

# minutes

## Audit Committee

MEETING HELD ON **THURSDAY, 8 MARCH 2012**

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## CITY OF JOONDALUP

### MINUTES OF THE AUDIT COMMITTEE MEETING HELD IN CONFERENCE ROOM 2, JOONDALUP CIVIC CENTRE, BOAS AVENUE, JOONDALUP ON THURSDAY, 8 MARCH 2012

#### ATTENDANCE

##### Committee Members:

Cr Tom McLean, JP                      *Presiding Member*  
Cr Brian Corr                              *Deputy Presiding Member*  
Mayor Troy Pickard  
Cr Geoff Amphlett, JP  
Cr Sam Thomas  
Cr Teresa Ritchie  
Mr Robert (Andy) Cowin (External Member)

##### Officers:

Mr Garry Hunt                              Chief Executive Officer  
Mr Mike Tidy                                Director, Corporate Services  
Mr Peter McGuckin                        Internal Auditor  
Mrs Lesley Taylor                         Governance Officer                      *Absent from 6.40 pm to 7.15 pm*

#### DECLARATION OF OPENING

The Presiding Member declared the meeting open at 6.00 pm.

#### APOLOGIES/LEAVE OF ABSENCE

Apology – Cr Christine Hamilton-Prime

##### Leave of Absence previously approved

Cr Brian Corr                                20 March to 25 March 2012 inclusive.  
Cr Christine Hamilton-Prime              20 March to 30 March 2012 inclusive.

#### CONFIRMATION OF MINUTES

##### MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON 29 NOVEMBER 2012

**MOVED Cr Amphlett, SECONDED Cr Ritchie that the minutes of the meeting of the Audit Committee held on 29 November 2012 be confirmed as a true and correct record.**

**The Motion was Put and**

**CARRIED (7/0)**

**In favour of the Motion:** Cr McLean, Mayor Pickard, Crs Amphlett, Corr, Ritchie and Thomas and Mr Cowin.

**ANNOUNCEMENTS BY THE PRESIDING PERSON WITHOUT DISCUSSION**

Nil.

**DECLARATIONS OF INTEREST**

<b>Name/Position</b>	<b>Mr Garry Hunt, Chief Executive Officer</b>
<b>Item No/Subject</b>	Item 1 - CEO's Credit Card Expenditure – (July – September 2011)
<b>Nature of interest</b>	Interest that may affect impartiality.
<b>Extent of Interest</b>	The CEO is the card holder.

<b>Name/Position</b>	<b>Mr Garry Hunt, Chief Executive Officer</b>
<b>Item No/Subject</b>	Item 2 - CEO's Credit Card Expenditure – (October – December 2011)
<b>Nature of interest</b>	Interest that may affect impartiality.
<b>Extent of Interest</b>	The CEO is the card holder.

**IDENTIFICATION OF MATTERS FOR WHICH THE MEETING MAY SIT BEHIND CLOSED DOORS**

Nil.

**PETITIONS AND DEPUTATIONS**

Nil.



**DETAILS**

The report listing all credit card payments made by the Chief Executive Officer for the quarter, including bank fees, is set out in Attachment 1.

**Issues and options considered:**

Not Applicable.

**Legislation/Strategic Plan/Policy Implications:**

**Legislation:** Regulation 11(1) of the Local Government (Financial Management) Regulations 1996 requires a local government to develop procedures for the authorisation and payment of accounts to ensure that there is effective security for, and properly authorised use of credit cards.

**Strategic Plan:**

**Key Focus Area:** Leadership and Governance.

**Policy:**

Not Applicable.

**Risk Management considerations:**

In accordance with the City's Use of Corporate Credit Cards Protocol, the Chief Executive Officer's credit card has a maximum limit of \$10,000. All expenditure incurred by the Chief Executive Officer by way of credit card is authorised by the Director Corporate Services. It is also a requirement, by resolution of Council, that the Chief Executive Officer's credit card expenditure is reviewed by the Audit Committee on a quarterly basis. The procedure additionally covers matters such as the issue and return of credit cards, lost or stolen cards, what purchases can be made by credit cards, documentation requirements and management review.

**Financial/Budget Implications:**

Expenditures paid for by the corporate credit card assigned to the Chief Executive Officer are incurred under the approved budget.

