



8.7	OUTCOMES OF 22 FEBRUARY 2017 AUDIT AND RISK COMMITTEE MEETING
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:	Nil

PURPOSE

The purpose of this report is to bring to the attention of Council the matters addressed at the 22 February 2017 meeting of the City of Port Phillip Audit and Risk Committee.

1. RECOMMENDATION

That Council:

- 1.1 Receives and notes the report outlining the matters addressed at the 22 February 2017 Audit and Risk Committee meeting.

2. BACKGROUND

- 2.1 Council is required by the Local Government Act 1989 to establish an Audit & Risk Committee as an advisory committee of the 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 22 February 2017.

3. KEY INFORMATION

- 3.1 Two Councillors represent Council as members of the Audit and Risk Committee. Mayor Councillor Bernadene Voss was present at the 22 February 2017 Audit and Risk Committee meeting. Councillor Dick Gross was noted as an apology.
- 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 22 February 2017 Audit and Risk Committee meeting.

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- 3.3 The Interim Chief Executive Officer, the General Manager Organisational Performance, the Executive Manager Service and Business Improvement, the Acting CFO and the Coordinator Risk and Assurance were all present at the 22 February 2017 Audit & Risk Committee meeting as guests.

Other guests in attendance for specific items were representatives from PricewaterhouseCoopers and RSM Bird Cameron, the Chief Governance Officer and the Manager Business Technology.

- 3.4 Matters considered by the Audit and Risk Committee at its 22 February 2017 meeting were:

3.4.1 Chief Executive Officer's Report

The Committee noted the Chief Executive Officer's Reports for December 2016 and January/February 2017, acknowledging a smooth and successful Councillor transition, successful Council Plan engagement process and Council's adoption of the new Councillor Code of Conduct. An update was also provided on the status of the EBA negotiations which was progressing well with staff voting to commence shortly. An update was also provided on the recruitment of the new CEO and acting arrangements for the CFO.

3.4.2 External Audit

The Acting CFO walked the committee through a report on the proposed approach and timing of the review of Council's Fixed Asset Accounting policies. The Committee noted the report.

The Chair welcomed the External Auditor to the meeting who walked the committee through the VAGO's proposed external audit scope / strategy summarising the new focus areas for this year's audit including the introduction of materiality, an updated model for financial accounts and related party disclosures. The Committee noted the report.

3.4.3 Compliance Monitoring

The Committee noted the regular compliance update report as presented by the Chief Governance Officer.

An update was also provided on the review of Council's Codes of Conduct (Councillor & Staff Codes of Conduct). The Committee noted the report acknowledging the comprehensive work that had been put into their preparation.

3.4.4 Risk Management

The Committee noted the quarterly risk management update. The Committee specifically noted the improvements in reporting and monitoring of control actions for high and very high risks.

3.4.5 Assurance Activities Update

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The Committee noted that status of the Internal Audit Recommendations Report, the status of the Internal Audit Plan 2016/17, the External Publications report and the Core Compliance update. They also discussed the findings of the IT Vulnerability Review.

3.4.6 Supplementary Reports

The Committee noted the Business Technology Update which detailed the improvements in controls in the Business Technology area and the progress status update on the Customer Service Strategy.

3.4.7 Other matters

The Committee discussed several items of confidential business in relation to a staff complaint and contract management.

3.5 The minutes of the 22 February 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 2 May 2017.

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.