



# Minutes

Meeting of the Audit & Risk Committee  
Tuesday, 16 May 2017

Held in the  
Council Chambers  
1 Merrijig Drive, Torquay  
Commencing at 9.00am

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MINUTES FOR THE AUDIT & RISK COMMITTEE MEETING  
HELD IN THE COUNCIL CHAMBERS, 1 MERRIJIG DRIVE, TORQUAY  
ON TUESDAY 16 MAY 2017 COMMENCING AT 9.00AM

**PRESENT:**

**COMMITTEE MEMBERS**

Cr Clive Goldsworthy  
Brian Keane (Chair) (Term expires 01/02/2020)  
John Gavens (Term expires 27/01/2018) (*via Teleconference*)  
Debra Russell (Term expires 27/01/2018)

**In Attendance:**

Keith Baillie – Chief Executive Officer  
Anne Howard – General Manager Governance & Infrastructure  
John Brockway – Manager Finance  
Wendy Hope – Manager Governance & Risk  
Matthew Green – Grant Thornton  
Robert Baines – Grant Thornton  
Travis Nelson – Manager Facilities & Open Space Operations  
Leanne Perryman – Manager People & Culture  
Maureen White – Coordinator Risk Management and Legal Services  
Danielle Foster – Co-ordinator Corporate Planning  
Gabby Spiller – Coordinator Management Accounting  
Chris Pike – General Manager Culture & Community  
Damian Waight – Acting Manager Aged and Family

**APOLOGIES:**

Cr Margot Smith  
Tim Loughnan – (VAGO)  
Sanchu Chummar – (VAGO)  
Melissa Field (Term expires 01/02/2020)

**CONFIRMATION OF MINUTES:**

**Committee Resolution**

**MOVED Mr Brian Keane, Seconded Cr Clive Goldsworthy**

That the Audit & Risk Committee Meeting note the minutes of the meeting held on 21 February 2017 as a correct record of the meeting.

CARRIED 4:0

**CONFLICTS OF INTEREST:**

Nil.

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**BUSINESS:**

<b>1.</b>	<b>OUTSTANDING ISSUES &amp; ACTIONS .....</b>	<b>4</b>
1.1	<i>Outstanding Issues &amp; Actions Report .....</i>	4
<b>2.</b>	<b>PRESENTATIONS .....</b>	<b>5</b>
2.1	<i>Chief Executive Officer's Update .....</i>	5
2.2	<i>Business Improvement Program - Status Report .....</i>	6
2.3	<i>Road Management Plan Update .....</i>	7
2.4	<i>Tree Risk Management Plan Update.....</i>	8
2.5	<i>Digital Transformation.....</i>	9
<b>3.</b>	<b>RISK MANAGEMENT .....</b>	<b>10</b>
3.1	<i>Workplace Health &amp; Safety Report - Quarter 3 2016-17 .....</i>	10
3.2	<i>Enterprise Risk Management Report - May 2017 .....</i>	11
<b>4.</b>	<b>AUDIT REPORTS.....</b>	<b>12</b>
4.1	<i>Internal Auditor Status Report (Grant Thornton) .....</i>	12
4.2	<i>Strategic Internal Audit Plan – Financial Year 2018 .....</i>	13
4.3	<i>External Auditor Update (Victorian Auditor General's Office).....</i>	14
4.4	<i>Performance Audit Report February - April 2017 .....</i>	15
<b>5.</b>	<b>FINANCIAL REPORTS .....</b>	<b>16</b>
5.1	<i>Quarterly Financial Report - March 2017.....</i>	16
5.2	<i>Monthly Finance Report - March 2017 .....</i>	17
5.3	<i>Draft Budget 2017-18 &amp; Long Term Financial Plan Update .....</i>	18
5.4	<i>Program Status Report - January to March 2017.....</i>	19
<b>6.</b>	<b>OTHER REPORTS .....</b>	<b>22</b>
6.1	<i>SCS-014 Workplace Health &amp; Safety Policy.....</i>	22
6.2	<i>SCS-016 Investment Policy .....</i>	23
6.3	<i>Draft MPP-001 Asset Accounting Policy.....</i>	24
6.4	<i>Management Policies for Review .....</i>	25
6.5	<i>Compliance with Legislation, Policy &amp; Procedures.....</i>	26
6.6	<i>Letter to Grant Thornton .....</i>	27
6.7	<i>Gifts &amp; Hospitality Register &amp; Councillor Entitlements, Education &amp; Other Expenses Report ....</i>	28
6.8	<i>Development of the Council Plan 2017-2021 .....</i>	29
6.9	<i>Transparency of Local Government Decision Making.....</i>	31
<b>7.</b>	<b>ADMINISTRATIVE MATTERS.....</b>	<b>32</b>
7.1	<i>Committee Work Plan 2017-2018.....</i>	32
7.2	<i>Next Meeting &amp; Proposed Agenda Outline .....</i>	33

## 1. OUTSTANDING ISSUES & ACTIONS

### 1.1 Outstanding Issues & Actions Report

**Charter Reference:** 9.2.3

**Author's Title:** Team Leader Governance

**General Manager:** Anne Howard

**Department:** Governance & Risk

**File No:** F17/145

**Division:** Governance & Infrastructure

**Trim No:** IC17/264

**Appendix:**

1. Outstanding Issues & Actions - Status Log - May 2017 (D16/1527)
2. Outstanding Issues & Actions Report - April 2015 Onwards (D15/29830)

**Officer Direct or Indirect Conflict of Interest:**

**Status:**

In accordance with Local Government Act 1989 –  
Section 80C:

Information classified confidential under Section 77  
of the Local Government Act:

Yes

No

Yes

No

**Reason:** Nil

#### **Purpose**

The purpose of this report is to receive an update on the progress made on action items identified through previous audit reports and Audit & Risk Committee meetings.

Items previously notified as completed are shaded in orange and will be removed from the report when the whole of that section has been completed.

#### **Recommendation**

That the Audit & Risk Committee receives the Outstanding Issues & Actions Report and notes the progress to date.

#### **Meeting Discussion**

- IT Policy at item 4 has now been completed.
- Installation of AP workflow due date 31 May 2017 – testing identified bug. Supplier looking into this.

#### **Committee Resolution**

##### **MOVED Ms Debra Russell, Seconded Cr Clive Goldsworthy**

That the Audit & Risk Committee receives the Outstanding Issues & Actions Report and notes the progress to date.