**Regional Significance:**

Not Applicable.

**Sustainability Implications:**

By ensuring that expenditure is incurred in accordance with procedures and within budget parameters, financial viability and sustainability is maintained.

**Consultation:**

Not Applicable.

**COMMENT**

The Chief Executive Officer's credit card usage is in accordance with the Use of Corporate Credit Cards Protocol and the Contract of Employment of the Chief Executive Officer, with all expenditure being business related and authorised by the Director Corporate Services.

**VOTING REQUIREMENTS**

Simple Majority.

**MOVED Cr Ritchie, SECONDED Cr Amphlett that the Audit Committee NOTES the report on the corporate credit card usage of the Chief Executive Officer for the quarter ended 30 September 2011 forming Attachment 1 to this Report.**

**The Motion was Put and**

**CARRIED (7/0)**

**In favour of the Motion:** Cr McLean, Mayor Pickard, Crs Amphlett, Corr, Ritchie and Thomas and Mr Cowin.

*Appendix 1 refers*

*To access this attachment on electronic document, click here:*  
[Attach1agnAudit080312.pdf](#)

**Disclosure of interest affecting impartiality**

<b>Name/Position</b>	<b>Mr Garry Hunt, Chief Executive Officer</b>
<b>Item No/Subject</b>	Item 2 - CEO's Credit Card Expenditure – (October – December 2011)
<b>Nature of interest</b>	Interest that may affect impartiality.
<b>Extent of Interest</b>	The CEO is the card holder.

## **ITEM 2 CHIEF EXECUTIVE OFFICER'S CREDIT CARD EXPENDITURE – (OCTOBER - DECEMBER 2011)**

<b>WARD:</b>	All
<b>RESPONSIBLE DIRECTOR:</b>	Mr Mike Tidy Corporate Services
<b>FILE NUMBER:</b>	09882, 18049
<b>ATTACHMENTS:</b>	Attachment 1 Chief Executive Officer's Credit Card Expenditure – Quarter Ended 31 December 2011

**PURPOSE**

The purpose of this report is to provide the Audit Committee with details of the corporate credit card usage of the Chief Executive Officer for the quarter ended 31 December 2011.

**EXECUTIVE SUMMARY**

The report of the Chief Executive Officer's credit card usage for the quarter ended 31 December 2011 is attached.

*It is recommended that the Audit Committee NOTES the report on the corporate credit card usage of the Chief Executive Officer for the quarter ended 31 December 2011 forming Attachment 1 to this Report.*

**BACKGROUND**

At its meeting held on 11 October 2005, Council inter alia resolved that a quarterly report on the corporate credit card usage of the Chief Executive Officer to be prepared and presented to the Audit Committee – CJ210-10/05.

**DETAILS**

The report listing all credit card payments made by the Chief Executive Officer for the quarter, including bank fees, is set out in attachment 1.

**Issues and options considered:**

Not applicable.

**Legislation/Strategic Plan/Policy Implications:**

**Legislation:** Regulation 11(1) of the Local Government (Financial Management) Regulations 1996 requires a local government to develop procedures for the authorisation and payment of accounts to ensure that there is effective security for, and properly authorised use of credit cards.

**Strategic Plan:**

**Key Focus Area:** Leadership and Governance.

**Policy:**

Not Applicable.

**Risk Management Considerations:**

In accordance with the City's Use of Corporate Credit Cards Protocol, the Chief Executive Officer's credit card has a maximum limit of \$10,000. All expenditure incurred by the Chief Executive Officer by way of credit card is authorised by the Director Corporate Services. It is also a requirement, by resolution of Council, that the Chief Executive Officer's credit card expenditure is reviewed by the Audit Committee on a quarterly basis. The procedure additionally covers matters such as the issue and return of credit cards, lost or stolen cards, what purchases can be made by credit cards, documentation requirements and management review.

**Financial/Budget Implications:**

Expenditures paid for by the corporate credit card assigned to the Chief Executive Officer are incurred under the approved budget.

**Regional Significance:**

Not Applicable.

**Sustainability Implications:**

By ensuring that expenditure is incurred in accordance with procedures and within budget parameters, financial viability and sustainability is maintained.

