

CITY OF WEST TORRENS



Notice of Committee Meeting

NOTICE IS HEREBY GIVEN in accordance with Sections 87 and 88 of the *Local Government Act 1999*, that a meeting of the

AUDIT GENERAL COMMITTEE

Members: Councillor J Woodward (Presiding Member),
Councillor D Huggett
Independent Members: E Moran, A Rushbrook

of the

CITY OF WEST TORRENS

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

on

**TUESDAY, 8 JUNE 2021
at 6.00pm**

Public access to the meeting will be livestreamed audio only at the following internet address: <https://www.westtorrens.sa.gov.au/livestream>

**Angelo Catinari
Chief Executive Officer (Acting)**

City of West Torrens Disclaimer

Please note that the contents of this Committee Agenda have yet to be considered by Council and Committee 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**1.1 Acknowledgement of Country****1.2 Evacuation Procedures****1.3 Electronic Platform Meeting****2 PRESENT****3 APOLOGIES****4 DISCLOSURE STATEMENTS**

Committee Members are required to:

1. Consider Section 73 and 75 of the *Local Government Act 1999* and determine whether they have a conflict of interest in any matter to be considered in this Agenda; and
2. Disclose these interests in accordance with the requirements of Sections 74 and 75A of the *Local Government Act 1999*.

5 CONFIRMATION OF MINUTES**RECOMMENDATION**

That the Minutes of the meeting of the Audit General Committee held on 13 April 2021 be confirmed as a true and correct record.

6 COMMUNICATION BY THE CHAIRPERSON**7 PRESENTATIONS**

Nil

8 OUTSTANDING REPORTS/ACTIONS

8.1 Open Actions Update

Brief

This report presents an update on the current status of open actions from previous meetings of the Audit General Committee.

RECOMMENDATION

It is recommended to the Committee that it notes the eight (8) open actions which are currently in progress or complete.

Introduction

A report is presented to each ordinary meeting of the Audit General Committee (Committee) detailing the status of open actions from previous Committee meetings.

Discussion

Five (5) actions arose from the October 2020 meeting. Four (4) of these actions relate to amendments to the Comprehensive Strategic Risk Review process which is due, as per the *Enterprise Risk Management Framework*, to be presented to the Committee at its 12 October 2021 meeting. The remaining action has been completed.

An additional three (3) actions arose from the April 2021 meeting with two of these completed and the third being in progress.

Further information regarding these actions is provided as an attachment to this report (**Attachment 1**).

Climate Impact Considerations

(Assessment of likely positive or negative implications of this decision will assist Council and the West Torrens Community to build resilience and adapt to the challenges created by a changing climate.)

There is no direct environmental impact in relation to this report.

Conclusion

This report advises that there are eight (8) open actions including two (2) actions marked as complete.

Attachments

1. Open Actions as at 24 May 2021

Audit General Committee Open Actions

June 2021

EMT = Executive Management Team
 CEO = Chief Executive Officer
 GMB&CS = General Manager Business & Community Services
 GMCR = General Manager Corporate & Regulatory
 GMUS = General Manager Urban Services
 SMASR = Senior Management Advisor Strategic Resilience

	Target date	RO	Status		Meeting/s where item originally raised/reported
			Actions taken	Status	
OPEN ACTIONS					
1	The inclusion of the inherent risk rating in the summary table contained in the Annual Strategic Risk Review report	SMASR	Inherent Risk Rating will be added to the Mid-year and Annual Strategic Risk Review	In Progress	October 2020
2	Detailing in future Strategic Risk Reviews how the effectiveness of the strategic risk controls is determined and who assesses the effectiveness of controls	SMASR	Information regarding how the effectiveness of the strategic risk controls is determined and who assesses the effectiveness of controls will be added to the Mid-year and Annual Strategic Risk Review	In Progress	October 2020
3	Include additional controls to mitigate the financial impact of an increasing waste levy in Strategic Risk Review Report Item 12 - Waste Management	SMASR	Additional controls to mitigate the financial impact of an increasing waste levy in Strategic Risk Review Report Item 12 - Waste Management will be added as part of the Comprehensive Strategic Risk Review	In Progress	October 2020
4	Include additional controls to mitigate the impact of urban densification in Strategic Risk Review Report Item 11 - Urban Densification	SMASR	Additional controls to mitigate the impact of urban densification in Strategic Risk Review Report Item 11 - Urban Densification will be added as part of the Comprehensive Strategic Risk Review	In Progress	October 2020
5	Consider the presentation of a report to the Committee, in addition to the WHS audit outcome reports currently presented to the Committee, detailing the organisation's WHS statistics	GMCR	While not within the remit of the committee, a summary of the organisation's WHS statistics will be provided together with the mandated LGAWCS KPI audit report.	Awaiting notification from the LGAWCS	October 2020

**Audit General Committee
Open Actions**

June 2021

EMT = Executive Management Team
 CEO = Chief Executive Officer
 GMB&CS = General Manager Business & Community Services
 GMCR = General Manager Corporate & Regulatory
 GMUS = General Manager Urban Services
 SMASR = Senior Management Advisor Strategic Resilience