CARRIED 4:0

## 2. PRESENTATIONS

### 2.1 Chief Executive Officer's Update

**Charter Reference:** N/A

**Author's Title:** Chief Executive Officer

**CEO:** Keith Baillie

**Department:** Office of the CEO

**File No:** F17/145

**Division:** Office of the CEO

**Trim No:** IC17/261

**Appendix:**

Nil

**Officer Direct or Indirect Conflict of Interest:**

**Status:**

In accordance with Local Government Act 1989 –  
Section 80C:

Information classified confidential under Section 77  
of the Local Government Act:

Yes

No

Yes

No

**Reason:** Nil

#### **Purpose**

The purpose of this report is to receive an organisational update from Keith Baillie, Chief Executive Officer.

#### **Recommendation**

That the Audit & Risk Committee receive and note the Chief Executive Officer's update.

#### **Meeting Discussion**

- Budget and Council Plan submission period closed.
- Council Plan - Council pleased with process and outcome.
- Further discussion at Hearing of Submissions meeting to be held on Tuesday 30 May 2017 and Special Council meeting 22 June 2017 on Council Plan, Draft Budget and Road Management Plan (RMP).
- Year-end position significantly favourable to budget/forecast. Officers are analysing this.
- No emerging risks - Wet weather conditions impacting on business and capital works deliverables.
- Council reporting strictly against budget with no changes to 2017/18 budget.
- Discussion on digital transformation and business case.

#### **Committee Resolution**

**MOVED Mr John Gavens, Seconded Cr Clive Goldsworthy**

That the Audit & Risk Committee receive and note the Chief Executive Officer's update.

CARRIED 4:0

## 2.2 Business Improvement Program - Status Report

**Charter Reference:** N/A

**Author's Title:** Manager Business Improvement **CEO:** Keith Baillie

**Department:** Business Improvement **File No:** F16/881

**Division:** Office of the CEO **Trim No:** IC17/379

**Appendix:**

1. CONFIDENTIAL - Business Improvement Program - Update - May 2017 (D17/46811)

**Officer Direct or Indirect Conflict of Interest:**

**Status:**

In accordance with Local Government Act 1989 –  
Section 80C:

Information classified confidential under Section 77  
of the Local Government Act:

Yes

No

Yes

No

**Reason:** Nil

### Purpose

The purpose of this report is to receive an update on activities associated with the Business Improvement Program.

A briefing was last provided on the Business Improvement Program at the February 2016 Audit & Risk Committee meeting.

This report provides an update on the progress of the 2016/17 work plan.

### Recommendation

That the Audit & Risk Committee notes the progress of the Business Improvement Program.

### Meeting Discussion

- Item taken as read.
- 2016/17 savings target achieved.
- 2017/18 Program - conversations with Councillors have started.
- Two elements in the state budget could impact Council and will be added to next year's thermometer when we have more detail about what is covered:
  - SES funding.
  - 50% Funding for school crossing supervisors.

### Committee Resolution

**MOVED Ms Debra Russell, Seconded Mr Brian Keane**

That the Audit & Risk Committee notes the progress of the Business Improvement Program.

CARRIED 4:0

## 2.3 Road Management Plan Update

**Charter Reference:** N/A

**Author's Title:** General Manager Governance & Infrastructure      **General Manager:** Anne Howard

**Department:** Governance & Infrastructure      **File No:** F17/145

**Division:** Governance & Infrastructure      **Trim No:** IC17/375

**Appendix:**

Nil

**Officer Direct or Indirect Conflict of Interest:**

In accordance with Local Government Act 1989 –  
Section 80C:

**Status:**

Information classified confidential under Section 77  
of the Local Government Act:

Yes

No

Yes

No

**Reason:** Nil

### Purpose

The purpose of this report is to receive a presentation on the Road Management Plan.

### Recommendation

That the Audit & Risk Committee receive and note the presentation on the Road Management Plan.

### Meeting Discussion

- Road Management Plan (RMP) – previously contained aspirational/unachievable targets. Being addressed now.
- Draft Road Management Plan - two public submissions received.
- RMP to be adopted in June 2017.
- Permit process under review and to be implemented in July 2017.
- Management report next meeting against Checklist in audit report to say 'plan now complies with Act.'
- Officers to provide assurance at next Audit and Risk meeting that the Plan complies with Appendix A of the audit review and the Act.

### Committee Resolution

**MOVED Ms Debra Russell, Seconded Cr Clive Goldsworthy**

That the Audit & Risk Committee receive and note the presentation on the Road Management Plan.

CARRIED 4:0

## 2.4 Tree Risk Management Plan Update

**Charter Reference:** N/A

**Author's Title:** Manager Facilities & Open Space Operations **General Manager:** Chris Pike

**Department:** Facilities & Open Space Operations **File No:** F17/145

**Division:** Culture & Community **Trim No:** IC17/376

**Appendix:**

1. Tree Risk Management Plan - Presentation (D17/48286)

**Officer Direct or Indirect Conflict of Interest:**

In accordance with Local Government Act 1989 – Section 80C:

**Status:**

Information classified confidential under Section 77 of the Local Government Act:

Yes

No

Yes

No

**Reason:** Nil

### Purpose

The purpose of this report is to receive a presentation on the Tree Risk Management Plan.

### Recommendation

That the Audit & Risk Committee receive and note the presentation on the Tree Risk Management Plan.

### Meeting Discussion

- Extra \$50k has been added to the budget for 2017/18.
- Tree Risk Management Plan (TRMP) follows a similar structure to RMP. Business mapping process used was the same.
- TRMP applies to trees on Council land not private or other agency owned property. It is sometimes necessary to clarify boundaries with Parks Victoria, GORCC and private property.

### Committee Resolution

**MOVED Mr John Gavens, Seconded Cr Clive Goldsworthy**

That the Audit & Risk Committee receive and note the presentation on the Tree Risk Management Plan.

CARRIED 4:0



## 2.5 Digital Transformation

**Charter Reference:** N/A

**Author's Title:** General Manager Governance & Infrastructure      **General Manager:** Anne Howard

**Department:** Governance & Infrastructure      **File No:** F16/1624

**Division:** Governance & Infrastructure      **Trim No:** IC17/486

### Appendix:

1. DT Strategy, May 2017 (D17/49565) (separately enclosed)
2. DT Business Case - May 2017 (D17/53917)

### Officer Direct or Indirect Conflict of Interest:

In accordance with Local Government Act 1989 – Section 80C:

### Status:

Information classified confidential under Section 77 of the Local Government Act:

Yes

No

Yes

No

**Reason:** Nil

### Purpose

The purpose of this report is to present the Digital Transformation Strategy and associated business case documents to the Audit and Risk Committee.