**Consultation:**

Not Applicable.

**COMMENT**

The Chief Executive Officer's credit card usage is in accordance with the Use of Corporate Credit Cards Protocol and the Contract of Employment of the Chief Executive Officer, with all expenditure being business related and authorised by the Director Corporate Services.

**VOTING REQUIREMENTS**

Simple Majority.

**MOVED Mayor Pickard, SECONDED Cr Amphlett that the Audit Committee NOTES the report on the corporate credit card usage of the Chief Executive Officer for the quarter ended 31 December 2011 forming Attachment 1 to this Report.**

Reference was made to the credit card entry in relation to the 15 November 2011, wherein Mayor Pickard was listed as in attendance. A revised Credit Card statement is attached removing Mayor Pickard's name as attending – Appendix 6 refers.

**The Motion was Put and**

**CARRIED (7/0)**

**In favour of the Motion:** Cr McLean, Mayor Pickard, Crs Amphlett, Corr, Ritchie and Thomas and Mr Cowin.

*Appendices 2 and 6 refer*

*To access this attachment on electronic document, click here:*  
[Attach2aqnAudit080312.pdf](#)

**ITEM 3                    HALF YEARLY REPORT - WRITE OFF OF MONIES (JULY - DECEMBER 2011)**

**WARD:** All

**RESPONSIBLE DIRECTOR:** Mr Mike Tidy  
Corporate Services

**FILE NUMBER:** 07032, 101515

**ATTACHMENTS:** Nil.

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**PURPOSE**

To report to the Audit Committee on monies written off under delegated authority.

**EXECUTIVE SUMMARY**

The amount written off under delegated authority during the six months ended 31 December 2011 came to \$13,562.20 in total, which includes \$5,561.71 comprising 5,295 small amounts of unpaid rates below the reportable limit and one rates debt of \$5,891.85, bringing the amount written off from rates to \$11,453.56.

In addition, the total amount includes other reportable items written off on the recommendation of the City's debt collection agency, as collection efforts became impractical and uneconomic.

Five items of unpaid leisure membership totalling	\$ 911.36
Four items of unpaid swimming pool inspection fees totalling	\$ 587.28
Two items of unpaid firebreaks fees and penalties of	\$ 430.00
One item of unpaid dog impoundment charges of	\$ 180.00

*It is recommended that the Audit Committee RECEIVES the report of amounts written off under delegated authority for the period July to December 2011.*

**BACKGROUND**

Section 6.12 (1)(c) of the Local Government Act 1995 gives the Council the power to write off any amount of money owing to the City.

At its meeting held on 6 June 2006 (CJ079-06/06 refers) Council approved inter-alia to delegate to the Chief Executive Officer the authority to write- off monies owed to the City, subject to a report being provided to the Audit Committee on a six monthly basis on the exercise of this delegation for amounts between \$100 and \$20,000.

The Chief Executive Officer under section 5.44 has on delegated his authority to nominated employees, up to the limits provided in the instrument of delegation.

## **DETAILS**

During the six months ended 31 December 2011 a total amount of \$13,562.20 was written off. This was made up by the following:

- 5,295 items of small rates balances totalling \$5,561.71, which were all below the reportable limit, representing in the main rounding decimals or penalty interest charged for a few days late payment where ratepayers did not pay the penalty and the cost of collection was, for all practical purposes, proving to be un-economical;
- One item of \$5,891.85 representing rates charged on a property that was the subject of long litigation between the registered owner and her pensioner father who resides at the property. Following the Supreme Court judgement apportioning liability between the parties, the City agreed to write off any excess charge and penalty interest on the father's proportionate liability that is over and above what he would have been charged had the pensioner rebate applied; and
- 12 items totalling \$2,108.64 were written off on the recommendation of the City's debt collection agency once debt recovery proved unsuccessful and un-economical to pursue.

### **Issues and options considered:**

Not Applicable.

### **Legislation/Strategic Plan/Policy Implications:**

**Legislation:** Section 6.12 (1) (c) of the Local Government Act 1995.  
Section 5.42 of the Local Government Act 1995.  
Section 5.44 of the Local Government Act 1995.

