



**CITY OF VINCENT**

# **MINUTES**

**Audit Committee**

**6 July 2021**

## Table of Contents

<b>1</b>	<b>Introduction and Welcome .....</b>	<b>3</b>
<b>2</b>	<b>Apologies / Members on Approved Leave of Absence .....</b>	<b>3</b>
<b>3</b>	<b>Declarations of Interest .....</b>	<b>3</b>
<b>4</b>	<b>Confirmation of Minutes .....</b>	<b>4</b>
<b>5</b>	<b>Business Arising .....</b>	<b>5</b>
5.1	OAG entrance meeting 2020/21 audit .....	5
5.2	Amendments to the City's Risk Management Policy and Procedure .....	6
5.4	Review of number and composition of audit committee members and reimbursement of external members .....	7
5.3	Tender Evaluation and Assessment Process .....	8
5.5	Review of the City's Audit Log .....	9
5.6	Office of the Auditor General Report - 2020/2021 Local Government General Computer Controls .....	11
5.7	Report on the non-structural risks associated with the City's ageing sporting infrastructure assets .....	12
<b>6</b>	<b>General Business .....</b>	<b>13</b>
<b>7</b>	<b>Next Meeting .....</b>	<b>13</b>
<b>8</b>	<b>Closure .....</b>	<b>13</b>

**MINUTES OF CITY OF VINCENT  
AUDIT COMMITTEE  
HELD AS E-MEETING ON TUESDAY, 6 JULY 2021 AT 1.00PM**

<b>PRESENT:</b>	<b>Mr Conley Manifis Cr Ashley Wallace</b>	<b>Independent External Member (Chair) South Ward (left at 2.45pm during Item 5.6)</b>
	<b>Mr Robert Piper Mr Aaron Smith</b>	<b>Independent External Member Independent External Member</b>
<b>IN ATTENDANCE:</b>	<b>David MacLennan Virginia Miltrup</b>	<b>Chief Executive Officer Executive Manager Community &amp; Business Services</b>
	<b>Vanisha Govender Peter Ferguson</b>	<b>Executive Manager Financial Services Executive Manager Information and Communication Technology</b>
	<b>Jordan Koroveshi</b>	<b>A/Executive Manager Corporate Strategy &amp; Governance</b>
	<b>Mark Ambrose</b>	<b>Senior Director, Office of the Auditor General (Item 5.1)</b>
	<b>Jeff Sweetham</b>	<b>Audit Manager, Office of the Auditor General (Item 5.1)</b>
	<b>Mark Humphries Tania Narkevich</b>	<b>Partner, RiskWest (Item 5.2) Procurement Specialist, WALGA (Item 5.3)</b>
	<b>James McGovern</b>	<b>Manager Governance and Procurement, WALGA (Item 5.3)</b>
	<b>Jeremy Chalmers</b>	<b>Procurement and Contracts Officer (Item 5.3)</b>
	<b>Wendy Barnard</b>	<b>Council Liaison Officer</b>

## **1 INTRODUCTION AND WELCOME**

The Presiding Member, Conley Manifis, declared the meeting open at 1.02pm and read the following Acknowledgement of Country statement:

“The City of Vincent would like to acknowledge the Traditional Owners of the land, the Whadjuk people of the Noongar nation and pay our respects to Elders past, present and emerging”.

## **2 APOLOGIES / MEMBERS ON APPROVED LEAVE OF ABSENCE**

Cr Joshua Topelberg on approved leave of absence from 21 June 2021 to 26 July 2021.  
Cr Susan Gontaszewski on approved leave of absence from 26 June 2021 to 08 August 2021.  
Cr Dan Loden was an apology for this meeting.

## **3 DECLARATIONS OF INTEREST**

Conley Manifis declared an impartiality interest. The extent of his interest is that his company is contracted by the Office of the Auditor General to complete external audits.

**4 CONFIRMATION OF MINUTES****COMMITTEE DECISION**

**Moved: Mr Piper, Seconded: Cr Wallace**

That the minutes of the Audit Committee held on 4 May 2021 be confirmed.

