

**Minutes of the meeting of the Audit Committee of the City of Holdfast Bay held in the Kingston Room, Civic Centre, 24 Jetty Road, Brighton on Wednesday 4 April 2018 at 6:30pm.**

**PRESENT**

**Members**

Councillor S Charlick  
Mr J Wood  
Mr S Spadavecchia  
Mr S Tu

**Staff**

General Manager Business Services – Mr R Bria  
Manager Finance – Mr J Newton  
General Manager Alwyndor Aged Care – Mr R Kluge  
Chief Financial Officer Alwyndor Aged Care – Ms N Andjelkovic

**1. APPOINTMENT OF ACTING PRESIDING MEMBER AND OPENING**

In the absence of the Presiding Member, Councillor Smedley, the Audit Committee determined an acting presiding member for the meeting.

**Motion**

**That the Audit Committee appoints Councillor Charlick as presiding member for this meeting.**

Moved by Mr Wood, Seconded by Mr Spadavecchia

**Carried**

The acting presiding member declared the meeting open at 6:31 pm.

**2. APOLOGIES**

- 2.1 Apologies Received – Councillor J Smedley
- 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 31 January 2018 be taken as read and confirmed.**

Moved by Mr Spadavecchia, Seconded by Mr Wood

**Carried**

## 5. ACTION ITEMS

The Action Items were tabled and discussed.

## 6. REPORTS BY OFFICERS

### 6.1 Standing Items – April 2018 (Report No: 98/18)

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 Wood, Seconded Mr Tu

**Carried**

### 6.2 Prudential Management Policy and Procedure (Report No: 102/18)

Section 48 of the Local Government Act (the Act) requires Council to develop policies, procedures and practices in relation to the assessment of projects to ensure that Council acts with due care, identifies risk, makes informed decisions and is accountable for the use of resources (prudential management).

A Prudential Management Policy has been developed to address the requirements of the Act. A Prudential Management Procedure has also been developed to provide more detail around how the Policy will be delivered. Together the documents outline the key requirements, purpose and scope in relation to Prudential Management.

The Policy was presented to Council for endorsement on 13 March 2018. The Procedure is presented to Council for information at the same meeting, and will be managed by the Senior Leadership Team.

The Policy and Procedure are presented to the Audit Committee for information and noting.

**Motion**

**That the Audit Committee note the development of the Prudential Management Policy and Procedure.**

Moved Mr Tu, Seconded Mr Spadavecchia

**Carried**

**6.3 Unsolicited Proposals Policy and Procedure (Report No: 103/18)**

The Unsolicited Proposals Policy is developed for the purpose of section 49 of the Local Government Act, providing a defined approach and record keeping process for entering into contracts through a process other than a tender. The Policy has been developed to address the receipt and assessment of unsolicited proposals.

An Unsolicited Proposals Procedure has also been developed to provide more detail around how the Policy will be delivered. Together the documents outline the key requirements in relation to the receipt, assessment and management of Unsolicited Proposals.

The Policy and Procedure are presented to Audit Committee for endorsement. Following the endorsement of these documents the Policy will be presented to Council for endorsement. The Procedure will be presented to Council for information, and will be managed by the Senior Leadership Team.

**Motion**

- 1. That the draft Unsolicited Proposals Policy and Procedure be endorsed with minor amendments with linkages to other policies.**
- 2. That the draft Unsolicited Proposals Policy be presented to Council for consideration and adoption.**

Moved Mr Wood, Seconded Mr Spadavecchia

**Carried**

**6.4 Governance and Compliance Frameworks (Report No: 105/18)**

The Governance and Compliance Frameworks have been prepared to demonstrate the Councils commitment to the principles of good governance and compliance, and the role that Governance and legislative compliance play in delivering effective and efficient operations.

The Governance Framework is an overarching summary of the governance structure that support Council operations. It will be used to educate new staff, and to clarify governance and operational matters.

The Governance and Compliance Frameworks are presented to Audit Committee to note and provide any relevant feedback.

**Motion**

**That the Audit Committee note the Governance and Compliance Frameworks.**

Moved Mr Wood, Seconded Mr Spadavecchia **Carried**

**6.5 Internal Audit – Alwyndor Payroll Process (Report No: 101/18)**

Council's Internal Auditor, Bentleys, have provided their Internal Audit Report on Alwyndor's Payroll Process and it is presented for discussion and noting.

**Motion**

**That the Audit Committee notes the Internal Audit regarding Alwyndor's Payroll Process.**

Moved Mr Tu, Seconded Mr Wood **Carried**

**6.6 2017 Annual Report from Audit Committee (Report No: 99/18)**

Under its terms of reference the Audit Committee is required to provide an annual report to Council.

A draft annual report for the calendar year ending 31 December 2017 is attached for the Committee's endorsement, so that it can be presented to Council.

A self-assessment questionnaire has been drafted to allow the Audit Committee to review its annual performance.

**Motion**

- 1. That the Audit Committee endorses the annual report contained in Attachment 1 to Report 99/18 for presentation to Council.**
- 2. That the Audit Committee note the self-assessment questionnaire and undertake to complete it prior to the next meeting.**

Moved Mr Tu, Seconded Mr Wood **Carried**

**6.7 Draft 2018-19 Annual Business Plan (Report No: 100/18)**

A first draft 2018-19 budget was presented to Council at a workshop on 6 March 2018. It was developed on the assumptions and parameters discussed at a Council workshop held on 6 February 2018. The draft budget satisfies Council's financial sustainability and performance measures.

Pursuant to its term of reference, the Audit Committee has an opportunity to review the assumptions, parameters and outcomes providing comments to Council in relation to the draft budget and associated Annual Business Plan.

**Motion**

**That the Audit Committee support the draft 2018-19 Annual Business Plan, as presented, for presentation to Council for the purpose of public consultation.**

Moved Mr Wood, Seconded Mr Spadavecchia

**Carried**

**7. URGENT BUSINESS – SUBJECT TO THE LEAVE OF THE MEETING - Nil**

**8. DATE AND TIME OF NEXT MEETING**

The next meeting of the Audit Committee will be held on Wednesday 6 June 2018 in the Mawson Room, Civic Centre, 24 Jetty Road, Brighton.

**9. CLOSURE**

The Meeting closed at 8:21 pm.

**CONFIRMED      Wednesday 6 June 2018**

**CHAIRMAN**