### **Strategic Plan:**

**Key Focus Area:** Leadership and Governance.

**Objective:** 1.1 To ensure that the processes of local governance are carried out in a manner that is ethical, transparent and accountable.

### **Policy:**

Not Applicable.

**Risk Management Considerations:**

The amounts written off are either immaterial in value or uneconomical to recover, none of which represent a significant financial risk to the City.

**Financial/Budget Implications:**

<b>Account Number:</b>	\$ 3256
<b>Annual Budget:</b>	\$ 13,700
<b>Year to Date Budget:</b>	\$ 9,355
<b>Year to Date Actual:</b>	\$ 13,562
<b>Year to Date Variance:</b>	\$ (4,207)

The year to date variance is not material, it represents a timing difference that is expected to be absorbed by the Annual Budget, which will be adjusted during the mid-year budget review.

**Regional Significance:**

Not Applicable.

**Sustainability Implications:**

Not Applicable.

**Consultation:**

Not Applicable.

**COMMENT**

Monies written off under delegated authority during the six months ended on 31 December 2011 totalled \$13,562.20 and included \$11,453.56 from rates and \$2,108.64 of other unrecoverable debts.

**VOTING REQUIREMENTS**

Simple Majority.

**MOVED Cr Ritchie, SECONDED Cr Corr that the Audit Committee RECEIVES the report of monies written off under delegated authority, for the period July to December 2011.**

**The Motion was Put and**

**CARRIED (7/0)**

**In favour of the Motion:** Cr McLean, Mayor Pickard, Crs Amphlett, Corr, Ritchie and Thomas and Mr Cowin.

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**ITEM 4                    HALF YEARLY REPORT - CONTRACT  
EXTENSIONS (JULY - DECEMBER 2011)****WARD:** All**RESPONSIBLE  
DIRECTOR:** Mr Mike Tidy  
Corporate Services**FILE NUMBER:** 07032**ATTACHMENTS:** Attachment 1    Contract Extensions Six Monthly Report

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**PURPOSE**

The purpose of this report is to provide the Audit Committee with details of Contracts extended by the Chief Executive Officer between July 2011 and December 2011.

**EXECUTIVE SUMMARY**

The schedule of Contracts extended by the Chief Executive Officer during the half-year ended on 31 December 2011 is provided in Attachment 1.

*It is recommended that the Audit Committee NOTES the report detailing Contracts extended by the Chief Executive Officer during the period July 2011 to December 2011 forming Attachment 1 to this Report.*

**BACKGROUND**

At its meeting held on 1 November 2005, Council resolved that a half-yearly report be prepared for the Audit Committee detailing contracts that were originally approved by Council and have subsequently been extended by the Chief Executive Officer – CJ231-11/05.

**DETAILS**

Council has delegated to the Chief Executive Officer the authority to approve all contract extensions on tenders approved by Council subject to a report to the Audit Committee being prepared on a half-yearly basis providing details of those contracts extended.

**Issues and options considered:**

The report detailing contracts extended by the Chief Executive Officer is provided in Attachment 1.

**Legislation/Strategic Plan/Policy Implications:**

**Legislation:** The City's legal advice is that under section 5.41(d) of the Local Government Act the Chief Executive Officer may be delegated the power to extend a Contract – provided the Chief Executive Officer does not extend the Contract beyond the "total term of the contract" specified by the Council in the resolution.

**Strategic Plan:**

**Key Focus Area:** Leadership and Governance.

**Objective:** 1.1 To ensure that the processes of local governance are carried out in a manner that is ethical, transparent and accountable.

1.3 To lead and manage the City effectively.

**Policy:**

Not Applicable.

**Risk Management Considerations:**

The delegated authority to extend contracts is limited to the original terms and conditions approved by resolution of Council when the tender was first awarded.

**Financial/Budget Implications:**

In accordance with each individual contract and approved budget limits.

**Regional Significance:**

Not Applicable.

**Sustainability Implications:**

Not Applicable.

**Consultation:**

Not Applicable.

**COMMENT**

This report provides the Audit Committee with details of contracts originally approved by Council or by the Chief Executive Officer under delegated authority, which have subsequently been extended by the Chief Executive Officer during the period from July 2011 to December 2011.

**VOTING REQUIREMENTS:**

Simple Majority.

