



# Audit & Risk Committee

Minutes

Tuesday 29 August 2023

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**1. Official Opening**

The Presiding Member opened the meeting at 6:40pm and welcomed Councillors, Staff and Members of the Public Gallery. The Presiding Member particularly noted the attendance at the meeting of Mr Dhui Vo, representing William Buck, and participants in the City's Youth Leadership Program and their guardians. The Presiding Member also acknowledged the Traditional Owners of the land on which we meet the Whadjuk Noongar people.

**2. Attendance, Apologies and Leave of Absence Previously Approved**

**Councillors**

**South East Ward**

John Giardina  
Janelle Sewell (Presiding Member)  
Geoff Stallard

**South West Ward**

Mary Cannon  
Brooke O'Donnell

**North West Ward**

Sue Bilich  
Lisa Cooper  
Dylan O'Connor

**North Ward**

Kathy Ritchie  
Margaret Thomas JP (Mayor)

**Members of Staff**

**Chief Executive Officer**

Gary Ticehurst - Acting Chief Executive Officer

**Executive Team**

Sinead McGuire/Director Asset Services  
Nicole O'Neill - Director Community Engagement  
Alison Egan - A/Director Corporate Services  
Nathan Ritchie - Director Development Services

**Management Team**

Waruni DeSilva - A/Manager Financial Services

**Administration Support**

Darrell Forrest - Governance Advisor  
Donna McPherson - Executive Assistant to the CEO

**Members of the Public** 45

**Members of the Press** Nil.

**Apologies**

**Leave of Absence Previously Approved Nil.**

**3. Public Question Time**

3.1 Nil.

**4. Petitions/Deputations**

4.1 Nil.

**5. Confirmation of Minutes from Previous Meeting**

5.1 That the Minutes of the Audit and Risk Committee Meeting held on 21 March 2023, as published and circulated, are confirmed as a true and accurate record of the proceedings.

Moved: **Cr Geoff Stallard**

Seconded: **Cr Margaret Thomas**

Vote: For: **Cr Margaret Thomas, Cr Brooke O'Donnell, Cr John Giardina, Cr Janelle Sewell, Cr Geoff Stallard, Cr Mary Cannon, Cr Sue Bilich, Cr Lisa Cooper, Cr Dylan O'Connor and Cr Kathy Ritchie**

Against: **Nil**

**CARRIED UNANIMOUSLY (10/0)**

**6. Announcements by the Member Presiding Without Discussion**

6.1 The Council received presentations from members of the Youth Advisory Council, representatives of various schools throughout the district, on policies and initiatives they would like to see implemented within the City. I would like to acknowledge the participants, and their guardian, for their time. The presentations were very inspiring, and you have given the council a lot to think about. Thank you.

## **7. Matters for Which the Meeting may be Closed**

### **7.1 External Audit – Interim Findings for the year ending 30 June 2023**

Reason for Confidentiality: *Local Government Act 1995 (WA) Section 5.23 (2) (f) - "a matter that if disclosed, could be reasonably expected to - (i) impair the effectiveness of any lawful method or procedure for preventing, detecting, investigating or dealing with any contravention or possible contravention of the law; (ii) endanger the security of the local government's property; or (iii) prejudice the maintenance or enforcement of a lawful measure for protecting public safety".*

### **7.2 Local Government (Audit) Regulations 1996 – Outcome of Regulation 17 Review**

Reason for Confidentiality: *Local Government Act 1995 (WA) Section 5.23 (2) (f) - "a matter that if disclosed, could be reasonably expected to - (i) impair the effectiveness of any lawful method or procedure for preventing, detecting, investigating or dealing with any contravention or possible contravention of the law; (ii) endanger the security of the local government's property; or (iii) prejudice the maintenance or enforcement of a lawful measure for protecting public safety".*

### **7.3 Internal Audit Report August 2023**

Reason for Confidentiality: *Local Government Act 1995 (WA) Section 5.23 (2) (f) - "a matter that if disclosed, could be reasonably expected to - (i) impair the effectiveness of any lawful method or procedure for preventing, detecting, investigating or dealing with any contravention or possible contravention of the law; (ii) endanger the security of the local government's property; or (iii) prejudice the maintenance or enforcement of a lawful measure for protecting public safety".*

## **8. Disclosure of Interest**

### **8.1. Disclosure of Financial and Proximity Interests**

- a. Members must disclose the nature of their interest in matter to be discussed at the meeting. (Section 5.56 of the *Local Government Act 1995*.)
- b. Employees must disclose the nature of their interest in reports or advice when giving the report or advice to the meeting. (Section 5.70 of the *Local Government Act 1995*.)

