

Meeting	<b>Minutes of Audit Committee</b>					
Date	<b>Monday 5 February 2018</b>	Time	<b>1.15pm (Committee met in committee at 1.00pm with internal and external auditor)</b>	Duration:	<b>2.0 hour meeting</b>	Location: <b>Meeting Room 2, Michael Place Leongatha.</b>
Attendees	<p>Dr AJ (John) Purcell (Chair)  Mr Homi Burjorjee  Dr Irene Irvine  Cr Lorraine Brunt (Mayor)  Cr Ray Argento</p> <p><b>Support Staff:</b> Faith Page: Acting CEO, Bryan Sword: Director Development Services, Anthony Seabrook: Director Infrastructure Services, Stuart Smith, Acting Manager Finance, Risk and Procurement, Luke Anthony: Coordinator Risk and Procurement and Eve Hollole: Risk Coordinator.  <b>Internal Audit:</b> Richmond, Sinnott and Delahunty (RSD): Kathie Teasdale, Engagement Partner.  <b>External Audit:</b> Tim Loughnan, Director and Engagement Leader, Victorian Auditor General's Office (VAGO) for Item 5.1.  <b>Councillor Observer:</b> Cr Don Hill</p>					
Apologies	Tim Tamlin: CEO					
In Committee Section	Committee met with internal auditor (RSD) and external auditor (VAGO).					
Disclosures of Interest	<p>Dr Irvine as a member of South Gippsland Water, Walkerville Foreshore Committee and Walkerville Residents Association.  Dr Purcell as member of Baw Baw Shire, Banyule City, Knox City and Wyndham City Councils' Audit Committees.  Mr Homi Burjorjee as member of City of Casey, Cardinia Shire Council, Ararat Rural City Council, Bass Coast Shire Council and Office of Public Prosecutions Audit Committees.</p>					
Confirmation of report of previous meeting	<p>Committee approved report of the Audit Committee meeting 4 Dec 17, subject to management considering and reporting back to the Committee on:</p> <p>a) Whether Council will be participating in IBAC's independent "Perception of Corruption" survey; and  b) A recommendation on the frequency Internal Audit Actions are to be presented to the Committee.</p> <p><b>Moved:</b> Cr. Argento                      <b>Seconded:</b> Dr. Irvine.</p>					
Advise of possible breaches of legislation	Committee noted that the provision of confidential information to a third party in relation to the Bald Hills Windfarm litigation is currently under investigation.					