**MOVED Cr Thomas, SECONDED Cr Amphlett that the Audit Committee NOTES the report detailing Contracts extended by the Chief Executive Officer during the period July 2011 to December 2011 forming Attachment 1 to this Report.**

Clarification was sought in relation to the contract extensions with respect to the provision of service and cleaning 240 litre mobile garbage bins by the City of Wanneroo. It was advised this matter would be investigated and a response provided to Committee members.

**The Motion was Put and**

**CARRIED (7/0)**

**In favour of the Motion:** Cr McLean, Mayor Pickard, Crs Amphlett, Corr, Ritchie and Thomas and Mr Cowin.

*Appendix 3 refers*

*To access this attachment on electronic document, click here:*

[Attach3aqnAudit080312.pdf](#)

## **ITEM 5      2011 COMPLIANCE AUDIT RETURN**

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<b>WARD:</b>	All
<b>RESPONSIBLE DIRECTOR:</b>	Mr Garry Hunt Office of the CEO
<b>FILE NUMBER:</b>	09492, 50068 101515
<b>ATTACHMENTS:</b>	Attachment 1      2011 Compliance Audit Return

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### **PURPOSE**

To present the completed 2011 Compliance Audit Return (CAR) to the Audit Committee prior to its submission to Council for final adoption.

### **EXECUTIVE SUMMARY**

The Department of Local Government (“the Department”) CAR for the period 1 January 2011 to 31 December 2011 has been completed by the City and is required to be reviewed by the Audit Committee before being submitted to the Department by 31 March 2011.

### **BACKGROUND**

The 2011 CAR was made available to local governments by the Department on its website in December 2011 for online completion.

While the structure of the CAR is generally similar to that of previous years the areas of compliance for 2011 have been restricted to those considered high risk. This has resulted in the 2011 CAR containing substantially fewer questions, 78 compared to 283 for the 2010 CAR. Amendments to Regulation 13 of the *Local Government (Audit) Regulations 1996* have been made in order to allow these changes to occur.

A further change to Regulation 14 of the *Local Government (Audit) Regulations 1996* requires that the local government’s Audit Committee now reviews the CAR and reports the results of that review to Council. Although this wasn’t a legislative requirement in previous years the City has followed this process and presented the CAR to its Audit Committee prior to its adoption by Council.

## DETAILS

For 2011 the CAR contains the compliance categories of:

- Commercial Enterprises by Local Governments;
- Delegation of Power / Duty;
- Disclosure of Interest;
- Disposal of Property;
- Elections;
- Finance;
- Local Government Employees;
- Official Conduct;
- Tenders for Providing Goods and Services.

The 2011 CAR incorporates all the statutory requirements listed in Regulation 13 as amended of the *Local Government (Audit) Regulations 1996*.

### **Legislation/Strategic Plan/Policy Implications:**

#### **Legislation:**

Regulations 14 and 15 of the *Local Government (Audit) Regulations 1996* state as follows:

#### **14 Compliance audits by local governments**

- (1) A local government is to carry out a compliance audit for the period 1 January to 31 December in each year.
- (2) After carrying out a compliance audit the local government is to prepare a compliance audit return in a form approved by the Minister.
- (3A) The local government's audit committee is to review the compliance audit return and is to report to the council the results of that review.
- (3) After the audit committee has reported to the council under subregulation (3A), the compliance audit return is to be:
  - (a) presented to the council at a meeting of the council; and
  - (b) adopted by the council; and
  - (c) recorded in the minutes of the meeting at which it is adopted.

**15 Compliance audit return, certified copy of etc. to be given to Executive Director**

- (1) After the compliance audit return has been presented to the council in accordance with regulation 14(3) a certified copy of the return together with:
- (a) a copy of the relevant section of the minutes referred to in regulation 14(3)(c); and
  - (b) any additional information explaining or qualifying the compliance audit,

is to be submitted to the Executive Director by 31 March next following the period to which the return relates.

- (2) In this regulation:

**certified** in relation to a compliance audit return means signed by:

- (a) The mayor or president; and
- (b) The CEO.

**Strategic Plan:**

**Key Focus Area:** Leadership and Governance.

**Objective:** 1.1 To ensure that the processes of local governance are carried out in a manner that is ethical, transparent and accountable.