#### **8.1.1 Nil.**

**8.2. Disclosure of Interest Affecting Impartiality**

- a. Members and staff must disclose their interest in matters to be discussed at the meeting in respect of which the member or employee had given or will give advice.

8.2.1 Nil.

**9. Reports to Council**

**9.1. Development Services Reports**

**No reports presented.**

**9.2. Asset Services Reports**

**No reports presented.**

**9.3. Corporate Services Reports**

**9.3.1. External Audit - Interim Findings for the year ending 30 June 2023**

*Declaration of financial / conflict of interests to be recorded prior to dealing with each item.*

Previous Items	OCM 141/2020
Directorate	Corporate Services
Business Unit	Financial Services
File Reference	
Applicant	N/A
Owner	N/A

Attachments	Nil
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Confidential Attachments	<ol style="list-style-type: none"><li>1. City of Kalamunda – Interim Audit Findings for the year ending 30 June 2023</li><li>2. City of Kalamunda - Planning Summary 2023</li></ol>
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*Reason for Confidentiality: Local Government Act 1995 (WA) Section 5.23 (2) (f) - "a matter that if disclosed, could be reasonably expected to - (i) impair the effectiveness of any lawful method or procedure for preventing, detecting, investigating or dealing with any contravention or possible contravention of the law; (ii) endanger the security of the local government's property; or (iii) prejudice the maintenance or enforcement of a lawful measure for protecting public safety".*

## TYPE OF REPORT

Advocacy	When Council is advocating on behalf of the community to another level of government/body/agency
□ Executive	When Council is undertaking its substantive role of direction setting and oversight (eg accepting tenders, adopting plans and budgets)
Information	For Council to note
Legislative	Includes adopting Local Laws, Town Planning Schemes and Policies. When Council determines a matter that directly impacts a person's rights and interests where the principles of natural justice apply. Examples include town planning applications, building licences, other permits or licences issued under other Legislation or matters that could be subject to appeal to the State Administrative Tribunal

## STRATEGIC PLANNING ALIGNMENT

*Kalamunda Advancing Strategic Community Plan to 2031*

### Priority 4: Kalamunda Leads

**Objective 4.1** - To provide leadership through transparent governance.

**Strategy 4.1.1** - Provide good governance.

## EXECUTIVE SUMMARY

1. The purpose of this report is to provide Council with the findings of the Interim Audit undertaken by the Office of the Auditor General (OAG) for the 2022/23 financial year (Confidential Attachment 1).
2. The Interim Audit for the financial year ending 30 June 2023 was undertaken by the Office of the Auditor General, in accordance with the planning summary (Confidential Attachment 2).
3. It is recommended Council accepts the 2022/23 Interim Audit Report. Confidential Attachment 1.

## BACKGROUND

4. On 28 October 2017, the Local Government Amendment (Auditing) Act 2017 was proclaimed, giving the Auditor General the mandate to audit Western Australia's 139 local governments and 9 regional councils.



5. The Act allowed the Auditor General to conduct performance audits of local government entities from 28 October 2017 either by themselves or by engaging external audit consultants. From the 2018/19 financial year onwards, the City's audit was performed directly by the Office of the Auditor General (OAG).

## **DETAILS AND ANALYSIS**

6. The OAG prepared a planning summary, Confidential Attachment 2, for their approach to the audit of the annual financial report for the year ending 30 June 2023, and in summary, included the following:
- (a) Introduction
  - (b) Audit Approach
  - (c) Significant Risks and Other Audit Issues
  - (d) Audit Emphasis and Significant Account Balances
  - (e) Internal Audit
  - (f) Management Representation Letter
  - (g) Related Entities
  - (h) Reporting Protocols
  - (i) Proposed Audit Schedule
  - (j) Specific Audit Requirements
  - (k) Audit Fee
  - (l) Audit Team
  - (m) Other Audit Work and Activities
7. In May 2023, the City met with the OAG, to discuss the audit plan. The interim audit fieldwork was carried out from 22 May 2023 to 9 June 2023, with Confidential Attachment 1 being the outcome of the interim audit.
8. The OAG identified three findings as part of the interim audit, two moderate and one minor risk rated as detailed in Confidential Attachment 1.
9. The final component of the fieldwork for the 2022/23 financial year's audit of the annual financial report will be conducted during October 2023, with the final results brought to an Audit and Risk Committee Meeting once available.