Councillors and staff have had a range of discussions over the last year and research has been undertaken into the digital transformation drivers, challenges and opportunities faced by Council. Councillors have been presented with the draft DT Strategy at a briefing on 2 May 2017 and have requested that the Audit and Risk Committee review and provide comment prior to Council's formal consideration of the strategy at its meeting on 23 May 2017.

### Recommendation

That the Audit & Risk Committee receives and notes the Digital Transformation Strategy and business case and provide feedback that may assist Council's consideration at its 23 May 2017 meeting.

### Meeting Discussion

- 2016/17 first financial commitment to Digital Transformation (DT) was made.
- Multi-faceted project.
- Strong focus on the customer experience.
- Primary areas of focus include customer capability and financial benefits.
- Committee comfortable with the direction DT is going and taking the approach on building on what we have.
- Metro Councils embarking on similar undertakings.
- Chair recommends road mapping the project and breaking it down into small stages that are more manageable Present small business cases on deliverables and provide accountability of operations rather than an overall large business case.
- Melissa Field supported Brian Keane's feedback that in relation to governance of the project a steering committee should be used which is made up of independent people in order to drive the project.
- CEO and GMGI assured the committee of relevant expertise in this area and would take the feedback on board.
- Concerns expressed by Committee members around Civica's performance and ability to deliver. Officers reported that it was a huge disruption to change the whole system and that should be able to get the desired outcome with what we have. Authority system can be integrated with some programs. Health checks and housekeeping currently in progress.
- John Gavens noted that the overall direction of the Strategy aligns with current thinking about delivering outcomes to customers.
- Program Manager to be recruited as a new role once DT Strategy has been adopted.
- Chair to collect Committee feedback and email direct to Councillors.

### Committee Resolution

#### **MOVED Mr Brian Keane, Seconded Ms Debra Russell**

That the Audit & Risk Committee receives and notes the Digital Transformation Strategy and business case and provide feedback that may assist Council's consideration at it 23 May 2017 meeting.

CARRIED 4:0

### 3. RISK MANAGEMENT

#### 3.1 Workplace Health & Safety Report - Quarter 3 2016-17

**Charter Reference:** N/A

**Author's Title:** Manager People & Culture

**General Manager:** Chris Pike

**Department:** People & Culture

**File No:** F17/145

**Division:** Culture & Community

**Trim No:** IC17/421

**Appendix:**

1. Workplace Health & Safety Report - Quarter 3 2016-17 (D17/48492)

**Officer Direct or Indirect Conflict of Interest:**

**Status:**

In accordance with Local Government Act 1989 –  
Section 80C:

Information classified confidential under Section 77  
of the Local Government Act:

Yes

No

Yes

No

**Reason:** Nil

#### **Purpose**

The purpose of this report is to receive an update on actions and outcomes relating to Workplace Health and Safety for the period Quarter 3 2016-17.

#### **Recommendation**

That the Audit & Risk Committee receive and note the Workplace Health & Safety Report for the period Quarter 3 2016-17.

#### **Meeting Discussion**

- Item noted and taken as read.

#### **Committee Resolution**

**MOVED Mr John Gavens, Seconded Cr Clive Goldsworthy**

That the Audit & Risk Committee receive and note the Workplace Health & Safety Report for the period Quarter 3 2016-17.

CARRIED 4:0

### 3.2 Enterprise Risk Management Report - May 2017

**Charter Reference:** 9.5.1

**Author's Title:** Coordinator Risk Management & Legal Services  
**General Manager:** Anne Howard

**Department:** Governance & Risk  
**File No:** F17/205

**Division:** Governance & Infrastructure  
**Trim No:** IC17/416

**Appendix:**

1. Enterprise Risk Management Report - May 2017 (D17/48655)

**Officer Direct or Indirect Conflict of Interest:**

**Status:**

In accordance with Local Government Act 1989 – Section 80C:

Information classified confidential under Section 77 of the Local Government Act:

Yes

No

Yes

No

**Reason:** Nil

#### Purpose

The purpose of this report is to present the Enterprise Risk Management Report.

The report includes:

- a) Risk Profile
- b) Strategic Risks – Current Rating Serious or High – work in progress includes starting to assess and note control effectiveness and evidence.
- c) Operational Risks – Current Rating Serious
- d) Risk Treatment Action Status
- e) New and Emerging Risks
- f) Risk Management Improvement Activities

#### Recommendation

That the Audit & Risk Committee receive and note the Enterprise Risk Management Report.

#### Meeting Discussion

- Item noted and taken as read.
- Working on assessing effectiveness of controls.
- Business Continuity Week – Pandemic exercise on Friday 19 May 2017.

#### Committee Resolution

**MOVED Mr John Gavens, Seconded Ms Debra Russell**

That the Audit & Risk Committee receive and note the Enterprise Risk Management Report.

CARRIED 4:0

CEO, Keith Baillie left the meeting at 10.23am and returned at 10.31am

#### 4. AUDIT REPORTS

##### 4.1 Internal Auditor Status Report (Grant Thornton)

**Charter Reference:** 9.2.3

**Author's Title:** Manager Governance & Risk

**General Manager:** Anne Howard

**Department:** Governance & Risk

**File No:** F17/145

**Division:** Governance & Infrastructure

**Trim No:** IC17/411

**Appendix:**

1. CONFIDENTIAL - Internal Audit Status Report - April 2017 (D17/49112)
2. CONFIDENTIAL - Internal Audit Report - Community Engagement Review - Final Report - 26 April 2017 (D17/49038)
3. CONFIDENTIAL - Internal Audit Report - Road Management Review (D17/50563)

**Officer Direct or Indirect Conflict of Interest:**

**Status:**

In accordance with Local Government Act 1989 –  
Section 80C:

Information classified confidential under Section 77  
of the Local Government Act:

Yes

No

Yes

No

**Reason:** Nil

#### **Purpose**

The purpose of this report is for Grant Thornton to provide a verbal update on the status of reviews including Community Engagement and Road Management.

#### **Recommendation**

That the Audit & Risk Committee receive and note the update from Grant Thornton.

