

**MINUTES OF THE WAVERLEY COUNCIL  
AUDIT COMMITTEE MEETING HELD AT THE  
WAVERLEY COUNCIL CHAMBERS ON  
FRIDAY, 30 MAY 2014**

**Voting Members Present:**

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

**Also Present:**

Mr A Kyron	General Manager
Mr S Helweh	Senior Internal Auditor
Mr S Kidnapillai	Senior Internal Auditor
Mr I Mead	Divisional Manager, Finance & Information Systems & Services
Ms B Kelly	Director, Corporate & Technical Services
Mr M Wood	Director, Public Works & Services
Mrs J Reid	Acting Governance Manager / Committee Secretary

**Invitees:**

Mr G Mottau	Director, Hill Rogers Spencer Steer (External Auditors)
Mr M Reid	Divisional Manager, Development Assessment (for item A-1405.5 – Confidential Report – Internal Audit follow-up Report - Section 94A Development Contributions Review)
Ms F Calabrese	Divisional Manager, Human Resources & Organisational Development (for Item A-1405.6 – Confidential Report - Internal Audit Follow-up Report – Business Continuity Management)
Ms C Schlesinger	OH&S Manager, Human Resources & Organisational Development (for Item A-1405.6 – Confidential Report - Internal Audit Follow-up Report – Business Continuity Management)
Mr Paul White	Computer Services Manager, Finance & Information Systems & Services (for Item A-1405.6 – Confidential Report - Internal Audit Follow-up Report – Business Continuity Management)

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*At the commencement of proceedings at 10.02am, those voting members and those present were as listed above. In relation to the invitees listed above, Mr Mottau arrived at 10.10am and the remaining invitees were only present during the consideration of the items relevant to them.*

*At 11.05am Mr Wood left the meeting and did not return.*

**A-1405.A  
Apologies**

The Chair called for apologies and the following was received:

Mr Peter Monks, Director – Planning and Environmental Services

**A-1405.DI  
Declarations of Interest**

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

**A-1405.1  
Confirmation of Minutes of Previous Meeting – 21 February 2014**

**DECISION:** That the Minutes of the Waverley Council Audit Committee Meeting of 21 February 2014, 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-1405.2  
Waverley Council Audit Committee Charter – Adoption of Committee Charter (A09/1105)**

At the February 2014 Audit Committee meeting the Committee decided to initiate a review of its Charter and to report the outcome of the review to the April Council meeting.

*A copy of the Waverley Audit Committee Charter adopted by Council at its April meeting was attached to the Agenda.*

**DECISION:** That the Committee receive and note this information.

**A-1405.3  
Internal Audit's Progress Report (A10/0345)**

Report dated 30 April, 2014 from Internal Auditor providing an update on progress with the FY14 Audit Plan.

**DECISION:** That the Committee receive and note this progress report, and the Stage one update report on the ERM Project.

#### **A-1405.4**

#### **Council's response to ICAC on Operation Jarek – 12 months Progress Report (A11/0745)**

*A copy of Council's 12 months progress report to ICAC was attached to the agenda.*

In October 2012 the ICAC released its report about Operation Jarek, an investigation into allegations that staff from a number of local councils, including Waverley 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 2013 Audit Committee meeting, the then General Manager advised that Council had received the corruption prevention 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.

At the May 2013 Audit Committee meeting Council's response to the ICAC was submitted to the Committee for information.

Council's response to the ICAC's recommendations can be viewed on the ICAC website at:

<http://www.icac.nsw.gov.au/investigations/past-investigations/article/4171>

**DECISION:** That the Committee receive and note this information and Council's 12 months progress report to the ICAC.

#### **A-1405.5**

#### **CONFIDENTIAL REPORT - Internal Audit Follow-up Report – Section 94A Development Contributions Review (A13/0487)**

*This matter is classified as confidential under the provisions of Section 6.4(d) of Waverley Council's Audit Committee Charter.*

*The Confidential Report – Internal Audit Follow-up Report – Section 94A Development Contributions Review was distributed separately with the agenda.*

**DECISION:** That:

1. The Committee receive and note the Confidential Internal Audit Follow-up Report on Section 94A Development Contributions Review, which has been distributed separately with the agenda.
2. The Confidential Internal Audit Follow-up Report on Section 94A Development Contributions Review 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.
3. 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.

#### **A-1405.6**

#### **CONFIDENTIAL REPORT - Internal Audit Follow-up Report – Business Continuity Management (A14/0177)**

*This matter is classified as confidential under the provisions of Section 6.4(d) of Waverley Council's Audit Committee Charter.*

*The Confidential Report – Internal Audit Follow-up Report – Business Continuity Management was distributed separately with the agenda.*

#### **DECISION:** That:

1. The Committee receive and note the Confidential Internal Audit Follow-up Report on Business Continuity Management, which has been distributed separately with the agenda.
2. The Confidential Internal Audit Follow-up Report on Business Continuity 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.
3. 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.

#### **A-1405.7**

#### **CONFIDENTIAL REPORT - Internal Audit Report – Commercial Waste Services**

*This matter is classified as confidential under the provisions of Section 6.4(d) of Waverley Council's Audit Committee Charter.*

*The Confidential Report – Internal Audit Report – Commercial Waste Services was distributed separately with the agenda.*

**DECISION:** That:

1. The Committee receive and note the Confidential Internal Audit Report on Commercial Waste Services, which has been distributed separately with the agenda.
2. The General Manager:
  - (a) Closely monitors the progress and content of the Strategic Plan
  - (b) Ensures that the Plan is maintained and addresses all the findings and recommendations of the Internal Audit Report.
3. The Confidential Internal Audit Report on Commercial Waste Services 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.

**A-1405.8**

**CONFIDENTIAL REPORT - Internal Audit Report – Accounts Receivable**

*This matter is classified as confidential under the provisions of Section 6.4(d) of Waverley Council's Audit Committee Charter.*

*The Confidential Report – Internal Audit Report – Accounts Receivable was distributed separately with the agenda.*

**DECISION:** That:

1. The Committee receive and note the Confidential Internal Audit Report on Accounts Receivable, which has been distributed separately with the agenda.
2. The Confidential Internal Audit Report on Accounts Recievable 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.
3. 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.

#### **A-1402.9**

#### **CONFIDENTIAL REPORT – Observations and Suggestions for Improvement from the External Audit Management Letter of 11 April 2014 and Management's Response (A04/0630)**

*This matter is classified as confidential under the provisions of Section 6.4(d) of Waverley Council's Audit Committee Charter.*

*The Confidential Report – Observations and Suggestions for Improvement from the External Audit Management Letter of 11 April 2014 and Management's Response were distributed separately with the agenda.*

#### **DECISION:** That:

1. The Committee receive and note the Confidential Report - Observations and Suggestions for Improvement from the External Audit Management Letter of 11 April, 2014 and Management's Response, which has been distributed separately with the agenda.
2. The Committee receive and note the External Audit Management Letter of 11 April, 2014 and Management's letter of response dated 13 May 2014, which have been distributed separately with the agenda.
3. The Confidential Report - Observations and Suggestions for Improvement from the External Audit Management Letter of 11 April 2014 and Management's Response, 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.
3. 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.

**A-1405.10**

**Adopted Schedule of Meeting Dates for 2014 (A09/1105)**

The Committee adopted the following schedule of meeting dates for 2014.

- 10.00am, Friday, 26 September 2014
- 10.00am, Friday, 12 December 2014

**DECISION:** That the Committee receive and note this information.

**A-1405.11**

**GENERAL BUSINESS**

There were no Items of General Business.

**THE MEETING CLOSED AT 12.20PM.**