

**MINUTES OF THE WAVERLEY COUNCIL AUDIT
COMMITTEE MEETING HELD AT THE WAVERLEY
COUNCIL CHAMBERS ON THURSDAY 28 FEBRUARY
2019**

Voting Members Present:

Mr N Hall	Independent Member (Chair)
Mr M Bass	Independent Member
Cr G Copeland	Waverley Council

Also Present:

Mr R McLeod	General Manager
Ms J Worthy	Internal Ombudsman
Ms E Scott	Director, Waverley Renewal
Ms R Hensman	Acting Director, Waverley Life
Ms U Sivanandan	Senior Internal Auditor
Ms T Su	Executive Manager, Financial Waverley

Invitees:

Ms Y Yang	Manager Audit and Assurance, Hill Rogers (External Auditor) (Items A-1902.1 to A-1902.4)
Ms S Sinclair	Principal, Audit Division, Hill Rogers (External Auditor) (Items A-1902.1 to A-1902.4)
Mr K Trinh	Executive Manager, Digital Waverley (Items A-1902.1 to A-1902.5)
Mr P Ryan	Manager, People, Culture and Learning (Item A-1902.6)

At the commencement of proceedings at 10.05 am, those present were as listed above with the exception of Mr P Ryan who attended for Item A-1902.6.

**A-1902.A
Apologies**

There were no apologies.

**A-1902.DI
Declarations of Interest**

The Chair called for declarations of interests and none were received.

A-1902.1

Confirmation of Minutes of Previous Meeting – 1 November 2018

DECISION (Hall / Bass): That the Minutes of the Audit Committee Meeting of 1 November 2018 be confirmed as a true record of the proceedings of that meeting.

A-1902.2

Internal Audit Report – Councillor Expenses and Processes Review

Report from the Senior Internal Auditor about a review of Councillor expenses and processes.

DECISION (Bass/ Copeland): That the Committee endorses the Management Agreed Actions contained in the Attachment to the report.

A-1902.3

Internal Audit Report – Cash Handling and Petty Cash Processes Review

Report from the Senior Internal Auditor about a review of cash handling and petty cash processes.

DECISION (Hall / Copeland): That:

1. The Attachment to this report be treated as confidential in accordance with section 6.4(f) of the Audit Committee Charter for the following reasons:
 - (a) The Attachment contains matters affecting the security of Council staff and Council property.
 - (b) It is not in the public interest to reveal sensitive information about Council's cash handling operations that, if disclosed, may place the security of Council staff and Council property at risk.
2. 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.
3. The Committee endorses the Management Agreed Actions contained in the Confidential Attachment to this report.
4. The Committee recommends that Management considers:
 - (a) Increasing the number of alternatives to cash payments at remote sites.
 - (b) Standardising linkages between the finance system and receipting systems.
5. A progress report on the implementation of the Management Actions be presented to the Committee within the next 12 months.

A-1902.4

External Audit Management Letter for Year Ended 30 June 2018 (A18/0184)

Report from the Executive Manager, Financial Waverley about the External Auditor's Management Letter for the year ended 30 June 2018.

DECISION (Hall / Bass): That the Committee:

1. Notes the Management Responses contained in the External Auditor's Management Letter for the year ended 30 June 2018.
2. Receives a progress report on the implementation of the Management Responses at its next meeting.

A-1902.5

Scope for Audit of Information and Technology Systems - Update (A18/0665)

Update report from the Executive Manager, Digital Waverley on the audit of Council's Information and Technology Systems.

This matter was last considered by the Committee at its meeting in November 2018.

At that meeting the Committee resolved in part that the Executive Manager, Digital Waverley provides a progress report to this meeting.

DECISION (Hall / Bass): That the Committee notes the progress of the Audit of Information and Technology Systems outlined in the report.

A-1902.6

Payroll Process Review – Update Report (A13/0638)

Update Report from the Manager, People, Culture and Learning on the audit of Council's payroll system.

This matter was last considered by the Committee at its meeting in November 2018.

At that meeting the Committee resolved that the Executive Manager, People and Culture provides a progress report to the Committee at this meeting.

DECISION (Hall / Bass): That the Committee:

1. Receives and notes this report.
2. Requests a follow up report be presented to its next meeting.

A-1902.7

Progress Report on the Work of the Internal Audit Function

Report from the Senior Internal Auditor.

DECISION (Bass / Hall): That the Committee:

1. Notes the progress of the Internal Audit function.
2. Recommends that the Development Application Process Review be brought forward from the 2020/21 Audit Plan to the 2019/20 Audit Plan.

A-1902.8

Register of Management Actions (SF19/963)

Report from the Internal Ombudsman about the Register of Management Actions.

DECISION (Hall / Bass): That the Committee:

1. Notes the Management Actions contained in the Register.
2. Recommends that:
 - (a) The Risk Rating for each Action in the original Audit Report be included in the Register.
 - (b) Management develop a control process for updating the Register.
 - (c) A vulnerability review be undertaken on Management Actions arising from internal audits in the Register from 2014 to current.
 - (d) As previously agreed and noting in the report, Management Actions from external audits be included in the Register.
 - (e) The Register be used in formulating the Annual Audit Plan.

A-1902.9

Establishment of Audit, Risk and Improvement Committee – Update (A18/0658)

Report from the Internal Ombudsman on the progress to establish the new Audit, Risk and Improvement Committee.

DECISION (Hall / Bass): That the Committee:

1. Notes the progress made by Council to establish the new Audit, Risk and Improvement Committee.
2. Recommends that officers develop an assurance framework which sets out the Committee's role in relation to its expanded objective and scope.

A-1902.10

Next Meeting of the Committee

The first meeting of the new Committee is proposed to be held on:

- Thursday, 23 May 2019 at 10.00 am.

DECISION (Hall/Bass): That the Committee receives and notes this information.

THE MEETING CLOSED AT 12.58 PM.

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SIGNED AND CONFIRMED
CHAIR