#### **Meeting Discussion**

Presented by Robert Baines from Grant Thornton.

##### **Community Engagement Review**

- Improving controls in place for methods of engagement, procedural documentation and training. Key opportunity – public participation and how Council can engage and empower community members.
- It was agreed that the 'ongoing' timeframe at item 3.6 would be updated to be more definitive.

##### **Road Management Plan**

- Benchmarking against RMP Act. Key concern that system no longer supported by vendor - a lot of manual work. Service levels not reflected and we are not assessing against what we need to.
- Page 149 – Debra Russell noted that management responses are unclear against recommendations. Discussion around WRR system and using Authority as the preferred system. Suggests that higher level objectives be determined in recommendations so that management can decide how to achieve these.
- Transfer matters to Outstanding Issues and Actions report and track progress.

#### **Committee Resolution**

##### **MOVED Ms Debra Russell, Seconded Mr John Gavens**

That the Audit & Risk Committee receive and note the update from Grant Thornton.

CARRIED 4:0

## 4.2 Strategic Internal Audit Plan – Financial Year 2018

**Charter Reference:** 9.2

**Author's Title:** Manager Governance & Risk

**General Manager:** Anne Howard

**Department:** Governance & Risk

**File No:** F17/145

**Division:** Governance & Infrastructure

**Trim No:** IC17/412

**Appendix:**

1. Draft FY2018 Strategic Internal Audit Plan (D17/54524)

**Officer Direct or Indirect Conflict of Interest:**

**Status:**

In accordance with Local Government Act 1989 –  
Section 80C:

Information classified confidential under Section 77  
of the Local Government Act:

Yes

No

Yes

No

**Reason:** Nil

### Purpose

The purpose of this report is to review the Strategic Audit Plan – Financial Year 2018.

The Draft Strategic Audit Plan – Financial Year 2018 is attached for discussion.

### Recommendation

That the Audit & Risk Committee endorses the Draft Strategic Audit Plan – Financial Year 2018.

### Meeting Discussion

- Item noted not endorsed subject to further feedback.
- Investment management review has been scoped.
- Feedback from Audit and Risk Committee (ARC) to be consolidated by Brian Keane and emailed to Anne Howard.

### Committee Resolution

**MOVED Mr Brian Keane, Seconded Mr John Gavens**

That the Audit & Risk Committee receive the Draft Strategic Audit Plan – Financial Year 2018. Item carried subject to feedback received from committee via email.

CARRIED 4:0

### 4.3 External Auditor Update (Victorian Auditor General's Office)

**Charter Reference:** 9.1.2

**Author's Title:** Manager Finance

**General Manager:** Anne Howard

**Department:** Finance

**File No:** F17/145

**Division:** Governance & Infrastructure

**Trim No:** IC17/424

**Appendix:**

1. Interim Management Letter - Year ending 30 June 2017 (D17/50182)

**Officer Direct or Indirect Conflict of Interest:**

**Status:**

In accordance with Local Government Act 1989 –  
Section 80C:

Information classified confidential under Section 77  
of the Local Government Act:

Yes

No

Yes

No

**Reason:** Nil

#### **Purpose**

The purpose of this report is to receive a verbal update from the External Auditors (VAGO).

#### **Recommendation**

That the Audit & Risk Committee receive and note the External Auditors (VAGO) update.

#### **Meeting Discussion**

- Brian Keane had discussed the report with VAGO who did not have concerns with any of the items.
- Due to the size of the agenda it was agreed that VAGO did not need to attend this meeting.
- Item received and noted.

#### **Committee Resolution**

**MOVED Mr John Gavens, Seconded Cr Clive Goldsworthy**

That the Audit & Risk Committee receive and note the External Auditors (VAGO) update.

CARRIED 4:0

#### 4.4 Performance Audit Report February - April 2017

**Charter Reference:** 9.9.3

**Author's Title:** Coordinator Risk Management & Legal Services      **General Manager:** Anne Howard

**Department:** Governance & Risk      **File No:** F17/205

**Division:** Governance & Infrastructure      **Trim No:** IC17/417

**Appendix:**

1. Oversight Agencies Performance Audit Report April 2017 (D17/49438)

**Officer Direct or Indirect Conflict of Interest:**

**Status:**

In accordance with Local Government Act 1989 –  
Section 80C:

Information classified confidential under Section 77  
of the Local Government Act:

Yes

No

Yes

No

**Reason:** Nil

#### **Purpose**

The purpose of this report is to present the Performance Audit Reports from the various external agencies to identify learnings for Council.

Full copies of the reports can be located at the relevant websites.

#### **Recommendation**

That the Audit & Risk Committee receive and note the various external agencies performance audit reports and identify any learnings for Council.

#### **Meeting Discussion**

- Item received and improvement actions noted.

#### **Committee Resolution**

##### **MOVED Ms Debra Russell, Seconded Cr Clive Goldsworthy**

That the Audit & Risk Committee receive and note the various external agencies performance audit reports and any learnings for Council.

CARRIED 4:0

## 5. FINANCIAL REPORTS

### 5.1 Quarterly Financial Report - March 2017

**Charter Reference:** 9.6

**Author's Title:** Manager Finance

**General Manager:** Anne Howard

**Department:** Finance

**File No:** F17/145

**Division:** Governance & Infrastructure

**Trim No:** IC17/370

**Appendix:**

1. March 2017 Quarterly Finance Report (D17/44283)

**Officer Direct or Indirect Conflict of Interest:**

**Status:**

In accordance with Local Government Act 1989 –  
Section 80C:

Information classified confidential under Section 77  
of the Local Government Act:

Yes

No

Yes

No

**Reason:** Nil

#### **Purpose**

The purpose of this report is to present a Comprehensive Income Statement, Balance Sheet, Statement of Cash Flows, Statement of Changes in Equity and Statement of Capital Works for the three months ending 31 March 2017.

#### **Recommendation**

That the Audit & Risk Committee receive and note the March 2017 Quarterly Financial Report.

#### **Meeting Discussion**

- Budget favourable year to date.
- Monthly Finance reporting to Council and is included in 5.2 – Internal reporting framework.
- Surplus cash to be re invested and is being actively managed.
- John Gavens has comments which he will discuss offline with John Brockway.

#### **Committee Resolution**

**MOVED Ms Debra Russell, Seconded Cr Clive Goldsworthy**

That the Audit & Risk Committee receive and note the March 2017 Quarterly Financial Report.

