

CITY OF JOONDALUP

MINUTES OF MEETING OF THE AUDIT COMMITTEE HELD IN CONFERENCE ROOM 1, JOONDALUP CIVIC CENTRE, BOAS AVENUE, JOONDALUP ON WEDNESDAY, 26 MARCH 2003

ATTENDANCE AND APOLOGIES

Committee Members:

CR G KENWORTHY - *Chairman*

MAYOR J BOMBAK *to 1929 hrs; Absent from 1910 hrs to 1912 hrs*

CR D CARLOS

CR C BAKER

CR T BARNETT

Observer:

CR P KIMBER

Officers:

MR D SMITH

Chief Executive Officer

MR P SCHNEIDER

Director, Corporate Services and Resource Management

MR M SMITH

Manager, Marketing, Communications & Council Support

MR K ROBINSON

Manager, Audit & Executive Services

MR B BARTSH

Internal Auditor

MRS L TAYLOR

Minute Clerk

APOLOGIES

CR C MACKINTOSH

The Chairman declared the meeting open at 1900 hrs.

DECLARATIONS OF FINANCIAL INTEREST/INTEREST THAT MAY AFFECT IMPARTIALITY

Nil

ITEM 1 CONFIRMATION OF MINUTES

MINUTES OF THE AUDIT COMMITTEE HELD ON 24 FEBRUARY 2003

MOVED Cr Baker, **SECONDED** Mayor Bombak that the minutes of the meeting of the Audit Committee held on 24 February 2003 be confirmed as a true and correct record.

The Motion was Put and

CARRIED

ITEMS OF BUSINESS

ITEM 2 ELECTED MEMBERS EXPENSES AUDIT - [40738] [50068]

WARD - All

PURPOSE

To provide the Audit Committee with a copy of the Internal Auditor's Report detailing the outcomes of the Elected Members Expenses Audit.

EXECUTIVE SUMMARY

The results of audit of elected members expenses confirmed that the procedures contained in the Policy and Procedures Manual were being followed.

The audit covered all expenses for each elected member over the period 1 May 2002 to 31 January 2003. All expenses claimed were substantiated by receipts in accordance with the requirements of the Policy & Procedures Manual; there were no exceptions noted.

An issue regarding non-compliance with delegated authority was brought to the attention of management, who have commenced corrective action to rectify the issue.

BACKGROUND

At a Meeting of Council on 17 December 2002 it was resolved that “an annual audit of expenses incurred by all elected members” be conducted.

In accordance with these instructions the first annual audit has been completed.

Strategic Plan:

Strategy 1.2 (Leadership) of the Strategic Plan is “Take a leadership role, initiate, facilitate and promote leading-edge projects and best practices which deliver significant benefits to the community.

To achieve this we will:

1.2.1 Promote best practice principles within the Local Government industry

1.2.2 Maintain best practice in risk management, compliance and performance reporting."

DETAILS

The objective of the audit was to determine whether the elected members expenses were being processed in an effective and efficient manner and that internal controls were adequate.

Audit Scope

The audit focused on the following issues:

- Policies & Procedures
- Legislative Requirements
- Expenditure in Line with COJ Business
- Approvals
- Expenditure Limits
- Supporting Documents

Strategic Implications:

The outcome of the elected members expenses audit has identified that there are no significant issues or areas of concern that needed attention in order to minimise potential risk to the City. The preparation of a Management Action Plan to address the issues and time lines for implementation, will ultimately see risk in those areas significantly reduced and the processes applied be far more effective and efficient.

COMMENT

The findings of the elected members expenses audit were well received by the Manager, Marketing, Communications & Council Support Services and his staff. Considerable progress has already been made in implementing the Management Action Plan to address the minor issue raised. The outcome of the audit is considered a very positive result that will see better practices and procedures applied in the area where the concern was raised.

VOTING REQUIREMENTS

Simple Majority

MOVED Cr Barnett, SECONDED Cr Baker that the report of the Internal Auditor on the Elected Members Expenses Audit be RECEIVED and actions taken to implement the Management Action Plan addressing all issues raised be endorsed.

Manager, Audit and Executive Services provided an explanation of the audit recently undertaken by the Internal Auditor in respect of elected members' expenses. Expenses claimed by elected members were within the guidelines of the policy.

Internal Auditor advised administrative processes had been put in place to formally reassign the delegation from Chief Executive Officer to Manager, Marketing Communication and Council Support in signing off on claims by elected members.

During discussion, Mayor Bombak left the Room at 1910 hrs and returned at 1912 hrs.

Mayor Bombak left the Room at 1929 hrs.

DATE OF NEXT MEETING

The next meeting of the Audit Committee will be held at a date to be determined.

CLOSURE

There being no further business, the Chairman declared the meeting closed at 1931 hrs.