## **APPLICABLE LAW**

10. Sections 6.4, 7.9, and 7.12A of the *Local Government Act 1995* and *Local Government Amendment (Auditing) Act 2017*.

11. Regulation 51 of the *Local Government (Financial Management) Regulations 1996*.

**APPLICABLE POLICY**

12. There are no policy implications.

**STAKEHOLDER ENGAGEMENT**

13. The City worked closely with Auditors throughout the Audit process.

**FINANCIAL CONSIDERATIONS**

14. The 2022/23 Budget included a provision for the cost of having the accounts and the Annual Financial Report audited by an externally appointed registered auditor.

**SUSTAINABILITY**

**Social Implications**

15. Nil.

**Economic Implications**

16. Nil.

**Environmental Implications**

17. Nil.

**RISK MANAGEMENT**

18.	<b>Risk:</b> Issues identified in the interim audit report are not rectified leading to the breakdown of controls.		
	<b>Consequence</b>	<b>Likelihood</b>	<b>Rating</b>
	Significant	Unlikely	Medium
	<b>Action/Strategy</b>		
	Employ suitably qualified and skilled staff. Maintain controls and compliance with the policy. Ensure an effective internal audit program. Management oversight.		

## **CONCLUSION**

19. The interim audit fieldwork was carried out in accordance with the audit plan prepared by OAG in May 2023.
20. Three items were identified during the audit fieldwork. Two items with a moderate risk rating and one item with a minor risk rating. The City is progressively working to address these outcomes.

<b>Voting Requirements: Absolute Majority</b>
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## **COMMITTEE RECOMMENDATION TO COUNCIL**

That Council ACCEPT the findings of the Interim Audit undertaken in May 2023 for the financial year ending 30 June 2023 as shown as Confidential Attachment 1.

Moved: **Cr John Giardina**

Seconded: **Cr Margaret Thomas**

Vote: For: **Cr John Giardina, Cr Janelle Sewell, Cr Geoff Stallard, Cr Mary Cannon, Cr Brooke O'Donnell, Cr Sue Bilich, Cr Lisa Cooper, Cr Dylan O'Connor, Cr Kathy Ritchie and Cr Margaret Thomas**

Against: **Nil**

**CARRIED UNANIMOUSLY/ABSOLUTE MAJORITY (10/0)**

### 9.3.2. Local Government (Audit) Regulations 1996 - Outcome of Regulation 17 Review

**Declaration of financial / conflict of interests to be recorded prior to dealing with each item.**

Previous Items	
Directorate	Corporate Services
Business Unit	Financial Services
File Reference	
Applicant	N/A
Owner	N/A
Attachments	Nil
Confidential Attachments	1. Local Government (Audit) Regulations 1996 – Regulation 17 Review.

Reason for Confidentiality: *Local Government Act 1995 (WA) Section 5.23 (2) (f) - "a matter that if disclosed, could be reasonably expected to - (i) impair the effectiveness of any lawful method or procedure for preventing, detecting, investigating or dealing with any contravention or possible contravention of the law; (ii) endanger the security of the local government's property; or (iii) prejudice the maintenance or enforcement of a lawful measure for protecting public safety"*

#### **TYPE OF REPORT**

Advocacy	When Council is advocating on behalf of the community to another level of government/body/agency
□ Executive	When Council is undertaking its substantive role of direction setting and oversight (eg accepting tenders, adopting plans and budgets)
Information	For Council to note
Legislative	Includes adopting Local Laws, Town Planning Schemes and Policies. When Council determines a matter that directly impacts a person's rights and interests where the principles of natural justice apply. Examples include town planning applications, building licences, other permits or licences issued under other Legislation or matters that could be subject to appeal to the State Administrative Tribunal

