MINUTES OF MEETING

AUDIT & RISK ADVISORY COMMITTEE

HELD ON WEDNESDAY 4 March 2015

NOTE: All minutes are subject to confirmation at a subsequent Council or Planning and Strategy Committee meeting.

PRESENT:

Councillors	
Clr Jean Hay	Mayor, Manly Council
Clr Hugh Burns	Manly Council
Other Representatives	
John Gordon	Community Member - Chair
Brian Hrnjak	Community Member
Council Staff	
Henry Wong	General Manager
Michael Quirk	Head of Internal Audit, North Shore Councils
Anthony Hewton	Executive Manager, Corporate Services Support
Helen Lever	Manager Administration
Lynne Jess	Minute Taker

TO THE MAYOR AND COUNCILLORS OF THE COUNCIL

The **Audit & Risk Committee (the Committee)** met on 4 March 2015, to consider the matters referred to it and now provides the following advice to Council.

		ACTION
OPEN	The meeting commenced at 3.05pm • Chairperson John Gordon welcomed the members and asked for any apologies.	
ITEM 1	**APOLOGIES AND LEAVE OF ABSENCE** Clr Candy Bingham and Clr James Griffin	
ITEM 2	**DECLARATION OF INTEREST** The Chair advised he had been appointed Chair of Camden Council Audit & Risk Committee in the interests of disclosure. There were no declarations of interest declared by those present.	

ITEM 3 CONFIRMATION OF MINUTES

The Minutes of the meeting held on 5 November 2014 were confirmed.

The above minutes went to Planning & Strategy meeting on 1 December 2014 for notation.

The Chair John Gordon requested that dates for all future meeting be included in the minutes.

ITEM 4 Report on Overall Internal Audit Program **ACTION**

The Internal Auditor spoke to his written report on the Overall Internal audit Program which provided information on the status of approved work on the 2014/15 Programs.

- Current program approved;
- New programme to GM's in development stage and will be presented to next meeting;
- 7 Councils now involved in the programme with the recent addition of Ku-ring-gai Council; and

Internal Auditor spoke to the schedule and timetable for Manly audits in progress

In particular;

- Community Property
- Payroll
- Rates
- IT

Internal Audit Resourcing

Manly has access to an Internal Audit staff resource equivalent of approximately 9.7 staff days per month. The Internal Audit Unit will soon commence undertaking audits for Ku-ring-gai Council as part of an expanded shared service. While this will not impact on internal audit resourcing for Manly in the long-term, there has been some diversion of resourcing in setting up the arrangement.

Status of Audits

Fieldwork has been completed on the Audit of Community Properties with the final report of the audit being available at the next meeting.

Planning has been completed and fieldwork will soon commence on the Audit of Cash Handling.

ACTION

Recommendation:

The Committee recommends to Council that;

1. The Internal Auditor's Report on the Internal Audit program be received and noted.

ITEM 5 Report on Internal Audit of Work Health and Safety

The Internal Auditor spoke to his report on Work, Health and Safety and outlined context of State cover/Council's framework. The audit focused on;

1. Risk assessment process
2. Volunteers and Contractors
3. Return to Work Program

The Internal auditor went over major findings of the report.

In the report discussion that followed points raised included;

- General Manager raised indicators re level of claims and training utilised; and
- The Chair requested a Quarterly Report on Claims statistics.

Recommendation:

The Committee recommends to Council that;

1. The Internal Auditor's Report on Work Health and Safety at Manly Council be received and noted: and

2. The Committee receives feedback from the Internal Auditory at periodic intervals on how each of the recommendations is being implemented by Council.

ITEM 6 Report on Review of Internal Audit Charter

The Internal Auditor spoke to the report and the following points were made:

- Merge the existing Internal Audit Charter with the Internal Audit Operating protocols to create a single, comprehensive document that is consistent across member councils;
- Committee approved the draft for endorsement by Council; and
- The Chair raised issue regarding auditing standards and titles regarding CEA (Chief Audit Executive) which role applied to Mr Quirk and further the issue of whether he was a contractor or employee. Notwithstanding, in an operational and governance sense, the current arrangements are working well.

	Recommendation: The Committee recommends to Council that; 1. That the revised Internal Audit Charter incorporating the previous Internal Audit Operating Protocols be approved for endorsement by Council.	Anthony Hewton
ITEM 7	**Report on Implementation of Internal Audit Recommendations** The Internal Auditor spoke to his written report and the Chair commended Council staff on the excellent work in implementing the recommendations for control and process improvements. **Recommendation:** The Committee recommends to Council that; 1. The Internal Auditor's Report on the Implementation of Audit Recommendations be received and noted.	
ITEM 8	**General Business** The General Manager gave an outline to the Committee *on Fit for the Future* and advised of Council's position regarding this important future challenge. The Chair requested for the next Committee meeting that Council's CFO, Jenny Nascimento provide an update on the Interim Audit Report. And an overview of preparations for the Financial Statements for the year ending 30 June 2015	Anthony Hewton
ITEM 9	**Date of next meetings:** Dates: 3 June 2015 2 September 2015 4 November Venue: Councillors' Room, Manly Town Hall, 1 Belgrave Street, Manly Time: 3.00pm	Anthony Hewton – to confirm

The meeting closed at 4.45pm