**CARRIED UNANIMOUSLY (4-0)**

**For:** Mr Manifis, Cr Wallace, Mr Piper and Mr Smith

**Against:** Nil

**(Cr Topelberg was on approved leave of absence for the Meeting.)**

**(Cr Loden was an apology for the Meeting.)**

**(Cr Gontaszewski was on approved leave of absence for the Meeting.)**

**5 BUSINESS ARISING****5.1 OAG ENTRANCE MEETING 2020/21 AUDIT**

Attachments: 1. Entrance meeting - Planning Summary 

**RECOMMENDATION:**

That the Audit Committee NOTES the audit planning summary for the 2020/21 financial year.

**COMMITTEE DECISION ITEM 5.1**

**Moved: Mr Smith, Seconded: Cr Wallace**

That the recommendation be adopted.

**CARRIED UNANIMOUSLY (4-0)**

**For:** Mr Manifis, Cr Wallace, Mr Piper and Mr Smith

**Against:** Nil

**(Cr Topelberg was on approved leave of absence for the Meeting.)**

**(Cr Loden was an apology for the Meeting.)**

**(Cr Gontaszewski was on approved leave of absence for the Meeting.)**

**5.2 AMENDMENTS TO THE CITY'S RISK MANAGEMENT POLICY AND PROCEDURE**

- Attachments:
1. Draft Amendment 1 to Risk Management Policy (tracked changes) 
  2. Draft Risk Management Procedure 

**RECOMMENDATION:**

That the Audit Committee recommends to Council that it:

1. ENDORSES Amendment 1 to the City's Risk Management Policy, as at Attachment 1, which will be subject to public notice and formal adoption by Council; and
2. NOTES the new Risk Management Procedure as at Attachment 2.

**COMMITTEE DECISION ITEM 5.2**

**Moved:** Cr Wallace, **Seconded:** Mr Smith

That the recommendation be adopted.

**CARRIED UNANIMOUSLY (4-0)**

**For:** Mr Manifis, Cr Wallace, Mr Piper and Mr Smith

**Against:** Nil

(Cr Topelberg was on approved leave of absence for the Meeting.)

(Cr Loden was an apology for the Meeting.)

(Cr Gontaszewski was on approved leave of absence for the Meeting.)

**5.4 REVIEW OF NUMBER AND COMPOSITION OF AUDIT COMMITTEE MEMBERS AND REIMBURSEMENT OF EXTERNAL MEMBERS****Attachments: Nil****RECOMMENDATION:**

The A/Executive Manager Corporate Strategy & Governance will present the options on composition and reimbursement of external members.

The A/Executive Manager Corporate Strategy & Governance advised that the Audit Committee Terms of Reference were being reviewed. They will be presented to Council and advertising for external independent members will take place shortly.

**5.3 TENDER EVALUATION AND ASSESSMENT PROCESS****Attachments: Nil****RECOMMENDATION:****That the Audit Committee:**

- 1. NOTES the City's tender evaluation and assessment process and associated advice provided from Department of Local Government, Sport and Cultural Industries (DLGSCI) and Western Australian Local Government Association (WALGA).**

**COMMITTEE DECISION ITEM 5.3****Moved: Cr Wallace, Seconded: Mr Piper****That the recommendation be adopted.****CARRIED UNANIMOUSLY (4-0)****For: Mr Manifis, Cr Wallace, Mr Piper and Mr Smith****Against: Nil****(Cr Topelberg was on approved leave of absence for the Meeting.)****(Cr Loden was an apology for the Meeting.)****(Cr Gontaszewski was on approved leave of absence for the Meeting.)**



**5.5 REVIEW OF THE CITY'S AUDIT LOG**

- Attachments:
1. Audit Log as at 28 June 2021 
  2. Confidential Audit Log - Confidential

**RECOMMENDATION:**

That the Audit Committee recommends to Council that it:

1. NOTES the status of the City's Audit Log, at Attachment 1;
2. NOTES that the completion date for the below items was previously extended:
  - 2.1 EA:2020/10 (1) (a) and (b) Office of the Auditor General Information Systems Audit – Confidential – extended from February 2021 to August 2021 and on track for completion;
  - 2.2 EA:2020/10 (11) Office of the Auditor General Information Systems Audit – Confidential – extended from January 2021 to August 2021 and on track for completion; and
  - 2.3 EA:2020/10 (12) Office of the Auditor General Information Systems Audit – Confidential – extended from February 2021 to December 2021, as it has been planned as a staged approach.
  - 2.4 EA:2019/7 Office of the Auditor General's Performance Audit 2019 - Fraud Prevention in Local Government - Findings and Recommendations – was proposed for closure at the 2 March 2021 meeting but reinstated until training has been completed. Was completed in May 2021; and
  - 2.5 EA:2020/10 (20) Office of the Auditor General Information Systems Audit – Business Continuity Plan – Testing was extended from March 2021 to April 2021 and on track for completion.
3. APPROVES the amendment to the proposed completion date for the following items:
  - 3.1 EA:2020/10 (1) (a) and (b) Office of the Auditor General Information Systems Audit – Confidential – extended from August 2021 to October 2021 and now on track for completion;
  - 3.2 EA:2020/10 (3) Office of the Auditor General Information Systems Audit – Segregation of Duties – extended from August 2021 to October 2021 and on track for completion.
  - 3.2 EA:2020/10 (9) Office of the Auditor General Information Systems Audit – Authority User Review Process – extended from August 2021 to October 2021 and on track for completion;
  - 3.3 EA:2020/10 (10) Office of the Auditor General Information Systems Audit – Authority Event Monitoring – extended from February 2021 to October 2021 and on track for completion;
  - 3.4 EA:2020/10 (11) Office of the Auditor General Information Systems Audit – Confidential – extended from August 2021 to October 2021 and on track for completion;
  - 3.5 EA:2020/10 (14) Office of the Auditor General Information Systems Audit – Data Centre Management – extended from January 2021 to September 2021 and on track for completion; and
  - 3.6 EA: 2020/12 (9) Stanton Reg 5 & 7 Review – Authority Access – extended from August 2021 to October 2021 and on track for completion.
  - 3.7 EA:2020/12(14) Office of the Auditor General – Financial Audit – Access Levels within Authority – extended from August 2021 to October 2021 and on track for completion.

**COMMITTEE DECISION ITEM 5.5**

**Moved: Cr Wallace, Seconded: Mr Piper**

**That the recommendation be adopted.**

**CARRIED UNANIMOUSLY (4-0)**

**For:** Mr Manifis, Cr Wallace, Mr Piper and Mr Smith

**Against:** Nil

**(Cr Topelberg was on approved leave of absence for the Meeting.)**

**(Cr Loden was an apology for the Meeting.)**

**(Cr Gontaszewski was on approved leave of absence for the Meeting.)**

**5.6 OFFICE OF THE AUDITOR GENERAL REPORT - 2020/2021 LOCAL GOVERNMENT  
GENERAL COMPUTER CONTROLS**

**Attachments: Nil**

**RECOMMENDATION:**

**That the Audit Committee recommend to Council that it:**

- 1. NOTES findings from Office of the Auditor General's 'Local Government General Computer Controls' audit (May 2021).**

**COMMITTEE DECISION ITEM 5.6**

**Moved: Mr Smith, Seconded: Cr Wallace**

**That the recommendation be adopted.**

**CARRIED UNANIMOUSLY (4-0)**

**For: Mr Manifis, Cr Wallace, Mr Piper and Mr Smith**

**Against: Nil**

**(Cr Topelberg was on approved leave of absence for the Meeting.)**

**(Cr Loden was an apology for the Meeting.)**

**(Cr Gontaszewski was on approved leave of absence for the Meeting.)**

**5.7 REPORT ON THE NON-STRUCTURAL RISKS ASSOCIATED WITH THE CITY'S AGEING SPORTING INFRASTRUCTURE ASSETS****Attachments: Nil**

This report has been postponed until the 31 August 2021 Audit Committee meeting, to allow time for RiskWest to provide their report.

**6 GENERAL BUSINESS****7 NEXT MEETING****31 August 2021**

- Audit Log Review
- Review of New Risk Register
- Report on the non-structural risks associated with the City's ageing sporting infrastructure assets (Leederville Oval, Litis Stadium and Beatty Park)
- Internal Audit Program – Appointment of Auditor
- OAG performance audit and other audit / best practice recommendations (if required)
- External audit interim findings

**8 CLOSURE**

There being no further business the meeting closed at 2.47pm.

These Minutes will be confirmed at the 31 August 2021 meeting of the Audit Committee as a true record and accurate of the Audit Committee meeting held on 6 July 2021

Signed: Mr Conley Manifis



Dated : 6 September 2021