## STRATEGIC PLANNING ALIGNMENT

*Kalamunda Advancing Strategic Community Plan to 2031*

### Priority 4: Kalamunda Leads

**Objective 4.1** - To provide leadership through transparent governance.

**Strategy 4.1.1** - Provide good governance.

## EXECUTIVE SUMMARY

1. The purpose of this report is to provide Council with the findings and recommendations arising out of the review undertaken according to Regulation 17 of the *Local Government (Audit) Regulations 1996* (Regulations).
2. The Regulations require the Chief Executive Officer (CEO) to review the appropriateness and effectiveness of the local government's systems and procedures in relation to risk management, internal control, and legislative compliance.
3. It is recommended Council receive the findings of the Regulation 17 Review.

## BACKGROUND

4. Regulation 16 of the Regulations requires the Audit and Risk Committee to review a report given by the CEO with regard to Regulation 17.
5. Regulation 17 of the *Local Government (Audit) Regulations 1996* states the following:
  - 1) *The CEO is to review the appropriateness and effectiveness of a local government's systems and procedures in relation to –*
    - (a) *risk management; and*
    - (b) *internal control; and*
    - (c) *legislative compliance.*
  - 2) *The review may relate to any or all of the matters referred to in sub-regulation (1)(a), (b) and (c), but each of those matters is to be the subject of a review not less than once in every 3 financial years.*
  - 3) *The CEO is to report to the audit committee the results of that review*
6. This review adds to, and compliments, the Internal Audit program which also conducts regular reviews of the appropriateness and effectiveness of systems and procedures.

7. The details of the reviews are reported to the Council through the Audit and Risk Committee.
8. The previous Regulation 17 review was undertaken in 2019/20.

#### **DETAILS AND ANALYSIS**

9. A review pursuant to Regulation 17 is required every 3 financial years and is due as part of the 2022/23 financial year.
10. To facilitate the overall review, the City of Kalamunda (City) has an extensive three-year Strategic Internal Audit Plan (SIAP), as approved by Council, to schedule ongoing assessments of risk management, internal controls, and legislative compliance to meet the requirements of Regulation 17. From May 2023 to June 2023 William Buck (Internal Auditor) performed the fieldwork related to the Regulation 17 review.
11. The risk management, internal control, and legislative compliance systems of the City were reviewed, and tested and a report of the findings and recommendations has been prepared for the Audit and Risk Committee on the appropriateness and effectiveness of the internal control environment (Attachment 1).

#### **APPLICABLE LAW**

12. *Local Government Act 1995*  
*Local Government (Audit) Regulations 1996*

#### **APPLICABLE POLICY**

13. Nil.

#### **STAKEHOLDER ENGAGEMENT**

14. The review was discussed with relevant business unit managers and has been reviewed by the City's Executive Management Team.
15. No community consultation is required for this review.

#### **FINANCIAL CONSIDERATIONS**

16. The cost of this review and the Internal Audit program is provisioned within the City's annual budget.

**SUSTAINABILITY**

**Social Implications**

17. Nil.

**Economic Implications**

18. Nil.

**Environmental Implications**

19. Nil.

**RISK MANAGEMENT**

20.	<b>Risk:</b> Failure to undertake the review as required by the legislation.						
	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 33%;">Consequence</th> <th style="width: 33%;">Likelihood</th> <th style="width: 33%;">Rating</th> </tr> </thead> <tbody> <tr> <td>Unlikely</td> <td>Moderate</td> <td>Low</td> </tr> </tbody> </table>	Consequence	Likelihood	Rating	Unlikely	Moderate	Low
Consequence	Likelihood	Rating					
Unlikely	Moderate	Low					
	<b>Action/Strategy</b>						
	<p>Ensure that the Internal Audit Plan provides for ongoing assessments of</p> <ul style="list-style-type: none"> <li>(a) risk management; and</li> <li>(b) internal control; and</li> <li>(c) legislative compliance,</li> </ul> <p>to facilitate the completion of the Regulation 17 review.</p>						

**CONCLUSION**

- 21. The *Local Government (Audit) Regulations 1996* Regulation 17 review was completed following the provisions of the *Local Government Act 1995*, associated regulations, and the applicable policies and procedures.
- 22. The City is progressively working to implement the recommendations from the review.

