



MINUTES OF MEETING

AUDIT & RISK ADVISORY COMMITTEE

HELD ON WEDNESDAY 4 DECEMBER 2013

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

PRESENT:

Councillors

Jean Hay, Mayor AM
Clr Hugh Burns
Clr Candy Bingham

Manly Council
Manly Council
Manly Council

Other Representatives

John Gordon
Brian Hrnjak

Community Member - Chair
Community Member

Council Staff

Michael Quirk
Anthony Hewton
Lynne Jess

Head of Internal Audit, North Shore Councils
Executive Manager, Corporate Services Support
Minute Taker

Invited Guests

Nil

TO THE MAYOR AND COUNCILLORS OF THE COUNCIL

The **Audit & Risk Committee (the Committee)** met on 4 December 2013, to consider the matters referred to it and now provides the following advice to Council.

OPEN The meeting commenced at 9.40am.

ITEM 1 APOLOGIES AND LEAVE OF ABSENCE
Clr James Griffin

ITEM 2 DECLARATION OF INTEREST
There were no declarations of interest advised by those present.

ACTION

ITEM 3	CONFIRMATION OF MINUTES	ACTION
	The Minutes of the Committee meeting held on 6 November 2013 were confirmed subject to a few changes recommended by Cllr Bingham and Burns. Moved: Cllr Hugh Burns Seconded: Cllr Candy Bingham	
ITEM 3A	Welcome from the Chair Mr Gordon	
	The Chair opened the meeting by welcoming the Mayor to the meeting.	
ITEM 4	Report of the Internal Audit Program	
	The Internal Auditor spoke to his written report on the Internal Audit Program: • Audit of Rates & Recruitment – Completed and finalised • Audit of Terminations – Will be completed late December • Audit of Contract Management – draft completed undergoing quality review. • Audit of Purchasing – will commence in late December • Audits of Accounts Payable and payroll data are also progressing. • Audit of Compliance and Enforcement Policy now expected to be commenced in early 2014. Recommendation: The Committee recommends to Council that: The Internal auditor's Report on the Internal Audit program be received and noted.	
ITEM 5	Report on Implementation of Audit Recommendations	
	The Internal Auditor presented and spoke to his written report on the implementation Audit Recommendations. At the time of the report some 200 recommendations to Council Management for improvements had been made in 16 reports to the Internal Audit and Risk Committee and 17 were outstanding. These will continue to be reviewed each meeting. Recommendation: The Committee recommends to Council that: The Internal Auditor's Report on the Implementation of Audit Recommendations be received and noted.	

ITEM 6 Report on Audit of Rates

The Internal Auditor spoke to his written report on the Audit of Rates.

Recommendation:

The Committee recommends to Council that:

- 1) The Internal Auditor's Report on Rates at Manly Council be received and noted; and
- 2) The Committee receives feedback from the Internal Auditor at periodic intervals on how each of the recommendations is being implemented by Council.

ITEM 7 Report on Audit of Recruitment & Selection Processes

The Internal Auditor spoke to his report and attached Executive Summary Report.

Recommendation:

The Committee recommends to Council that:

- 1) The Internal Auditor's Report on Recruitment and Selection processes at Manly Council be received and noted; and
- 2) The Committee received feedback from the Internal Auditor at periodic intervals on how each of the recommendations is being implemented by Council.

ITEM 8 Internal Audit Performance Report

The Internal Auditor spoke to his report:

- Ten audits had been conducted over past twelve months
- Feedback from staff being audited has been regularly obtained.
- The shared learning between other participating Councils remained a strong and successful feature of the program.
- The Head of Internal Audit had maintained an involvement in a number of relevant professional networks
- The program had increasingly made use in Audits of advanced data management tools and various test routines developed.
- It is intended to undertake an internal review in relation to the Professional Practices Framework for Internal Audit in 2014.
- Manly Council had continued to make an equitable contribution to the overall Internal Audit Program and had received proportional resources in terms of internal audits undertaken and time spent on Manly Council audits (compared to the other participating Council's).

Recommendation:

The Committee recommends to Council that:

The Internal auditor's Performance Report be received and noted.

ITEM 9 Report on Audit & Risk Committee Annual Agenda

The Internal Auditor spoke to his report Audit & Risk Committee Annual Agenda and made the following comments;

Risk Assessment

- Process – what are the key areas and are we hitting the right areas ?
- Are we adding value ?
- Gaps analysis – addresses strategies and objectives

The committee requested if the Internal Auditor could look at the Public Interest Disclosure process and if staff could provide a report to a future meeting on complaints management and the process to report corruption or bullying at Council.

The Chair thanked Michael Quirk for his work .

Staff to note

Recommendation:

The Committee recommends to Council that:

The Internal auditor's Report on the audit & Risk Committee Annual Agenda be received and noted.

ITEM 10 NEXT MEETING DATE

Date: Wednesday 5 March 2014
Time: 3.00pm – 5.00pm
Venue: Councillors' Room

The meeting closed at 11.20am