



AUDIT COMMITTEE MEETING  
MINUTES

24 FEBRUARY 2015

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**CITY OF GREATER GERALDTON****AUDIT COMMITTEE MEETING  
ON TUESDAY 24 FEBRUARY 2015 AT 3.00PM  
IN THE COMMITTEE MEETING ROOM – CIVIC CENTRE****M I N U T E S****1. DECLARATION OF OPENING**

Meeting opened at 3.05 pm by Deputy Chairman Mayor Ian Carpenter

**2. ATTENDANCE****Present:**

Mayor I Carpenter

Cr T Thomas

Cr J Critch

Cr S Van Styn (Joined the meeting at 3.10pm)

T Bate – External Member

**Officers:**

Ken Diehm, Chief Executive Officer

Bob Davis, Director Corporate & Commercial Services

Brodie Pearce, Organisational Risk Advisor

Margot Adam, Executive Assistant (Minutes)

**By Invitation:**

Nil

**Apologies:**

Nil

**Leave of Absence:**

Nil

**3. CONFIRMATION OF PREVIOUS MINUTES**

Recommendation: That the minutes of the City of Greater Geraldton Audit Committee meeting held on 25 November 2014, as attached be accepted as a true and correct record of proceedings.

**COMMITTEE DECISION:**

**MOVED Cr Critch    SECONDED Cr Thomas**

**That the minutes of the City of Greater Geraldton Audit Committee meeting held on 25 November 2014, as attached be accepted as a true and correct record of proceedings.**

**CARRIED**

Signed \_\_\_\_\_ Dated \_\_\_\_\_

**4. AC036 COMPLIANCE AUDIT REVIEW**

AC036 COMPLIANCE AUDIT REVIEW 2014

<b>AGENDA REFERENCE:</b>	<b>D-15-07537</b>
<b>AUTHOR:</b>	<b>M Adam, Executive Assistant</b>
<b>EXECUTIVE:</b>	<b>B Davis, Director of Corporate &amp; Commercial Services</b>
<b>DATE OF REPORT:</b>	<b>12 February 2015</b>
<b>FILE REFERENCE:</b>	<b>GO/11/0020</b>
<b>APPLICANT / PROPONENT:</b>	<b>City of Greater Geraldton</b>
<b>ATTACHMENTS:</b>	<b>Yes X 1</b>

**EXECUTIVE SUMMARY:**

The purpose of this report is to review the Compliance Audit Return 2014 (CAR). Amendments to Regulation 14 of the *Local Government (Audit) Regulations 1996* requires that the Audit Committee now reviews the Compliance Audit Return and reports the results of that review to Council prior to adoption by Council and submission to the Department of Local Government by 31 March 2015.

**EXECUTIVE RECOMMENDATION;**

That the Audit Committee by Simple Majority pursuant to Section 7.13(1) of the Local Government Act RESOLVES to:

1. ENDORSE the results of the Compliance Audit Return 2014.
2. REPORT the results of the Compliance Audit Return 2014 to Council at the Ordinary meeting to be held on 24 March 2015.

**PROponent:**

The proponent is the City of Greater Geraldton.

**BACKGROUND:**

In accordance with section 7.13(1) of the Local Government Act 1995 and the Local Government (Audit) Regulations, the City is required to complete a compliance audit in relation to the period 1 January 2014 to 31 December 2014 against the requirements set out in the CAR.

The 2014 CAR continues in a reduced format, with the areas of compliance included restricted to those considered high risk.

**ECONOMIC, SOCIAL, ENVIRONMENTAL & CULTURAL ISSUES:****Economic:**

There are no economic impacts.

Signed \_\_\_\_\_ Dated \_\_\_\_\_

**Social:**

There are no social impacts.

**Environmental:**

There are no environmental impacts.

**Cultural & Heritage:**

There are no cultural or heritage impacts.

**RELEVANT PRECEDENTS:**

There are no relevant precedents.

**COMMUNITY/COUNCILLOR CONSULTATION:**

There is no requirement for councillor / community consultation on this matter.

**LEGISLATIVE/POLICY IMPLICATIONS:**

As per section 7.13(1) of the Local Government Act 1995 and the Local Government (Audit) Regulations 1996.

**FINANCIAL AND RESOURCE IMPLICATIONS:**

There are no financial or resource implications.

**INTEGRATED PLANNING LINKS:**

Title: Governance	Planning and Policy
Strategy 5.2.7	Ensuring efficient and effective deliver of service

**REGIONAL OUTCOMES:**

There are no impacts to regional outcomes.

**RISK MANAGEMENT**

The CAR is a statutory compliance requirement for local governments and requires a review first by the Audit Committee and then a report to Council for adoption before being submitted to the Department of Local Government. The City is required to provide this to the Department prior to 31 March 2015.

The Audit Committee does not have the option not to review the CAR as it would therefore be non-compliant with the Local Government Act and associated regulations.

**ALTERNATIVE OPTIONS CONSIDERED BY CITY OFFICERS**

No alternative options were considered by City Officers.