<b>Voting Requirements: Simple Majority</b>
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**COMMITTEE RECOMMENDATION TO COUNCIL**

That Council RECEIVE the outcomes of the *Local Government (Audit) Regulations 1996* Regulation 17 Review presented at Confidential Attachment 1.

Moved: **Cr Lisa Cooper**

Seconded: **Cr Dylan O'Connor**

Vote: For: **Cr John Giardina, Cr Janelle Sewell, Cr Geoff Stallard, Cr Mary Cannon, Cr Brooke O'Donnell, Cr Sue Bilich, Cr Lisa Cooper, Cr Dylan O'Connor, Cr Kathy Ritchie and Cr Margaret Thomas**

Against: **Nil**

**CARRIED UNANIMOUSLY (10/0)**



### 9.3.3. Internal Audit Report August 2023

**Declaration of financial / conflict of interests to be recorded prior to dealing with each item.**

Previous Items	OCM289/2021
Directorate	Corporate Services
Business Unit	Corporate Services
File Reference	3.010758
Applicant	N/A
Owner	N/A

Attachments Nil

- |                          |  |
|--------------------------|--|
| Confidential Attachments | <ol style="list-style-type: none"> <li>1. Internal Audit Report – Workforce Planning</li> <li>2. Internal Audit Report – Payroll</li> <li>3. Internal Audit Report – ICT</li> <li>4. Internal Audit Report – CEO Credit Card Review</li> </ol> |
|--------------------------|--|

*Reason for Confidentiality: Local Government Act 1995 (WA) Section 5.23 (2) (f) - "a matter that if disclosed, could be reasonably expected to - (i) impair the effectiveness of any lawful method or procedure for preventing, detecting, investigating or dealing with any contravention or possible contravention of the law; (ii) endanger the security of the local government's property; or (iii) prejudice the maintenance or enforcement of a lawful measure for protecting public safety".*

#### **TYPE OF REPORT**

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## STRATEGIC PLANNING ALIGNMENT

*Kalamunda Advancing Strategic Community Plan to 2031*

### Priority 4: Kalamunda Leads

**Objective 4.1** - To provide leadership through transparent governance.

**Strategy 4.1.1** - Provide good governance.

## EXECUTIVE SUMMARY

1. The purpose of this report is to provide Council with details of the Internal Audit Reviews conducted during 2022/23.
2. The internal audits were completed in accordance with the provisions of the *Local Government Act 1995*, associated regulations, and *Australian Accounting Standards*. The internal audits have identified several improvement opportunities that the City of Kalamunda (the City) is committed to implementing.
3. It is recommended that Council receive the details of the Internal Audit Reviews conducted during 2022/23.

## BACKGROUND

4. The internal audit program is delivered in line with the City's three-year Strategic Internal Audit Plan (Plan) which contains a mix of compliance, financial, and performance / operational audits.
5. Since the commencement of this Plan 28 engagements from the internal audit plan were completed through the City's appointed internal auditor, Crowe, at the time. The City has since appointed William Buck as the internal auditor. Work undertaken by William Buck included:
  - a. Reviewing the recommendations from the previous internal audits
  - b. Providing input into the setting of the strategic internal audit plan;
  - c. Attendance and presentation of internal audit reports to the Audit & Risk Committee; and
  - d. Client liaison and engagement.

6. Internal Audit is a core element of the City’s risk management and governance framework. The relationship between Internal Audit and the City can be summarised using the “Three Lines of Defence model illustrated below



7. Broadly, Internal Audit reviews are focused on:
- a. Compliance Audits: Focused primarily on the entity’s (or their suppliers’) compliance with legislation, regulations, directions, policies, plans, and procedures.
  - b. Financial Audits: Focused primarily on practices and activities relating to the accounting and reporting of financial transactions including budget commitments, approvals, and the receipt and disbursement of funds, as well as the reliability and integrity of financial information and the safeguarding of the City assets.
  - c. Performance (Operational) Audits: Focused primarily on an audit of all or a part of an entity’s activities to assess the economy, efficiency and effectiveness and focuses on:
    - i. the adequacy of an internal control structure or specific internal controls to ensure due regard for economy and effectiveness;
    - ii. the extent to which resources have been managed economically and efficiently; and
    - iii. the extent to which activities have been effective in achieving organisational objectives.

