

Minutes of the meeting of the Audit Committee of the City of Holdfast Bay held in the Mawson Room, Civic Centre, 24 Jetty Road, Brighton on Wednesday 29 March 2017 at 6:30pm.

PRESENT

Members

Presiding Member – Councillor J Smedley
Councillor S Charlick
Mr J Wood
Mr S Spadevecchia
Mr S Tu

Staff

General Manager Business Services – Mr IS Walker
Manager Finance – Mr J Newton
Manager Finance & Administration Alwyndor Aged Care – Ms P Warburton

1. OPENING

The Chairman declared the meeting open at 6.37 pm.

APPOINTMENT OF PRESIDING MEMBER

At its meeting on 25 January 2017, the Audit Committee appointed Councillor Smedley as its presiding member for that meeting and resolved to delay nominating a presiding member to Council until the appointment of an independent member (subsequently appointed by Council at its meeting on 28 February 2017).

The Audit Committee's terms of reference provides that it may nominate any member of the committee to be its presiding member (other than the Mayor who is not a member of the committee anyway).

Motion

The Audit Committee appoints Councillor Smedley as presiding member for this meeting and recommends the appointment of Councillor Smedley as presiding member for the remaining term of Council (November 2018).

Moved Mr Spadavecchia, Seconded Councillor Charlick

Carried

2. APOLOGIES

- 2.1 Apologies Received - Nil
- 2.2 Absent - Nil

3. DECLARATION OF INTEREST

Members were reminded to declare their interest before each item.

4. CONFIRMATION OF MINUTES

Motion

That the minutes of the Audit Committee held on 25 January 2017 be taken as read and confirmed.

Moved by Mr Wood, Seconded by Mr Spadavecchia

Carried

5. QUESTIONS BY MEMBERS

5.1 Without notice

Councillor Smedley asked a question about attendance at the risk workshop facilitated by Bentleys on 11 April.

Mr Walker provided a response and Weide Jin from BDO undertook to follow up with David Papa.

6. MOTIONS ON NOTICE - Nil

7. PRESENTATION BY BDO

7.1 Audit Plan

Mr Geoff Edwards from BDO made a presentation to the Audit Committee on the Audit Plan.

Motion

That the Administration provide an update at its next meeting on 3 May regarding the template and structure for new related party disclosure requirements.

Moved by Mr Spadavecchia, Seconded by Mr Wood

Carried

8. REPORTS BY OFFICERS

8.1 Standing Items – March 2017 (Report No: 86/17)

The Audit Committee is provided with a report on standing items at each ordinary meeting.

Motion

That the Audit Committee advises Council it has received and considered a Standing Items Report addressing:

- **Monthly financial statements**
- **Internal control**
- **Risk management**
- **Whistleblowing**
- **Internal audit**
- **Economy and efficiency audits.**

Moved Mr Spadavecchia, Seconded Mr Wood

Carried

8.2 **First Draft 2017-18 Budget** (Report No: 87/17)

A first draft 2017-18 budget was presented to Council at a workshop on 7 March 2017. It was developed on the results from a Council workshop held on 31 January 2017 which provided assumptions and parameters for the budget. The Audit Committee has an opportunity to receive the presentation document and provide comments to Council for consideration.

Motion

That the Audit Committee advise Council that it has received the first draft 2016-17 Municipal budget presentation.

Moved Mr Tu, Seconded Mr Spadavecchia

Carried

8.3 **Internal Audit – Asset Management** (Report No: 85/17)

In December 2016, Council's internal audit service provider, Bentleys, conducted an audit of Council's asset management. This has now been reviewed by administration and finalised with Bentleys including agreed actions.

Motion

That the Audit Committee advises Council it has received and considered an internal audit report from Bentleys on asset management and notes the actions agreed.

Moved Mr Spadavecchia, Seconded Councillor Charlick

Carried

Motion

That at its next committee meeting, Administration to report and demonstrate how timely and effective asset maintenance is being undertaken even though it is not recorded.

Moved Mr Spadavecchia, Seconded Mr Tu

Carried

9. REPORTS BY MEMBERS**9.1 Report on Audit Committee's Performance – 2016 (Report No: 98/17)**

Under its terms of reference the Audit Committee is required to review its own performance and provide a report to Council including any recommended changes to its terms of reference.

Motion

- 1. That the Audit Committee endorses the annual report contained in Attachment 1 to Report 98/17 for presentation to Council.**
- 2. That the Audit Committee recommends to Council that its terms of reference be reviewed having regard to its annual report.**

Moved Mr Wood, Seconded Mr Spadavecchia

Carried

10. ACTION ITEMS

The Action Items were tabled and discussed.

11. VERBAL REPORTS BY OFFICERS - Nil**12. URGENT BUSINESS – SUBJECT TO THE LEAVE OF THE MEETING - Nil****13. DATE AND TIME OF NEXT MEETING**

The next meeting of the Audit Committee will be held on Wednesday 3 May 2017 in the Mawson Room, Civic Centre, 24 Jetty Road, Brighton.

14. CLOSURE

The Meeting closed at 8.36 pm.

CONFIRMED Wednesday 3 May 2017