	Target date	RO	Status		Meeting/s where item originally reported
			Actions taken	Status	
6					
6	June 2021	SMASR	Added to Work Plan	Completed	April 2021
7	June 2021	SMASR	Added to Work Plan	Completed	April 2021
8	October 2021	GMB&C	Consideration will be given with due regard to the imminent commencement of the Local Government Reforms in 2021.	In progress	April 2021

9 REPORTS OF THE CHIEF EXECUTIVE OFFICER

9.1 FINANCIAL REPORTING AND SUSTAINABILITY

9.1.1 Financial Reporting

Brief

This report lists those finance related reports which were considered by Council between 18 March 2021 and 19 May 2021.

RECOMMENDATION

It is recommended to the Committee that the Financial Reporting report be received.

Introduction

The Audit General Committee (Committee) is presented with a list, at each of its ordinary meetings, of those finance related reports considered by Council since the Committee's last ordinary meeting. These reports and associated minutes, which are detailed below, are available on Council's website at www.westtorrens.sa.gov.au.

Discussion

6 April 2021 - Council and Committee Meeting

- City of West Torrens Max and Bette Mendelson Foundation - establishment of a scholarship specifically for awarding to an indigenous student
- City of West Torrens Max and Bette Mendelson Foundation - limiting the number of scholarships awarded to any applicant to two
- Budget and Annual Business Plan 2021/22

14 April 2021 - Special Meeting of the City Finance and Governance Committee

- Budget and Annual Business Plan 2021/22

20 April 2021 - Council and Committee Meeting

- Creditor Payments
- Property Leases
- Mendelson Financial Report March 2021
- Council Budget Report - Nine Months to 31 March 2021

4 May 2021 - Council and Committee Meeting

- Nil

18 May 2021 - Council and Committee Meeting

- Creditor Payments
- Credit Card Purchases - January to March 2021
- Register of Allowances and Benefits - 9 Months to 31 March 2021
- Council Budget Report - Ten Months to 30 April 2021
- Budget Review - March 2021

Climate Impact Considerations

(Assessment of likely positive or negative implications of this decision will assist Council and the West Torrens Community to build resilience and adapt to the challenges created by a changing climate.)

There is no direct environmental impact in relation to this report.

Conclusion

This report lists those finance related reports which were considered by Council between 18 March 2021 and 19 May 2021.

Attachments

Nil

9.2 INTERNAL CONTROLS AND RISK MANAGEMENT SYSTEMS

Nil

9.3 INTERNAL AUDIT

9.3.1 2020-2021 Internal Program Update

Brief

This report presents the 2020-2021 Internal Audit Program Update.

RECOMMENDATION

It is recommended to the Committee that *2020-2021 Internal Audit Program Update* report be noted.

Introduction

At its 17 April 2019 meeting, the Audit General Committee (Committee) noted the approved 2018-2022 Internal Audit Plan (Plan).

Each year the Plan is extrapolated into an annual Internal Audit Program (Program) with an update on the current status of the Program presented to each meeting of the Committee.

Discussion

Below is a summary of the current status of all planned audits contained in the 2020-2021 Program, as at 24 May 2021. However, the full Program update is attached for further information (**Attachment 1**).

Audit Status	Number
In Progress	4
Completed	1
Not yet commenced	1
Cancelled	2
New Audits Added	0
Total Audits Programmed (excluding staged audits)	8
Audit Status (Staged Audits)	Number
Staged Audits Complete	0
Staged Audits in Progress or Next Stage Not Started	0
Not yet commenced	2
Total Staged Audits	2
Total Audits	10

During the first half of this financial year, the impacts of the COVID-19 pandemic continued to impact the ability for Audit to coordinate and undertake audits given the audit function is also jointly responsible for business continuity and emergency management, with the ongoing need for significant resources to be directed to the ongoing response and associated recovery efforts of COVID-19 across the organisation.

The delay in the commencement of the *Planning and Design Code* has also delayed the start of the first stage of the *Planning, Design and Infrastructure Act 2016* legislative compliance audit. As such, this has been rescheduled to a later date when the Code has been 'bedded down'.

Climate Impact Considerations

(Assessment of likely positive or negative implications of this decision will assist Council and the West Torrens Community to build resilience and adapt to the challenges created by a changing climate.)

There is no direct environmental impact in relation to this report.

Conclusion

COVID-19 continued to have an impact on the implementation of the *Internal Audit Program 2020-21* particularly during the first half of the financial year. However, overall, seven (7) of the ten (10) planned audits (70%) are in progress or have been completed or closed out as at 24 May 2021.