## DETAILS AND ANALYSIS

8. The Internal Audit Reviews undertaken during the last half of 2022/2023 have been focused on:
- a) Internal Audit Review of Work Force Planning
  - b) Internal Audit Review of Payroll
  - c) Internal Audit Review of IT controls
  - d) Internal Audit Review of CEO credit card transactions
9. **Internal Audit Review of Work Force Planning**  
The objective of this internal audit review was to determine whether there are adequate and effective controls are in place to ensure the City's Workforce Planning processes are appropriately managed.
- The scope of the audit was as follows:  
The internal audit considered the key controls in the following areas;
1. Workforce planning
  2. Joiners, leavers, higher duties and increments
  3. Amendments to standing employee data
  4. KPI alignment with business plans and the monitoring thereof
  5. Training and induction
10. The results of the Internal Audit Review of the Workforce Planning Audit are detailed in Confidential Attachment 1.
11. **Internal Audit Review of Payroll**  
The objective of this internal audit review was to determine whether controls were adequate and effective in ensuring the City's Payroll processes were appropriately managed.
12. The scope of the audit was as follows;  
The internal audit considered the key controls in the following areas:
1. Employees on the payroll were bona fide employees.
  2. Pay rates were applied following the relevant industrial awards or agreements, and
  3. Pays were correctly calculated.
  4. Payroll deductions were calculated correctly, properly authorised, and promptly made.
  5. Leave was correctly calculated and properly authorised.
  6. Employees, including casual employees, employees claiming overtime and employees working from home, were only paid for hours worked.
  7. Payroll expenditure was authorised and accounted for correctly in the general ledger.
  8. Appropriate security was in place in respect of payroll distribution.

9. Termination processes, including the calculation of termination payments, were robust.
10. Appropriate reconciliations exist between the rostering system payroll Masterfile and other systems.
  
13. The results of the Internal Audit Review of the Payroll Audit are detailed in Confidential Attachment 2.
  
14. **Information and Communication Technology (ICT) General Controls Review**  
The objective of this engagement was to review ICT General Controls including Cyber Security.
  
15. The scope of the audit was as follows;  
The internal audit considered the key controls in the following areas:
  1. IT strategy and alignment to the City's strategy.
  2. Policies and processes.
  3. Key controls in place relating to logical access to the network.
  4. Logical access to the network.
  5. Data security controls to avoid hacking, cracking, and cyber attacks.
  6. Restrictions on transfer of changes to the operational environment.
  7. User involvement in testing and authorising changes.
  8. Physical security controls relating to access to critical IT equipment, and the existence of environmental hazard controls in a server room.
  9. IT recovery and testing processes
  
16. The results of the Internal Audit Review of the ICT General Controls Audit are detailed in Confidential Attachment 3.
  
17. **CEO's Corporate Credit Card Review**  
The objective of this internal audit review was to determine whether there are adequate controls in place with respect to the Chief Executive Officer's (CEO) corporate credit card and whether there is compliance with the City's Corporate Credit Card policy and procedures.
  
18. The scope of the audit was as follows;  
The internal audit considered the key controls in the following areas:
  1. Processes for the usage of the CEO's corporate credit card comply with the City's Corporate Credit Card policy;
  2. Credit card transactions have been initiated in line with the Purchasing Policy;
  3. Credit card transactions are appropriate and follow internal guidelines regarding appropriate business expenses; and
  4. Credit card transactions are appropriately scrutinised, and authorised and appropriate documentation exists.

19. The results of the Internal Audit Review of the CEO Corporate Credit card review Audit are detailed in Confidential Attachment 4.

#### **APPLICABLE LAW**

20. *Local Government Act 1995*  
*Local Government (Financial Management) Regulations 1996*

#### **APPLICABLE POLICY**

21. Nil.

#### **STAKEHOLDER ENGAGEMENT**

22. Internal Audit findings were discussed with relevant business unit managers and have been reviewed by the City's Executive Management Team.

