

CITY OF WEST TORRENS



Minutes
of the
AUDIT AND RISK COMMITTEE

Members: Councillor A Mangos (Presiding Member),
Councillor J Woodward, Mr R Haslam, Ms E Moran, Mr S Spadavecchia.

of the

CITY OF WEST TORRENS

held in the Mayor's Reception Room, Civic Centre
165 Sir Donald Bradman Drive, Hilton

on

WEDNESDAY, 20 JULY 2016
at 5.00 PM

Terry Buss
Chief Executive Officer

City of West Torrens Disclaimer

Please note that the contents of this Committee Minutes have yet to be considered by Council and recommendations may be altered or changed by the Council in the process of making the formal Council decision.

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1. MEETING OPENED

The Presiding Member declared the meeting open at 5.00pm.

1.1 Evacuation Procedure

The evacuation procedures were taken as read.

2. PRESENT

In attendance:

Mr Michael Kelledy KelledyJones Lawyers
Ms Tyler Johns KelledyJones Lawyers
Mr Tim Mulhauser Galpins

Committee Members:

Cr A Mangos (Presiding Member)
Cr J Woodward
Mr R Haslam, Ms E Moran, Mr S Spadavecchia

Officers:

Mr T Buss (Chief Executive Officer)
Ms P Koritsa (General Manager Business and Community Services)
Mr B Ross (General Manager Corporate & Regulatory)
Mr D Whicker (Program Leader Internal Audit and Risk)
Ms S Curran (Manager Business Services (substantive position - currently Manager Community Services))

3. APOLOGIES

Lateness:

Mr R Haslam (5.22pm)
Cr Woodward (5.23pm)

RECOMMENDATION

That the apologies be received.

COMMITTEE DECISION

MOVED Ms Moran SECONDED Mr Spadavecchia that the recommendation be adopted.

CARRIED

4. PRESENTATIONS

4.1 Role of Committee and Confidentiality Provisions - Michael Kelledy, KelledyJones Lawyers

5.22pm Cr Woodward entered the meeting

5.23pm Mr R Haslam entered the meeting

4.2 Procurement Roadmap Update - Sue Curran, Manager Business Services

Adjournment of the Meeting

MOVED Cr Woodward SECONDED Ms Moran that the meeting be adjourned at 6.18pm for fifteen minutes.

CARRIED

6.33pm the meeting reconvened. All those present prior to the adjournment of the meeting were present in the Mayor's Reception Room when the meeting reconvened.

5. DISCLOSURE STATEMENTS

Nil

6. CONFIRMATION OF MINUTES

RECOMMENDATION

That the Minutes of the meeting of the Audit and Risk Committee held on 12 April 2016 be confirmed as a true and correct record.

COMMITTEE DECISION

MOVED Mr Haslam SECONDED Ms Moran that the recommendation be adopted.

CARRIED

7. COMMUNICATIONS BY THE CHAIRPERSON

Agreed Actions

The Chief Executive Officer agreed that the General Manager Business and Community Services would circulate Sections 93(3)(a) and (b) and 12(b) of the *Local Government Act 1999* to Committee members which were discussed during Mr Kelledy's presentation on the Role of Committee and Confidentiality Provisions.

8. OUTSTANDING REPORTS/ACTIONS

8.1 Open Actions

This report presented an update on the current status of open actions from previous meetings of the Audit and Risk Prescribed General Committee

RECOMMENDATION(S)

It is recommended to Audit and Risk Prescribed General Committee that it notes progress against the reported open actions.

COMMITTEE DECISION

MOVED Mr Haslam SECONDED Ms Moran that the recommendation be adopted.

The Program Leader Internal Audit and Risk and Mr Mulhauser gave a verbal update on the status of the probity audit of the sale of St Martins.

CARRIED

9. REPORTS OF CHIEF EXECUTIVE OFFICER

9.1 FINANCIAL REPORTING AND SUSTAINABILITY

9.1.1 Financial Reporting

This report listed those finance related reports which were considered by Council between 06 April 2016 and 19 July 2016

RECOMMENDATION(S)

It is recommended to Audit and Risk Prescribed General Committee that this report be received.

COMMITTEE DECISION

MOVED Ms Moran SECONDED Cr Woodward that the recommendation be adopted.

CARRIED

9.2 INTERNAL CONTROLS AND RISK MANAGEMENT SYSTEMS

Nil

9.3 INTERNAL AUDIT

9.3.1 Internal Audit Program Update

This report presented the final 2015-2016 Internal Audit Program Update.

RECOMMENDATION(S)

It is recommended to the Audit and Risk Prescribed General Committee that this report be received.

