadler

Against: Nil

*The public and members of the media returned to the meeting at 5.49pm.*

**11 NEXT MEETING**

Date unconfirmed.

**12 MEETING CLOSURE**

The Presiding Member announced the meeting closed at 5.50pm.