Agenda Item	Responsible	Comment / Action
<b>1. Financial and Performance Reports</b>		
<b>1.1 Financial Performance Report</b> Financial Performance Report: Jul – Dec 17 Draft Budget 18/19	Manager Finance	Committee discussed and approved the following reports: <b>Financial Performance Report: Jul – Dec 17</b> <b>Moved:</b> Cr. Brunt <b>Seconded:</b> Mr Burjorjee <b>Draft Budget 18/19</b> <b>Moved:</b> Cr. Argento <b>Seconded:</b> Mr Burjorjee
<b>1.2 Performance report (non-financial)</b> Performance (non – financial) report: Jul–Dec 17	Director Corporate and Community Services	Committee discussed and approved the <b>Performance (Non – Financial) Report: Jul-Dec 17</b> <b>Moved:</b> Cr. Brunt <b>Seconded:</b> Mr Burjorjee
<b>1.3 Local Government Performance Reporting (LGPRF)</b> LGPRF Report Jul – Dec 17	Director Corporate and Community Services	Committee discussed and approved the <b>LGPRF Report Jul – Dec 17</b> <b>Moved:</b> Dr. Irvine <b>Seconded:</b> Mr Burjorjee <b>Action:</b> Committee recommended a one page summary be included for future reports which highlights key issues and / or concerns.
<b>2. Internal Control System</b>		
<b>2.1 Internal Control System</b>	Coordinator Risk	Committee noted report not due until Nov 18.
<b>3. Risk Management</b>		
<b>3.1 Strategic Risk Committee (SRC) Minutes</b>	Coordinator Risk	Committee noted that it received the SRC minutes from 31 Oct 17 at the 4 Dec 17 meeting and the next SRC is to be held 20 Mar 18.
<b>3.2 Quarterly report from a Director / CEO Direct Report</b> Director Infrastructure Risk Report	Director Infrastructure	Committee received a report from Director Infrastructure on relevant risks from the Strategic Risk Register. <b>Moved:</b> Cr. Brunt <b>Seconded:</b> Mr Burjorjee
<b>3.3 OHS Trends and Annual Leave Balance</b>	Manager People & Culture	Committee noted report delayed to June 18 meeting.
<b>4. Internal Audit</b>		
<b>4.1 Planned Internal Audits</b> Internal Audit Report Letter to Councillors: Councillor Expenditure and Code of Conduct Audit Statutory Planning, Building Planning and Local Laws Compliance and Enforcement Audit Report. Procurement Review (in2Project Management) Draft Payroll and HR Audit Scope	Coordinator Risk	Committee discussed and approved the following reports: <b>Internal Audit Report</b> <b>Moved:</b> Cr. Brunt <b>Seconded:</b> Mr Burjorjee  <b>Letter to Councillors: Councillor Expenditure and Code of Conduct Audit</b> <b>Moved:</b> Cr. Brunt <b>Seconded:</b> Dr. Irvine <b>Action:</b> Committee recommended the letter be re-circulated to all Councillors following previous distribution via Exec Update 20 Dec 17.  <b>Statutory Planning, Building Planning and Local Laws Compliance and Enforcement Audit Report.</b> <b>Moved:</b> Cr. Brunt <b>Seconded:</b> Mr Burjorjee



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<b>6.2 Regulatory Updates:</b> keep informed of findings of examinations by regulatory agencies. Regulatory Inquiry Gap Analysis Report	Coordinator Risk and Procurement	Committee discussed and approved the <b>Regulatory Inquiry Gap Analysis Report</b> outlining which Regulatory Inquiries the Committee has received reports on and outlined future reports to be received. <b>Moved:</b> Cr. Brunt <b>Seconded:</b> Dr. Irene Irvine
<b>7. Reporting responsibilities</b>		
<b>7.1 Audit Committee reports regularly to Council</b>	Coordinator Risk	Committee noted: <ul style="list-style-type: none"> <li>• 11 Sept 17 Minutes: received but not endorsed by Council on 20 Dec 17; and</li> <li>• 4 Dec 17 Minutes will be reported to Council on 28 Feb 18.</li> </ul>
<b>8. General</b>		
<b>8.1 Committee Chair 2018</b>	Committee	Committee noted it will be recommended to Council to appoint Dr. Purcell as Audit Chair for 2018 at the 28 Feb 18 Council Meeting.
<b>8.2 Independent Committee Membership</b>	Coordinator Risk	Committee noted: <ul style="list-style-type: none"> <li>• <b>Dr John (AJ) Purcell:</b> was appointed for a second and final three year term to commence on 25 Feb 18 and conclude on 24 Feb 21, at the 20 Dec 17 Council Meeting.</li> <li>• <b>Dr Irene Irvine:</b> final three year term concludes on 30 Nov 18.</li> <li>• <b>Vacancy:</b> advertising to fill Dr. Irvine's vacancy will commence in Jul 18 with a view to Council appointing at Sept Council meeting and the new appointment attending first meeting in 2019.</li> </ul>
<b>8.3 Audit Committee Charter</b> Draft Audit Committee Charter	Coordinator Risk	Committee discussed and approved recommended changes to the <b>Draft Audit Committee Charter</b> without amendment. <b>Moved:</b> Cr. Brunt <b>Seconded:</b> Mr Burjorjee
<b>9. General Business</b>		
<b>10. Close / Next meetings:</b> 4 June 2018, 10 September 2018 and 19 November 2018.		