**Policy:**

Not Applicable.

**Risk Management Considerations:**

The risk associated with the Council failing to adopt the CAR would result in non-compliance with the legislative requirements of the *Local Government (Audit) Regulations 1996*.

**Financial/Budget Implications:**

Not Applicable.

**Regional Significance:**

Not Applicable.

**Sustainability Implications:**

Not Applicable.

**Consultation:**

Not Applicable.

**COMMENT**

The responses to the questions in the CAR were provided by the relevant Managers to their Director for approval before being forwarded to the Internal Auditor for further review and completion on the Department's website.

The 2011 CAR reveals a high level of compliance with legislation for the City. However there are responses to two questions which indicate non-compliance with legislation under the category Disclosure of Interest relating to the lodgement of Primary Returns and Annual Returns by designated employees. The areas of non-compliance have been addressed by the City with system improvements introduced to obtain the required information from applicable employees to improve compliance in the future.

**VOTING REQUIREMENTS**

Simple Majority.

**MOVED** Cr Thomas, **SECONDED** Mr Cowin that the Audit Committee **RECOMMENDS** that Council:

- 1 **ADOPTS** the completed Local Government Compliance Audit Return for the period 1 January 2011 to 31 December 2011 forming Attachment 1 to this Report; and
- 2 in accordance with Regulation 15 of the Local Government (Audit) Regulations 1996, **SUBMITS** the completed Compliance Audit Return to the Department of Local Government.

**The Motion was Put and**

**CARRIED (7/0)**

**In favour of the Motion:** Cr McLean, Mayor Pickard, Crs Amphlett, Corr, Ritchie and Thomas and Mr Cowin.

*Appendix 4 refers*

*To access this attachment on electronic document, click here:*

[Attach4agnAudit080312.pdf](#)

## **ITEM 6 INTERNAL AUDIT ACTIVITY 2011/2012**

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<b>WARD:</b>	All
<b>RESPONSIBLE DIRECTOR:</b>	Mr Garry Hunt Office of the CEO
<b>FILE NUMBER:</b>	89528, 50068, 101515
<b>ATTACHMENTS:</b>	Attachment 1 Internal Audit Plan 2011/2012 Attachment 2 Internal Audit Activity 2011/2012 Attachment 3 Risk Assessment Criteria Attachment 4 Hierarchy of Risk and Decision Making Attachment 5 Internal Audit Implementation Status Criteria

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### **PURPOSE**

The purpose of this Report is to provide details of Internal Audit activity during 2011/2012.

### **EXECUTIVE SUMMARY**

Internal audit activity for 2011/2012 is guided by the Internal Audit Plan which also allows for unspecified management requests, specialist advice and investigations. The Audit Plan is subject to change during the year on the authorisation of the Chief Executive Officer. This Report provides details of Internal Audit activity during 2011/2012.

### **BACKGROUND**

The Internal Auditor performs internal audit reviews based on an Audit Plan. The Internal Auditor reports directly to the Chief Executive Officer.

### **DETAILS**

The Audit Plan sets out the programme of internal audit activity for the year 2011/2012 to be carried out by the City's Internal Auditor. The plan is established in consultation between the Chief Executive Officer and the Internal Auditor and where appropriate includes input from Directors or Managers to address areas that present risks to the City's operations.

**Legislation/Strategic Plan/Policy Implications:**

**Legislation:** Regulation 6 of the *Local Government (Financial Management) Regulations 1996* and the *Local Government (Audit) Regulations 1996*.

**Strategic Plan:**

**Key Focus Area:** Leadership and Governance

**Objective:** 1.1 To ensure that the processes of local governance are carried out in a manner that is ethical, transparent and accountable.

**Policy:**

Not Applicable.

**Risk Management considerations:**

Internal Audit is an independent appraisal service and audit activity is an important element of risk management and a contributor to the mitigation of risk.

**Financial/Budget Implications:**

Not Applicable.

**Regional Significance:**

Not Applicable.

**Sustainability Implications:**

Not Applicable.

**Consultation:**

Not Applicable.