CARRIED 4:0



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## 5.2 Monthly Finance Report - March 2017

**Charter Reference:** 9.6

**Author's Title:** Manager Finance

**General Manager:** Anne Howard

**Department:** Finance

**File No:** F17/145

**Division:** Governance & Infrastructure

**Trim No:** IC17/371

**Appendix:**

1. March 2017 Monthly Finance Report Council Briefing (D17/44218)

**Officer Direct or Indirect Conflict of Interest:**

**Status:**

In accordance with Local Government Act 1989 –  
Section 80C:

Information classified confidential under Section 77  
of the Local Government Act:

Yes

No

Yes

No

**Reason:** Nil

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### Purpose

The purpose of this report is to provide the Audit & Risk Committee with a copy of the monthly financial management report provided to Council briefings as per the undertaking at the 21 February Audit & Risk Committee meeting.

### Recommendation

That the Audit & Risk Committee note the March 2017 Monthly Finance Report for Council Briefing.

### Meeting Discussion

- Item received and noted.

### Committee Resolution

**MOVED Ms Debra Russell, Seconded Cr Clive Goldsworthy**

That the Audit & Risk Committee note the March 2017 Monthly Finance Report for Council Briefing.

CARRIED 4:0

### 5.3 Draft Budget 2017-18 & Long Term Financial Plan Update

**Charter Reference:** 9.6

**Author's Title:** Manager Finance

**General Manager:** Anne Howard

**Department:** Finance

**File No:** F17/145

**Division:** Governance & Infrastructure

**Trim No:** IC17/363

**Appendix:**

1. Surf Coast Shire Draft Budget 2017 - 2018 for Public Exhibition - 11 April 2017 Council Meeting (D17/43852)

**Officer Direct or Indirect Conflict of Interest:**

**Status:**

In accordance with Local Government Act 1989 – Section 80C:

Information classified confidential under Section 77 of the Local Government Act:

Yes

No

Yes

No

**Reason:** Nil

#### Purpose

The purpose of this report is to provide a presentation on the Surf Coast Shire Draft Budget 2017-2018 and Long Term Financial Plan.

#### Recommendation

That the Audit & Risk Committee receive and note the update on the Surf Coast Shire Draft Budget 2017-2018 and Long Term Financial Plan.

#### Meeting Discussion

- Strong budget for community and Council.
- Budget working well with 2% rate cap, savings from EBA contributed to bridging gap.
- Unallocated cash surplus \$1.4M.
- Capital works remains high in this budget with some projects carried forward.
- Reforms included in budget – 10 year Financial Plan, based on allocation of overheads to service areas.
- Employee costs increased to 6% due to project costs, EBA and growth.
- The Committee discussed how we budget for next year and whether we can meet the planned capital works program based on this year. The CEO reported that we are continuing to build capacity to deliver the program and aiming to build on this each year.

#### Committee Resolution

**MOVED Ms Debra Russell, Seconded Mr John Gavens**

That the Audit & Risk Committee receive and note the update on the Surf Coast Shire Draft Budget 2017-2018 and Long Term Financial Plan.

CARRIED 4:0

#### 5.4 Program Status Report - January to March 2017

**Charter Reference:** N/A

**Author's Title:** Manager Business Improvement **General Manager:** Phil Rowland

**Department:** Business Improvement **File No:** F17/145

**Division:** Office of the CEO **Trim No:** IC17/410

**Appendix:**

Nil

**Officer Direct or Indirect Conflict of Interest:**

In accordance with Local Government Act 1989 –  
Section 80C:

Yes

No

**Status:**

Information classified confidential under Section 77  
of the Local Government Act:

Yes

No

**Reason:** Nil

#### **Purpose**

The purpose of this report is to receive and note the Program Status Report for the January to March 2017 quarter.

#### **Background**

The Program Management Office (PMO) has responsibility to provide leadership, support and analysis for best practice project management, including standardising and building Surf Coast Shire Council's project management capability and methods. The PMO has responsibility to support successful delivery of Council's program of projects with the right approach and level of resources.

The Program Status Report is intended to provide a high level analysis to Executive Management Team and Council on progress of the overall program of capital and operational projects, provide a point of accountability for project managers to provide accurate status information including time, cost and scope, and for project sponsors to identify how they are addressing any risks to project delivery.

Each project in the Program Status Report is reported on monthly by the relevant project manager for status, and therefore risk to time, cost and scope. Status is reported to Executive Management Team monthly, and to Council quarterly.

A spend target has been established for the 2016/17 program based on:

- The program allocation made by Council in the 2016/17 Budget
- PLUS carry forwards from 2015/16
- LESS
  - Multi-year project funding that is planned to be expended in future years
  - Projects awaiting outcomes, such as grant or project partners preparedness, or high external risk i.e. subject to VCAT
  - Project funding in the process of being accumulated
  - Land transactions
  - Project contingency (from 2016/17 onwards)

In 2016/17 projects are being reported 'Life to Date' therefore multi-year project reporting will include actual spend from years prior and future allocation per Council resolutions for the total project budget. Project budgets are reported excluding contingency. Contingency funds for each project are centralised in a separate account to be drawn on as requested by the project sponsor and reviewed / approved by the PMO.

Spend targets for the 2016/17 Program, including post-budget adjustments, were presented to Council on 6 September 2016. The difference between the 2015/16 year-end actual spend and 2016/17 target is detailed below, and shows a significant increase in the Program to be delivered:

**5.4 Program Status Report - January to March 2017**

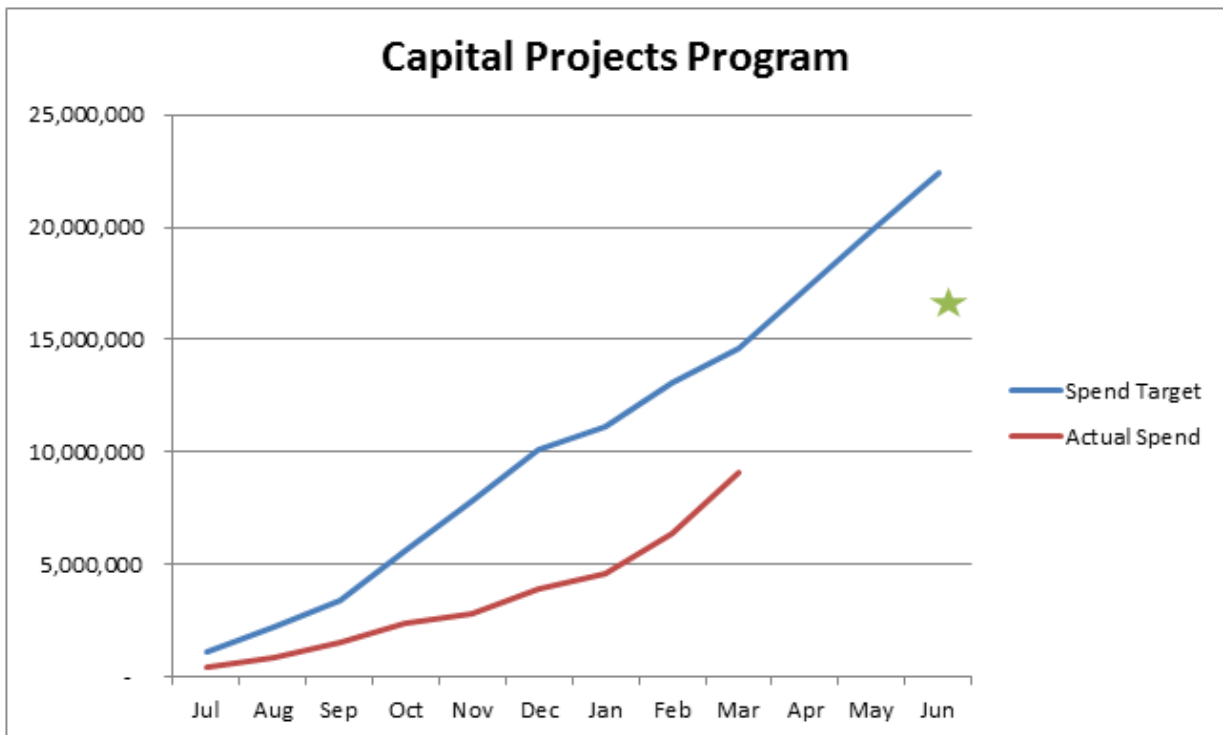
Program	Actual 2015/16 \$'000	Spend Target 2016/17 \$'000	Increase	
			\$'000	%
Capital	14,966	22,455	7,490	50.05
Operational	1,922	3,617	1,695	88.19
TOTAL	16,888	26,072	9,184	54.38
	Historically high figure	Significant increase		

The quarterly profile for 2016/17 spend is based on historical trend:

Quarter	Percentage (%) of annual spend
June to September 2016	15
October to December 2016	30
January to March 2017	20
April to June 2017	35

**Discussion**

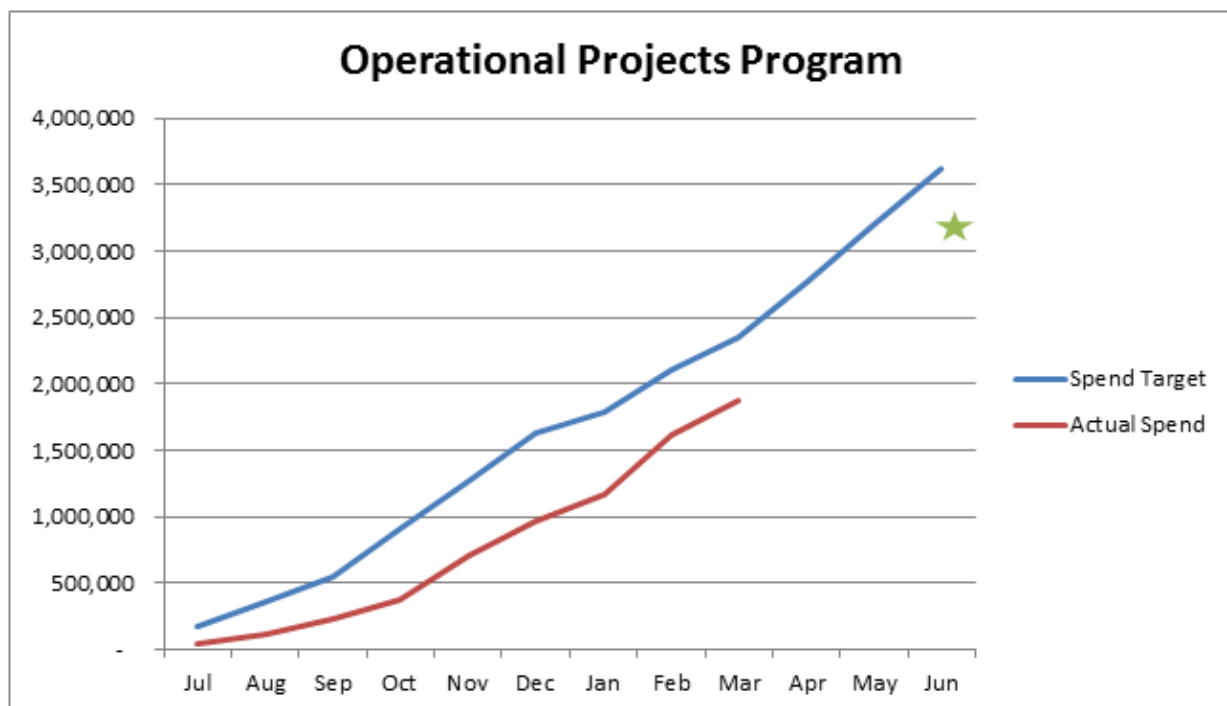
Spend for the Capital Project Program at 31 March was \$9.11m representing 62% of the projected Year to Date (YTD) spend of \$16.60m and 41% of the full year target of \$22.45m. During the 2017/18 budget development process Councillors were provided were an anticipated year end Capital spend target based on progress to date. This anticipated Capital spend is \$16.68m. Spend target and actual spend YTD at 31 March is presented in the graph that follows. The anticipated spend is also represented in the chart below, denoted by a green star.



In addition to actual spend; \$8.73m has been committed by contract for capital projects. This indicates that projects have been mobilised however is not a direct indication of spend that is guaranteed in this financial year as some commitments are spread over multi-year projects.