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**COMMITTEE DECISION:**

**MOVED Mayor Carpenter SECONDED Cr Critch**

**That the Audit Committee by Simple Majority in accordance with Sections 7.1C of the Local Government Act 1995 RESOLVES to:**

- 1. ENDORSE the results of the Compliance Audit Return 2014.**
- 2. REPORT the results of the Compliance Audit Return 2014 to Council at the Ordinary meeting to be held on 24 March 2015.**

**CARRIED**

Signed \_\_\_\_\_ Dated \_\_\_\_\_

**5. AC037 STATUS OF CITY OF GREATER GERALDTON OPERATIONAL RISK MANAGEMENT SYSTEMS AND ACTIVITIES**

**AC037 STATUS OF CITY RISK MANAGEMENT ACTIVITIES**

<b>AGENDA REFERENCE:</b>	<b>D-15-08322</b>
<b>AUTHOR:</b>	<b>B Pearce, Senior Risk Advisor</b>
<b>EXECUTIVE:</b>	<b>B Davis, Director of Corporate &amp; Commercial Services</b>
<b>DATE OF REPORT:</b>	<b>12 FEBRUARY 2015</b>
<b>FILE REFERENCE:</b>	<b>RM/1/0003</b>
<b>APPLICANT / PROPONENT:</b>	<b>City of Greater Geraldton</b>
<b>ATTACHMENTS:</b>	<b>Yes X 2</b>

**EXECUTIVE SUMMARY:**

The purpose of this report is to provide an overview of the current and planned risk management activities for implementation by the City of Greater Geraldton (City), incorporating: The activities of the City's Risk Management Committee: Status of the Organisational Risk Management Project (ORM):and the Status of the City Business Continuity Management (BCM):

**EXECUTIVE RECOMMENDATION;**

That the Audit Committee by Simple Majority pursuant to Section 7.1C of the Local Government Act RESOLVES to:

1. NOTE the City of Greater Geraldton's status with regards to;
  - a. The progress of the Organisational Risk Management Project.
  - b. The progress of the City Business Continuity Management.

**PROponent:**

The proponent is the City of Greater Geraldton.

**BACKGROUND:**

**RISK MANAGEMENT COMMITTEE**

The City Risk Management Committee has not reconvened since the Audit Committee meeting held on 25 November 2014 due to the end of year commitments of City Managers.

A Risk Management Committee meeting is scheduled to be held on 17 March 2015.

**ORGANISATIONAL RISK MANAGEMENT PROJECT**

Subsequent to the previous Audit Committee Meeting (25 November 2014), the City has completed a review of the effectiveness of the City's current Risk Management Framework. The outcome of the review is the development of

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the attached Draft Risk Management Framework. The Framework has been issued for a consultation period to all managers and affected key stakeholders and is expected to be endorsed by the Executive Management Team (EMT) in late February or early March 2015. Following endorsement Manager briefing sessions will be conducted to ensure the effective roll out of the new Risk Management Framework.

#### **CITY BUSINESS CONTINUITY MANAGEMENT (BCM)**

During the period from the end of November 2014 to current the City completed the final development workshops of the City BCM plan. The draft BCM plan has been developed to work in conjunction with the existing City Emergency Procedures and the broader Local Emergency Management Arrangements. The BCM plan has been developed to provide a structured response to bringing City key services back to an acceptable predefined level of service, and does not take the place of Local Emergency Management Arrangements.

The Draft Crisis Management & Business Continuity Response Plan has been issued to EMT for final review in preparation for the scheduled BCM exercise scheduled for the 6th March 2015. At the conclusion of the exercise a review of the BCM Plan shall be undertaken to ensure its content is relevant, useable and that nothing was missed. The City shall from this point on undertake an annual review and exercise of the BCM Plan to ensure its currencies and effectiveness.

The City once the main BCM Plan is in place shall commence development of BCM plans for key City satellite sites not covered in the main BCM plan. This broader BCM development phase is expected to be completed by July 2015.

#### **ECONOMIC, SOCIAL, ENVIRONMENTAL & CULTURAL ISSUES:**

##### **Economic:**

There are no economic impacts.

##### **Social:**

There are no social impacts.

##### **Environmental:**

There are no environmental impacts.

##### **Cultural & Heritage:**

There are no cultural or heritage impacts.

#### **RELEVANT PRECEDENTS:**

There are no relevant precedents.

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**COMMUNITY/COUNCILLOR CONSULTATION:**

There has been no community/councillor consultation.

**LEGISLATIVE/POLICY IMPLICATIONS:**

*Local Government (Audit) Amendment Regulations 2013 Regulation 17*

**FINANCIAL AND RESOURCE IMPLICATIONS:**

There are no financial or resource implications.

**INTEGRATED PLANNING LINKS:**

Title: Governance	Planning and Policy
Strategy 5.2.7	Ensuring efficient and effective delivery of service

**REGIONAL OUTCOMES:**

There are no impacts to regional outcomes.

**RISK MANAGEMENT**

The purpose of this item is primarily associated with the development and implementation of effect risk management systems throughout the City. Should the City fail to successfully undertake the above mentioned activities the City will not be able to adequately meet its obligations with regards to risk management.

**ALTERNATIVE OPTIONS CONSIDERED**

No alternatives have been considered, as risk management systems are a regulatory requirement, and this process will deliver the necessary plans and action frameworks for compliance.

**COMMITTEE DECISION:**

**MOVED** Mayor Carpenter    **SECONDED** Cr Thomas

**That the Audit Committee by Simple Majority pursuant to Section 7.1C of the Local Government Act RESOLVES to:**

- 2. NOTE the City of Greater Geraldton's status with regards to;**
  - a. The progress of the Organisational Risk Management Project.**
  - b. The progress of the City Business Continuity Management.**

**CARRIED**

Signed \_\_\_\_\_ Dated \_\_\_\_\_

**6. MEETING CLOSURE**

Signed \_\_\_\_\_ Dated \_\_\_\_\_