

MEETING MINUTES



Team Name: Audit Committee

Date: 26 February 2015

Time: 5:15 – 6:15pm

Venue: Committee rooms

Chairperson: David Wheeler

Minutes: Wayne Wallis

Purpose of Meeting:

The objective of the Audit Committee is to enhance the corporate governance of Port Stephens Council through the provision of independent oversight, review and advice. The Committee will assist Council by providing independent assurance and assistance on the organisation's governance, risk, control and compliance framework.

Members in Attendance

Cr Ken Jordan

Cr Chris Doohan

Officers in Attendance

Wayne Wallis (GM)

Carmel Foster (GMCS)

Greg Kable (F&S)

Matthew Brown (DS)

Tim Hazell (FS)

Tony Wickham (GM)

Clayton Hickey (PKF Lawler)

Baidy Laffan (PKF Lawler)

Apologies

Ben Niland

Cr John Morello

Mike McIntosh

Jason Linnane

David Wheeler

Note: While a quorum of members was not achieved, members in attendance agreed to continue with the meeting on an informal basis. Councillor Jordan was nominated as Chair for the meeting.

| Item | Topic | Time Required | Responsible Officer | Action/Decision | Date to be Completed |
|------|-----------------------|---------------|---------------------|-----------------|----------------------|
| 1.0 | WELCOME and APOLOGIES | | | | |

| Item | Topic | Time Required | Responsible Officer | Action/Decision | Date to be Completed |
|------------|--|---------------|---------------------|--|---------------------------|
| 1.1 | Apologies | | | Apologies were received and noted for Ben Niland and Cr John Morello. | Noted |
| 2.0 | DECLARATION OF INTEREST | | | | |
| 2.1 | Declaration of Interest form | 5 mins | Chair | Nil. | Noted |
| 3.0 | MINUTES AND OUTSTANDING ACTIONS | | | | |
| 3.1 | Minutes of last meeting held 23 October 2014 | 2 mins | | To be endorsed. <ul style="list-style-type: none"> That the minutes of the Audit Committee meeting held 23 October 2014 be endorsed as circulated. | Endorsed |
| 3.2 | Outstanding Actions from 23 October 2014 | 2 mins | | For review and update. | Updated |
| 4.0 | BUSINESS ITEMS | | | | |
| 4.1 | INTERNAL AUDIT | | | | |
| 4.1.1 | Receive presentations and reports from internal auditors – Lawler Partners: <ul style="list-style-type: none"> Contract Management Vehicle and Plant Maintenance | 15 mins | | For consideration and discussion. <ul style="list-style-type: none"> That the Contract Management internal audit report dated January 2015 be received as presented. That the Vehicle and Plant Maintenance internal audit report dated January 2015 be received as presented. | Endorsed. Endorsed |
| 4.1.2 | Review internal audit register actions and implementation | 10 mins | | For consideration and review of high priority risks. <ul style="list-style-type: none"> That the internal audit high risk outstanding actions report be noted as presented. | Noted |
| 4.2 | EXTERNAL AUDIT | | | | |
| 4.2.1 | Pitcher Partners – Letter of Engagement | 5 mins | | For consideration and discussion. <ul style="list-style-type: none"> That the letter of engagement by Pitcher Partners be noted as presented. | Noted |

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|------------|--|---------------|---------------------|---|----------------------|
| 4.2.1 | Review external audit register actions and implementation | 10 mins | | For consideration and review: <ul style="list-style-type: none"> ▪ Nil external audit outstanding actions for this period. | Noted |
| 4.3 | RISK MANAGEMENT | | | | |
| 4.3.1 | Review Corporate risk register actions and implementation | 10 mins | | For consideration and review of high priority risks: <ul style="list-style-type: none"> ▪ That the PSC priority risk register as at February 2015 be noted as presented. | Noted |
| 4.3.2 | Review of Risk Management Framework | 10 mins | | For consideration and review. <ul style="list-style-type: none"> ▪ That the Risk Management Framework be endorsed as presented. | Endorsed |
| 4.4 | FINANCE | | | | |
| 4.5 | LEGAL | | | | |
| 4.5.1 | Receive presentations and reports on current legal matters | 10 mins | | For consideration and review: <ul style="list-style-type: none"> ▪ That the summary of legal matters update for February 2015 be noted as presented. | Noted |
| 4.6 | STRATEGY | | | | |
| 4.6.1 | Review Fraud and Corruption prevention plan <ul style="list-style-type: none"> ▪ Fraud and Corruption Control management directive ▪ Fraud and Corruption Control policy | 15 mins | | For consideration and endorsement. <ul style="list-style-type: none"> ▪ That the Fraud and Corruption Control management directive be noted as presented. ▪ That the Fraud and Corruption Control policy be noted as presented. | Noted Noted |
| 4.7 | GENERAL BUSINESS | | | | |
| 4.7.1 | Special Purpose Financial Statements | 5 mins | | <ul style="list-style-type: none"> ▪ Ratify the referring of the draft 2013-2014 Special Purpose Financial Statements for audit. | Noted |

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|------------|--|---------------|---------------------|---|----------------------|
| 4.7.2 | Removal of Business Units from Council's Accounting System | 5 mins | | <ul style="list-style-type: none"> That the Property Development, Holiday Parks, Civil Works and Newcastle Airport business units be declassified from Council's Accounting Systems effective from 2014-2015 financial year. | Noted |
| 5.0 | FUTURE MEETING DATES | | | | |
| 5.0.1 | Audit Committee meeting schedule | 5 mins | Members | <p>That the meeting schedule be updated as follows and meetings to commence at 5pm.</p> <ul style="list-style-type: none"> Thursday 28 May 2015 (external auditor in attendance) Thursday 23 July 2015 Thursday 22 October 2015 (external auditor in attendance) | Noted |
| 6.0 | KEY MESSAGES – Nil. | | | | |

MEETING CLOSED AT 6:15pm

NEXT MEETING

Date: 28 May 2015 **Time:** 5 – 7pm **Venue:** Committee rooms