



8.1 **OUTCOMES OF AUDIT AND RISK COMMITTEE 24 AUGUST 2017 AND PRESENTATION OF ANNUAL REPORT 2016/17**

WARD: **WHOLE OF MUNICIPALITY**

GENERAL MANAGER: **CHRIS CARROLL, ORGANISATIONAL PERFORMANCE**

PREPARED BY: **JULIE SNOWDEN, CO-ORDINATOR RISK & ASSURANCE**

TRIM FILE NO: **98/01/11**

ATTACHMENTS: **1. Audit & Risk Committee Annual Report 2016/17**

PURPOSE

The purpose of this report is to bring to the attention of Council the matters addressed at the 24 August 2017 meeting of the City of Port Phillip Audit and Risk Committee and to present the Audit and Risk Committee Annual Report 2016/17.

1. RECOMMENDATION

That Council:

- 1.1 Receives and notes the report outlining the matters addressed at the 24 August 2017 Audit and Risk Committee meeting.
- 1.2 Receives and notes the Audit and Risk Committee Annual Report 2016/17, which details the activities of the Committee for the year and how it has met its responsibilities within its Charter (Attachment 1).

2. BACKGROUND

- 2.1 Council is required by the Local Government Act 1989 to establish an Audit and Risk Committee as an advisory committee of Council.
- 2.2 The City of Port Phillip Audit and Risk Committee Charter is reviewed annually by Council and requires the Audit and Risk Committee to report its activities to Council, including presenting a report of activities for the year.
- 2.3 The Charter also requires the Committee to meet five times per year. The most recent meeting of the Audit and Risk Committee was held on 24 August 2017.

3. KEY INFORMATION

- 3.1 Two Councillors represent Council as members of the Audit and Risk Committee. Mayor Councillor Bernadene Voss and Councillor Dick Gross were both present at the 24 August 2017 Audit and Risk Committee meeting.

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- 3.2 There are three external members on the Audit and Risk Committee. Helen Lanyon (Chair), Brian Densem and Kerryn O'Brien were all present at the 24 August 2017 Audit and Risk Committee meeting.
- 3.3 The Chief Executive Officer, the acting General Manager Organisational Performance, the Chief Financial Officer and Coordinator Risk and Assurance were all present at the 24 August 2017 Audit and Risk committee meeting as guests. Other guests in attendance for specific items were representatives from RSM Bird Cameron, acting Coordinator Financial Accounting and OHS Manager.
- 3.4 Matters considered by the Audit and Risk Committee at its 24 August 2017 meeting were:
 - 3.4.1 Chief Executive Officer's Report
The Committee noted the Chief Executive Officer's Reports (Issues 34 & 35) 2017, the Council Plan 2017-27 including the Strategic Resource Plan and Budget, and the Draft Report of Operations – Annual Report 2016/17.
 - 3.4.2 External Audit
The Committee endorsed the external audit of the annual accounts and the performance statement, and noted the management representation letter, the financial sustainability standing report, the rates collected and rates outstanding report and the review of asset depreciation methods.
 - 3.4.3 Compliance Monitoring
The Committee noted the regular update on compliance matters and the annual update on vendor procurement.
 - 3.4.4 Risk Management
The Committee noted the quarterly update on risk management.
 - 3.4.5 Assurance Activities Update
The Committee noted the status of the Internal Audit Recommendations Report, the status of the Internal Audit Plan 2017/18, the proposed 2017/18 Core Compliance Program and the update on External Publications.
 - 3.4.6 Supplementary Reports
The Committee noted the six monthly Occupational Health & Safety update and an update on the implementation of the new Child Safe Standards.
 - 3.4.7 Audit & Risk Committee Annual Report
The Committee noted and endorsed the Audit & Risk Committee Annual Report 2016/17.
- 3.5 The minutes of the 24 August 2017 Audit and Risk committee meeting have been circulated to all Committee members and Councillors.
- 3.6 The next meeting of the Audit and Risk Committee is scheduled for 17 November 2017.
- 3.7 The Audit and Risk Committee Annual Report 2016/17 (Attachment 1) details the activities undertaken at the meetings conducted in 2016/17 and specifically contains the major issues addressed by the Committee and how it fulfilled its responsibilities required by the Charter.

4. OFFICER DIRECT OR INDIRECT INTEREST

- 4.1 No officers involved in the preparation of this report have any direct or indirect interest in the matter.