COMMITTEE DECISION

MOVED Mr Haslam SECONDED Mr Spadavecchia that the recommendation be adopted.

CARRIED

9.3.2 Progress Report - Internal Audit Recommendations and Actions

This report presented progress against those internal audit recommendations that have been approved for actioning, as at 30 June 2016.

RECOMMENDATION(S)

It is recommended to the Audit and Risk Prescribed General Committee that this report be received.

COMMITTEE DECISION

MOVED Ms Moran SECONDED Mr Spadavecchia that the recommendation be adopted.

CARRIED

Agreed Actions

The Chief Executive Officer agreed to investigate options to verify the completion of actions asserted to be completed for those recommendations assessed as high risk in Audit Reports.

The Chief Executive Officer agreed to report back to the next meeting of the Committee on which actions contained in the 'Internal Audit Recommendations and Actions Progress Report' are able to be deleted on the basis they are within tolerance levels and not being progressed.

9.3.3 Annual Internal Audit Program 2016 - 2017

This report presented the Draft Internal Audit Program 2016-2017.

RECOMMENDATION(S)

It is recommended to the Audit and Risk Prescribed General Committee that it receives the Internal Audit Program for 2016-2017.

COMMITTEE DECISION

MOVED Cr Woodward SECONDED Ms Moran that:

1. The Annual Internal Audit Program 2016-17 be deferred to the 11 October 2016 meeting of Committee.
2. In the interim, those audits that are currently in progress and identified for commencement in quarter one, be progressed.

CARRIED

7.06pm Mr Spadavecchia left the meeting.

9.3.4 Maintenance of Plant and Equipment (Stage 1 - Gap Analysis) Facilitative Audit

This report presented the outcomes of Stage 1 of the *Facilitative Audit - Maintenance of Plant and Equipment (Gap Analysis)*.

RECOMMENDATION(S)

It is recommended to the Audit and Risk Prescribed General Committee that this report be received.

COMMITTEE DECISION

MOVED Ms Moran SECONDED Mr Haslam that the recommendation be adopted.

CARRIED

9.3.5 SA Public Health Act 2011 Internal Audit

This report presented the results of the *Public Health Act 2011 internal audit*.

RECOMMENDATION(S)

It is recommended to the Audit and Risk Prescribed General Committee that this report be received.

COMMITTEE DECISION

MOVED Cr Woodward SECONDED Mr Haslam that the recommendation be adopted.

7.10pm Mr Spadavecchia returned to the meeting

CARRIED

9.3.6 Facilitative Audit - Debtor Management (Stage 1 - Gap Analysis)

This report presented the result of the Gap Analysis component of Stage 1 of the *Facilitative Audit - Debtor Management (Stage 1 - Gap Analysis)*.

RECOMMENDATION(S)

It is recommended to the Audit and Risk Prescribed General Committee that this report be received.

COMMITTEE DECISION

MOVED Mr Haslam SECONDED Cr Woodward that the recommendation be adopted.

CARRIED

9.4 EXTERNAL AUDIT

9.4.1 BDO Audit 2015/16 - Annual Audit Plan and Interim Management Letter

This report provided the Audit and Risk Prescribed General Committee with BDO's Annual Audit Plan and Interim Management Letter in relation to the 2015/16 external audit.

RECOMMENDATION(S)

It is recommended to the Audit and Risk Prescribed General Committee that BDO's correspondence be received.

COMMITTEE DECISION

MOVED Cr Woodward SECONDED Mr Haslam that the recommendation be adopted.

CARRIED

Agreed Actions

The Chief Executive Officer agreed to advise members of term of Council's contract with BDO.

9.5 COMMITTEE PERFORMANCE AND REPORTING

9.5.1 Audit and Risk Prescribed General Committee Annual Report 2015-2016

This report presented the Annual Report of the Audit and Risk Prescribed General Committee for the 2015/16 financial year.

RECOMMENDATION(S)

It is recommended to the Audit and Risk Prescribed General Committee that its 2015/16 Annual Report be approved for presentation to Council at its 6 September 2016 meeting.

COMMITTEE DECISION

MOVED Ms Moran SECONDED Cr Woodward that:

1. The report be received.
2. Mr Spadavecchia and Ms Moran attend the 2 August meeting of Council to present the Committee's Annual Report for 2015-16.

CARRIED

Agreed Actions

The Chief Executive Officer agreed to provide hardcopies of Council's 2016-17 Budget to Ms Moran, Mr Haslam and Mr Spadavecchia.

10. OTHER BUSINESS

11. NEXT MEETING

11 October 2016, 6.00pm in the Mayor's Reception Room.

12. MEETING CLOSE

The Presiding Member declared the meeting closed at 7.20pm.