Attachments

- 1. 2020-2021 Internal Audit Program Update as at 24 May 2021**

Report as at 24 May 2021

2020/21 Internal Audit Program

Audit No.	Internal Audit	Audit Objectives	Due Date	Status	Comments
Status of 2019/20 Internal Audits (Carry Overs)					
Staged Audits					
1	PDI Act and Regulations Implementation (Stage 1)	This audit will review the legislative compliance of the CWT development processes as well as provide an assurance audit on the supporting frameworks in place such as delegations, authorisation, policies, procedures and plans.	April 2021	Not Started	<ul style="list-style-type: none"> Delay in the implementation of the PDI Act and associated regulations and documents mean that the timing of this audit has been reviewed to ensure maximum value. At this stage it is programmed to commence in the second half of the 2020-2021 year Phase 3 Planning Code commenced in early 2021. The progress of process implementation will be closely monitored internally to facilitate the appropriate timing of this audit.
Status of 2020/2021 Internal Audits					
Staged Audits					
1	PDI Act and Regulations Implementation (Stage 2)	This audit will review the legislative compliance of the CWT development processes as well as provide an assurance audit on the supporting frameworks in place such as delegations, authorisation, policies, procedures and plans.	June 2021	Not Started	<ul style="list-style-type: none"> Phase 3 Planning Code commenced in early 2021. The progress of process implementation will be closely monitored internally to facilitate the appropriate timing of this audit. Delay in the implementation of the PDI Act and associated regulations and documents means the timing of this audit will need to be reviewed to ensure maximum value. At this stage it is still programmed to commence in the 2020-2021 year This is stage 2 of the two stage audit process.



Report as at 24 May 2021

2020/21 Internal Audit Program

Audit No.	Internal Audit	Audit Objectives	Due Date	Status	Comments
Assurance Audits					
2	Swimming Pool Inspections - Development Act 1993	The objectives of the audit are to determine whether the current processes (both in design and operation), relating to the programming and follow up of swimming pool inspections by the CWT, are robust and comply with the State Coroner's recommendations as well as the <i>Development Act 1993</i> and will meet the requirements of the <i>Planning, Development and Infrastructure Act 2016</i> and associated Regulations.	April 2021	Complete	<ul style="list-style-type: none"> • Audit Scope drafted and presented to the August 2020 Committee meeting. • Opening Meeting held August 2020 • Closing meeting held December 2020 • Report presented to 13 April 2021 Committee meeting
3	Flooding controls and prevention	This audit seeks to review the CWT Hazard Plan regarding flooding to assess the PPRR measures in place regarding flooding to ensure the city is appropriately prepared for flooding.	June 2021	In Progress	<ul style="list-style-type: none"> • Audit Scope drafted and presented to the April 2021 Committee meeting. • Opening meeting held 4 May 2021
4	Elected member requests	The Office of the CEO and Mayor receive numerous requests from Elected Members but it is acknowledged that requests are provided to numerous departments directly. This audit seeks to review the process for ensuring elected member requests are dealt with in a timely, correct and appropriate manner given the risks identified regarding advice provision.	January 2021	Cancelled	<ul style="list-style-type: none"> • Audit cancelled July 2020 due to budgetary constraints

Not Started	In Progress	Complete	Deferred	Cancelled
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Report as at 24 May 2021

2020/21 Internal Audit Program

Audit No.	Internal Audit	Audit Objectives	Due Date	Status	Comments
Legislative Compliance Audits					
5	Expiation, Fines and Enforcements - Collecting fines	A legislative compliance audit to be undertaken by a legal auditor reviewing CWT compliance with fine and expiation handling.	June 2021	In Progress	<ul style="list-style-type: none"> Audit Scope drafted and presented to the April 2021 Committee meeting. Procurement process concluded
Third Party Audits (External)					
6	Vic Roads Annual Audit (Third Party Audit)	An annual Internal Audit which is mandated as part of the agreement with Vic Roads.	July 2021	In Progress	<ul style="list-style-type: none"> CWT has been advised that the audit period has commenced
7	Dog and Cat Management Board	An annual Audit as required by the Dog and Cat Management Board.	TBA	Cancelled	<ul style="list-style-type: none"> With the implementation of Dogs and Cats Online (the DACO system - South Australia's database for microchips, local council dog and cat registration, breeder registration, and other dog and cat management information), the Dog and Cat Management Board no longer audit the City of West Torrens. All relevant information is extracted from the DACO system.
WHS Audits					
8	WHS/IM KPI Audit against PSSI	An annual audit mandated by the Scheme.	TBA	Not Started	<ul style="list-style-type: none"> Have not yet been advised of start date
9	WHS Training and Education	WHS training and education contribute to the overall WHS culture at the CWT. It has been highlighted in numerous WHS audits that this is an important factor in ensuring that WHS is an ongoing concern.	June 2021	In Progress	<ul style="list-style-type: none"> Audit Scope drafted and presented to the April 2021 Committee meeting. Procurement process concluded

Not Started	In Progress	Complete	Deferred	Cancelled
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9.4 EXTERNAL AUDIT

Nil

9.5 COMMITTEE PERFORMANCE AND REPORTING

Nil

10 OTHER BUSINESS

11 CONFIDENTIAL

Nil

12 NEXT MEETING

10 August 2021, 6.00pm in the Mayor's Reception Room.

13 MEETING CLOSE