**COMMENT**

Internal Audit activity focuses on areas of risk including financial and non-financial systems and compliance with legislation, regulations, policies and best practice. Action plans are developed and agreed with management for audit recommendations and follow-ups conducted to ensure that they are implemented as agreed. Criteria has been established to determine and report on the status of each recommendation and the overall status of each Internal Audit assignment as detailed in Attachment 5.

The status of Internal Audit recommendations is reported to the Executive Leadership Team on a monthly basis. Attachment 3 and Attachment 4 detail the Risk Assessment Criteria and the Hierarchy of Risk and Decision Making which was developed for inclusion in the City's Risk Management Framework. These are used by Business Units for assessing risks and determining actions for the completion of Risk Registers. They are also used to evaluate areas of risk subject to Internal Audit review.

**VOTING REQUIREMENTS**

Simple Majority.

**OFFICER'S RECOMMENDATION:**

That the Audit Committee NOTES the Internal Audit Plan 2011/2012 and Internal Audit Activity for 2011/2012 forming Attachments 1 and 2 to this Report.

**MOTION TO GO BEHIND CLOSED DOORS – [02154, 08122]**

**MOVED Mayor Pickard, SECONDED Cr Amphlett that in accordance with Section 5.23(2)(a) of the Local Government Act 1995 and Clause 67 of the City's Standing Orders Local Law 2005, the meeting Go Behind Closed Doors to discuss matters of a confidential nature in relation to the Internal Audit Activity for 2011/2012.**

**The Motion was Put and**

**CARRIED (7/0)**

**In favour of the Motion:** Cr McLean, Mayor Pickard, Crs Amphlett, Corr, Ritchie and Thomas and Mr Cowin.

*Governance Officer left the meeting at 6.40 pm and returned at 7.15 pm.*

**MOTION TO RE-OPEN THE MEETING – [02154, 08122]**

**MOVED Mayor Pickard, SECONDED Cr Amphlett that Council in accordance with Clause 67 (5) of the City's Standing Orders Local Law 2005, the meeting be now held with OPEN DOORS.**

**The Motion was Put and**

**CARRIED (7/0)**

**In favour of the Motion:** Cr McLean, Mayor Pickard, Crs Amphlett, Corr, Ritchie and Thomas and Mr Cowin.

**MOVED Cr Thomas, SECONDED Cr Amphlett that the Chief Executive Officer UNDERTAKES in relation to 6-1112 – Non-Compliance Report to initiate a more detailed analysis using an external qualified group to review, in considerable detail, a number of suppliers of services to the City and report back to the Audit Committee on those findings.**

**The Motion was Put and**

**CARRIED (6/1)**

**In favour of the Motion:** Crs McLean, Amphlett, Corr, Ritchie and Thomas and Mr Cowin.

**Against the Motion:** Mayor Pickard.

**MOVED Cr Amphlett, SECONDED Cr THOMAS that the Audit Committee NOTES the Internal Audit Plan 2011/2012 and Internal Audit Activity for 2011/2012 forming Attachments 1 and 2 to this Report.**

**The Motion was Put and**

**CARRIED (6/1)**

**In favour of the Motion:** Crs McLean, Amphlett, Corr, Ritchie and Thomas and Mr Cowin.

**Against the Motion:** Mayor Pickard.

*Appendix 5 refers*

*To access this attachment on electronic document, click here:*

[Attach5agnAudit080312.pdf](#)

## **MOTIONS OF WHICH PREVIOUS NOTICE HAS BEEN GIVEN**

Nil.

## **REQUESTS FOR REPORTS FOR FUTURE CONSIDERATION**

### **Compliance Audit Return**

Mayor Pickard requested that clarification be sought from the Department of Local Government on what the expectations and regulations are in relation to the new regime regarding the completion of future Compliance Audit Returns with respect to the City's Audit Committee.

The Chief Executive Officer advised that contact would be made with the Department of Local Government, with Committee members being informed of the outcome.

**CLOSURE**

There being no further business, the Presiding Member declared the Meeting closed at 7.30 pm; the following Committee Members being present at that time:

Cr Tom McLean, JP  
Mayor Troy Pickard  
Cr Geoff Amphlett, JP  
Cr Brian Corr  
Cr Sam Thomas  
Cr Teresa Ritchie  
Mr Robert (Andy) Cowin (External Member)