## 5.4 Program Status Report - January to March 2017

Spend for the Operational Project Program at 31 March was \$1.88m representing 80% of the projected YTD spend of \$2.35m and 52% of the full year target of \$3.70m. Councillors have been provided were an anticipated year end Operational spend target based on progress to date. This anticipated Operational spend is \$3.13m. Spend target and actual spend YTD at 31 March is presented in the graph that follows. The anticipated spend is also represented in the chart below, denoted by a green star.



In addition to actual spend; \$0.41m has been committed by contract for operational projects. This indicates that projects have been mobilised however is not a direct indication of spend that is guaranteed in this financial year as some commitments are spread over multi-year projects.

The graphs above indicate that spend is tracking below target. In the last quarter a number of challenges impacting delivery have been encountered including the following:

- recent tender outcomes have not been favourable, particularly for road related projects. There is currently very strong competition for work in this sector, both public and private
- project completion times are being impacted on projects where we are reliant on external asset owners to complete pre work i.e. VicRoads approvals for Surf Coast Hwy / Beach Rd signalisation.

The budget development process for 2017/18 has identified that Program spend for 2016/17 will be below the target reported to Council on 6 September 2016 however is anticipated to exceed the historically high figure of \$16.8m achieved in 2015/16. Officers are implementing the action plan they presented to Council in February 2017 to maximise delivery of the Program for 2016/17.

### Conclusion

The Program for 2016/17 is tracking behind targeted spend for the January to March quarter. The budget development process for 2017/18 has identified that Program spend for 2016/17 is anticipated to reach \$19.81m, below the target reported to Council on 6 September 2016, however would exceed the historically high figure of \$16.8m achieved in 2015/16. Officers continue to implement an action plan to maximise delivery of the Program for 2016/17.

### Recommendation

That the Audit & Risk Committee note the Program Status Report for the January to March 2017 quarter.

### Meeting Discussion

- Item noted and taken as read.

### Committee Resolution

#### MOVED Ms Debra Russell, Seconded Mr Brian Keane

That the Audit & Risk Committee note the Program Status Report for the January to March 2017 quarter.

CARRIED 4:0

## 6. OTHER REPORTS

### 6.1 SCS-014 Workplace Health & Safety Policy

**Charter Reference:** 9.7.4

**Author's Title:** Manager People & Culture

**General Manager:** Chris Pike

**Department:** People & Culture

**File No:** F17/145

**Division:** Culture & Community

**Trim No:** IC17/437

**Appendix:**

1. Draft - SCS-014 Workplace Health & Safety Policy (D17/50186)

**Officer Direct or Indirect Conflict of Interest:**

**Status:**

In accordance with Local Government Act 1989 –  
Section 80C:

Information classified confidential under Section 77  
of the Local Government Act:

Yes

No

Yes

No

**Reason:** Nil

#### **Purpose**

The purpose of this report is to present the SCS-014 Workplace Health & Safety Policy for Audit & Risk Committee review, as per the 2016/17 Work Plan which lists this policy for review at least annually.

The policy is currently in draft form and yet to be presented and approved by the Executive Management Team.

#### **Recommendation**

That the Audit & Risk Committee receive and note the SCS-014 Workplace Health & Safety Policy and provide any recommendations for amendment.

#### **Meeting Discussion**

- Item taken as read.
- Due to agenda size the Committee agreed to provide feedback via email.

#### **Committee Resolution**

##### **MOVED Mr Brian Keane, Seconded Cr Clive Goldsworthy**

That the Audit & Risk Committee receive and note the SCS-014 Workplace Health & Safety Policy and provide any recommendations for amendment. Item carried subject to feedback received from Committee via email.

CARRIED 4:0

## 6.2 SCS-016 Investment Policy

**Charter Reference:** 9.4

**Author's Title:** Manager Finance

**General Manager:** Anne Howard

**Department:** Finance

**File No:** F17/145

**Division:** Governance & Infrastructure

**Trim No:** IC17/361

### Appendix:

1. SCS-016 Investment Policy - Reviewed July 2015(2) (D15/73978)

### Officer Direct or Indirect Conflict of Interest:

### Status:

In accordance with Local Government Act 1989 –  
Section 80C:

Information classified confidential under Section 77  
of the Local Government Act:

Yes

No

Yes

No

**Reason:** Nil

### Purpose

The purpose of this report is to present the SCS-016 Investment Policy for Audit & Risk Committee review, as per the 2016/17 Work Plan which lists this policy for review at least annually.

The policy was adopted by Council in August 2015. The Finance team have reviewed the policy and no changes are recommended at this time.

### Recommendation

That the Audit & Risk Committee receive and note the SCS-016 Investment Policy and provide any recommendations for amendment.

### Meeting Discussion

- Item taken as read.
- Due to agenda size the Committee agreed to provide feedback via email.

### Committee Resolution

#### **MOVED Mr Brian Keane, Seconded Cr Clive Goldsworthy**

That the Audit & Risk Committee receive and note the SCS-016 Investment Policy and provide any recommendations for amendment. Item carried subject to feedback received from Committee via email.

CARRIED 4:0

### 6.3 Draft MPP-001 Asset Accounting Policy

**Charter Reference:** 9.4

**Author's Title:** Manager Finance

**General Manager:** Anne Howard

**Department:** Finance

**File No:** F17/145

**Division:** Governance & Infrastructure

**Trim No:** IC17/359

**Appendix:**

1. MPP-001 Asset Accounting Policy (D17/50626)

**Officer Direct or Indirect Conflict of Interest:**

**Status:**

In accordance with Local Government Act 1989 –  
Section 80C:

Information classified confidential under Section 77  
of the Local Government Act:

Yes

No

Yes

No

**Reason:** Nil

#### Purpose

The purpose of this report is to present the MPP-001 Asset Accounting Policy.

Management have drafted an MPP-001 Asset Accounting Policy in response to item 1 on the Audit and Risk Committee's *Outstanding Issues and Actions Report*, which relates to recommendations made in the (VAGO) final management letter for the year ended 30 June 2016.

The Asset Accounting Policy formalises management processes and accounting treatment for:

- asset recognition,
- determination of carrying amounts for assets,
- depreciation charges and impairment losses to be recognised in relation to assets, and
- asset disposals.

This new policy will have the status of "Management Policy and Procedure", and current Council policy SCS-028 (Depreciation of Property, Infrastructure and Plant and Equipment) will be repealed.

#### Recommendation

That the Audit & Risk Committee receive and note the draft MPP-001 Asset Accounting Policy and provide any recommendations for amendment.

#### Meeting Discussion

- Item taken as read.
- Due to agenda size the Committee agreed to provide feedback via email.