#### **FINANCIAL CONSIDERATIONS**

23. The cost of the Internal Audit program is provisioned within the City's annual budget. Further, monitoring and review of internal controls within the Internal Audit program will reduce the risk and likely exposure of potential loss to the City.

#### **SUSTAINABILITY**

##### **Social Implications**

24. Nil.

##### **Economic Implications**

25. Nil.

##### **Environmental Implications**

26. Nil.

**RISK MANAGEMENT**

27.	<b>Risk:</b> Internal Audit fails to identify material non-compliance or control deficiencies.		
	<b>Consequence</b>	<b>Likelihood</b>	<b>Rating</b>
	Moderate	Unlikely	Low
	<b>Action/Strategy</b>		
	Internal Audit Plan developed and reviewed annually. Internal Audit working papers reviewed by External Auditors. Key controls are evaluated for the identified processes.		

28.	<b>Risk:</b> Audit recommendations are not implemented in a timely fashion.		
	<b>Consequence</b>	<b>Likelihood</b>	<b>Rating</b>
	Moderate	Unlikely	Low
	<b>Action/Strategy</b>		
	Internal Audit Plan developed and reviewed annually. Monitoring and review of the implementation of audit recommendations and reporting to the Council.		

**CONCLUSION**

29. The City monitors the status of Internal Audit recommendations arising from each Internal Audit Review. Recommendations are monitored and the majority of recommendations are completed within the agreed timelines and the remaining in progress.

<b>Voting Requirements: Simple Majority</b>
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**COMMITTEE RECOMMENDATION TO COUNCIL**

That Council RECEIVE the details of the Internal Audit Reviews conducted during 2022/23 presented in Confidential Attachments 1,2,3,&4.

Moved: **Cr Geoff Stallard**

Seconded: **Cr Dylan O'Connor**

Vote: For: **Cr John Giardina, Cr Janelle Sewell, Cr Geoff Stallard, Cr Mary Cannon, Cr Brooke O'Donnell, Cr Sue Bilich, Cr Lisa Cooper, Cr Dylan O'Connor, Cr Kathy Ritchie and Cr Margaret Thomas**

Against: **Nil**

**CARRIED UNANIMOUSLY (10/0)**



**9.4. Office of the CEO Reports**

**No reports presented.**

**9.5. Chief Executive Officer Reports**

**No reports presented.**

**10. Motions of Which Previous Notice has been Given**

10.1 Nil.

**11. Questions by Members Without Notice**

11.1 Nil.

**12. Questions by Members of Which Due Notice has been Given**

12.1 Nil.

**13. Urgent Business Approved by the Presiding Member or by Decision**

13.1 Nil.

**14. Meeting Closed to the Public**

14.1 That the Meeting be closed to the public to consider confidential items.

Moved: **Cr Margaret Thomas**

Seconded: **Cr Lisa Cooper**

Vote: For: **Cr Margaret Thomas, Cr Brooke O'Donnell, Cr John Giardina, Cr Janelle Sewell, Cr Geoff Stallard, Cr Mary Cannon, Cr Sue Bilich, Cr Lisa Cooper, Cr Dylan O'Connor and Cr Kathy Ritchie**

Against: **Nil**

**CARRIED UNANIMOUSLY (10/0)**

The Meeting closed to the public at 6:45pm. All members of the public gallery left the Meeting and all elected members and staff remained.

14.2 That the Meeting be reopened to the public after consideration of confidential items.

Moved: **Cr Dylan O'Connor**

Seconded: **Cr Margaret Thomas**

Vote: For: **Cr Margaret Thomas, Cr Brooke O'Donnell, Cr John Giardina, Cr Janelle Sewell, Cr Geoff Stallard, Cr Mary Cannon, Cr Sue Bilich, Cr Lisa Cooper, Cr Dylan O'Connor and Cr Kathy Ritchie**

Against: **Nil**

**CARRIED UNANIMOUSLY (10/0)**

The Meeting reopened to the public at 7:36pm. All members of the public gallery returned to the Meeting. The Presiding Member read the resolutions to the Meeting.

**15. Closure**

There being no further business, the Presiding Member declared the Meeting closed at 7:38pm.

I confirm these Minutes to be a true and accurate record of the proceedings of this Council.

Signed: \_\_\_\_\_  
Presiding Member

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2023.