

**MINUTES OF THE WAVERLEY COUNCIL
AUDIT COMMITTEE MEETING HELD AT THE
WAVERLEY COUNCIL CHAMBERS ON
FRIDAY, 24 MAY 2013**

Voting Members Present:

Mr N Hall	Independent Member (Chair)
Mr M Bass	Independent Member
Cr B Mouroukas	Waverley Council

Also Present:

Mr S Helweh	Senior Internal Auditor
Mr S Kidnapillai	Senior Internal Auditor
Mr I Mead	Divisional Manager, Finance & Information Systems & Services
Ms J Reid	Governance & Integrated Planning Officer / Assistant Committee Secretary
Mr R Russo	Governance Manager / Committee Secretary

Invitees:

Mr G Mottau	Director, Hill Rogers Spencer Steer (External Auditors)
Ms C Henderson	Director, Community & Recreation Services (for Item A-1305.2.1 – Confidential Internal Audit Follow-up Report – Property Management)
Ms B Kelly	Director, Corporate & Technical Services (for Item A-1305.2.1 – Confidential Internal Audit Follow-up Report – Property Management and Item A - 1305.2.2 – Confidential Internal Audit Follow-up Report – On-Street Parking)
Ms C Price	Divisional Manager, Parking Services (for Item A - 1305.2.2 – Confidential Internal Audit Follow-up Report – On-Street Parking)

At the commencement of proceedings at 10.00am, those present were as listed above.

**A-1305.A
Apologies**

Apologies were received and accepted from:

Cr T Kay	Waverley Council
Mr T Reed	General Manager

A-1305.DI
Declarations of Interest

The Chair called for Declarations of Interest and none were received.

A-1305.1
Confirmation of Minutes of Previous Meeting – 1 March 2013

DECISION: That the Minutes of the Waverley Council Audit Committee Meeting of 1 March 2013; a copy of which was distributed to each Committee member, be received and that such Minutes be confirmed as a true record of the proceedings of that meeting.

A-1305.2
Matters Arising from Previous Minutes

A-1305.2.1
Confidential Internal Audit Follow-up Report – Property Management (A10/0627)

At the last meeting of the Audit Committee held on 1 March 2013 the Committee considered the confidential Internal Audit Follow-up Report on Property Management. At that meeting the Committee resolved the following:

“THAT:

- (i). The report be deferred to the May meeting of the Committee.
- (ii). The original date of the review and the follow-up date be included in the report.
- (iii). Revised implementation dates be included in the report.
- (iv). Updated commentary be included in the report.
- (v). The lead Directors and relevant support staff be invited to attend.”

Confidential Internal Audit Follow-up Report on Property Management was distributed separately with the agenda.

DECISION: That:

1. The Committee receive and note this information.
2. The Committee receive and note the Confidential Internal Audit Follow-up Report on Property Management, which has been distributed separately with the agenda.
3. The Internal Audit Follow-up Report on Property Management be treated as confidential in accordance with the provisions of Section 6.4(d) of Waverley Council's Audit Committee Charter for the following reasons:
 - (a). The report contains commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.

- (b). It is not in the public interest to reveal commercially sensitive information about Council's internal operations and business interests, which if disclosed may prejudice Council's effective operation of its functions.
4. The correspondence and reports relevant to the subject business be withheld from the public as provided by Section 6.4 of the Audit Committee Charter.
5. The Committee noted the progress to date on the issues contained in the Confidential Internal Audit Follow-up Report on Property Management.
6. A follow-up report be submitted to the last meeting of the Committee for 2013.

A-1305.2.2

Confidential Internal Audit Follow-up Report – On-Street Parking (A10/0631)

At the last meeting of the Audit Committee held on 1 March 2013 the Committee considered the confidential Internal Audit Follow-up Report about On-Street Parking. At that meeting the Committee resolved the following:

“THAT:

- (i). The report be deferred to the May meeting of the Committee.
- (ii). The original date of the review and the follow-up date be included in the report.
- (iii). Revised implementation dates be included in the report.
- (iv). Updated commentary be included in the report.
- (v). The lead Directors and relevant support staff be invited to attend.”

Confidential Internal Audit Follow-up Report about On-Street Parking was distributed separately with the agenda.

DECISION: That:

1. The Committee receive and note this information.
2. The Committee receive and note the Confidential Internal Audit Follow-up Report about On-Street Parking, which has been distributed separately with the agenda.
3. The Internal Audit Follow-up Report about On-Street Parking be treated as confidential in accordance with the provisions of Section 6.4(d) of Waverley Council's Audit Committee Charter for the following reasons:
 - (a). The report contains commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it.
 - (b). It is not in the public interest to reveal commercially sensitive information about Council's internal operations and business interests, which if disclosed may prejudice Council's effective operation of its functions.
4. The correspondence and reports relevant to the subject business be withheld from the public as provided by Section 6.4 of the Audit Committee Charter.

5. The Committee noted the progress to date on the issues contained in the Confidential Internal Audit Follow-up Report about On-Street Parking.
6. A follow-up report be submitted to the last meeting of the Committee for 2013.
7. The Committee noted that Council has recently approved the calling of tenders for the supply, installation and ongoing maintenance of new parking meters to replace and expand the existing meter network and other on-street parking system integration and efficiency initiatives.
8. The Committee noted the high frequency of issues contained in the Confidential Internal Audit Follow-up Report about On-Street Parking where Management has not accepted the findings of the Internal Auditor.

A-1305.2.3

Council's response to ICAC on Operation Jarek (A11/0745)

At the February 2013 meeting of the Committee the General Manager advised that ICAC had released its report about Operation Jarek, an investigation into allegations that staff from a number of local councils and other public authorities accepted secret benefits from suppliers and that staff from two local councils facilitated payment of false invoices from suppliers.

At the February meeting, the General Manager advised that Council had received the recommendations contained in the ICAC report and was required to respond to the ICAC about the actions we have taken in regard to the recommendations. He said that Council's response to the ICAC would be submitted to the Audit Committee.

At the last meeting of the Audit Committee held on 1 March 2013 Council's response to the ICAC was not available. The Committee subsequently decided to defer the matter to this meeting for consideration.

A copy of Council's response to the ICAC dated 25 February 2013 was attached to the agenda.

DECISION: That the Committee:

1. Receive and note this information and Council's response to the ICAC.
2. Recommends that the General Manager present to Council the actions taken in regard to the implementation of each of the ICAC's corruption prevention recommendations arising from the investigation into Operation Jarek.

A-1305.3

Internal Audit's Progress Report (A10/0345)

Report dated 13 May 2013 from Internal Audit providing an update on progress with FY2013 Audit Plan.

DECISION: That the Committee receive and note this progress report.

A-1305.4
Schedule of Meeting Dates for 2013 (A09/1105)

The Committee adopted the following schedule of meeting dates for the remainder of 2013:

- 10.00am, Thursday, 1 August 2013
- 10.00am, Friday, 18 October 2013
- 10.00am, Friday, 6 December 2013

DECISION: That the Committee receive and note this information.

A-1305.5

GENERAL BUSINESS

There were no Items of General Business.

THE MEETING CLOSED AT 12.15PM