#### Committee Resolution

**MOVED Mr Brian Keane, Seconded Cr Clive Goldsworthy**

That the Audit & Risk Committee receive and note the draft MPP-001 Asset Accounting Policy and provide any recommendations for amendment. Item carried subject to feedback received from Committee via email.

CARRIED 4:0



## 6.4 Management Policies for Review

**Charter Reference:** 9.7.4

**Author's Title:** Manager Governance & Risk

**General Manager:** Anne Howard

**Department:** Governance & Risk

**File No:** F17/145

**Division:** Governance & Infrastructure

**Trim No:** IC17/274

### Appendix:

1. Freedom of Information Policy - under review (D17/25239)
2. Protected Disclosure Policy - under review (D17/12408)
3. Privacy and Data Protection Policy - under review (D17/27741)

### Officer Direct or Indirect Conflict of Interest:

### Status:

In accordance with Local Government Act 1989 –  
Section 80C:

Information classified confidential under Section 77  
of the Local Government Act:

Yes

No

Yes

No

**Reason:** Nil

### Purpose

The purpose of this report is to present the following policies for review and comment, before being finalised for adoption, in accordance with the 2016/17 Work Plan:

- Freedom of Information
- Protected Disclosure
- Privacy and Data Protection.

The policies have been updated to include new titles, updating of language, grammar, format and any changes to legislation.

The Protected Disclosure Policy has been further updated to include

- Clearer procedures and information relating to the welfare of those making disclosures in accordance with the IBAC's report 'Guidelines for protected disclosure welfare management'. This includes information relating to the appointment of a Welfare Manager, a clear description of the role and protection against detrimental action.
- Inclusion of procedures for the CEO to report suspected corrupt conduct to the IBAC as this may overlap with the protected disclosure regime.

### Recommendation

That the Audit & Risk Committee notes the updates to the Protected Disclosure Policy, Privacy and Data Protection Policy and the Freedom of Information Policy, and provides any feedback for consideration before final adoption.

### Meeting Discussion

- Item taken as read.
- Due to agenda size the Committee agreed to provide feedback via email.

### Committee Resolution

#### **MOVED Mr Brian Keane, Seconded Cr Clive Goldsworthy**

That the Audit & Risk Committee notes the updates to the Protected Disclosure Policy, Privacy and Data Protection Policy and the Freedom of Information Policy, and provides any feedback for consideration before final adoption. Item carried subject to feedback received from Committee via email.

CARRIED 4:0

## 6.5 Compliance with Legislation, Policy & Procedures

**Charter Reference:** 9.7.3

**Author's Title:** Manager Governance & Risk

**General Manager:** Anne Howard

**Department:** Governance & Risk

**File No:** F17/145

**Division:** Governance & Infrastructure

**Trim No:** IC17/246

### Appendix:

1. Legislative Compliance - May 2017 (D17/20492)
2. Legislative Compliance Schedule 2016/17 (D17/25067)

### Officer Direct or Indirect Conflict of Interest:

### Status:

In accordance with Local Government Act 1989 –  
Section 80C:

Information classified confidential under Section 77  
of the Local Government Act:

Yes

No

Yes

No

**Reason:** Nil

### Purpose

The purpose of this report is to provide an update on Council's internal control framework and particularly compliance with key legislation, policies and procedures.

Council is required to develop and maintain adequate procedures, systems and guidelines to enable:

- Preparation of accurate financial statements
- Timely and reliable external and internal reporting
- Safeguarding of public assets
- Prevention of fraud, errors and other irregularities and
- Compliance with legislation, policy and procedures.

The assessment of the key legislation, policies, procedures and guidelines has been conducted in accordance with the annual internal audit plan in order to assess effectiveness.

The internal self-assessment has concluded that overall the framework is effective. There are however a number of actions which have been identified where improvements are required and underway.

A legislative compliance calendar has been developed to track compliance with additional requirements in a post-election year. This is also attached for information.

### Recommendation

That the Audit & Risk Committee notes the assessment of the internal control framework.

### Meeting Discussion

- Item taken as read.
- Due to agenda size the Committee agreed to provide feedback via email.

### Committee Resolution

#### **MOVED Mr Brian Keane, Seconded Cr Clive Goldsworthy**

That the Audit & Risk Committee notes the assessment of the internal control framework. Item carried subject to feedback received from Committee via email.

CARRIED 4:0

## 6.6 Letter to Grant Thornton

**Charter Reference:** 9.10

**Author's Title:** Manager Governance & Risk

**General Manager:** Anne Howard

**Department:** Governance & Risk

**File No:** F17/145

**Division:** Governance & Infrastructure

**Trim No:** IC17/275

**Appendix:**

1. Letter to Grant Thornton (D17/28653)

**Officer Direct or Indirect Conflict of Interest:**

**Status:**

In accordance with Local Government Act 1989 –  
Section 80C:

Information classified confidential under Section 77  
of the Local Government Act:

Yes

No

Yes

No

**Reason:** Nil

### Purpose

The purpose of this report is to present a copy of the letter which was sent to Grant Thornton to request confirmation of their ongoing commitment to the contract, as agreed at the Audit & Risk Committee meeting on 21 May 2017.

### Recommendation

That the Audit & Risk Committee receives and notes the letter which was sent to Grant Thornton.

### Meeting Discussion

- Item taken as read.
- Grant Thornton had provided no response to the letter but verbally reiterated their commitment and reported hiring additional staff to service the sector.

### Committee Resolution

**MOVED Mr John Gavens, Seconded Mr Brian Keane**

That the Audit & Risk Committee receives and notes the letter which was sent to Grant Thornton.

CARRIED 4:0

## 6.7 Gifts & Hospitality Register & Councillor Entitlements, Education & Other Expenses Report

**Charter Reference:** 9.7.5

**Author's Title:** Team Leader Governance

**General Manager:** Anne Howard

**Department:** Governance & Risk

**File No:** F16/145

**Division:** Governance & Infrastructure

**Trim No:** IC17/262

### Appendix:

1. Gifts & Hospitality Register 2016 - 2017 (D17/48011)
2. Councillor Allowances & Other Expenses Report - 1 July 2016 - 30 April 2017 (D17/48704)

### Officer Direct or Indirect Conflict of Interest:

### Status:

In accordance with Local Government Act 1989 –  
Section 80C:

Information classified confidential under Section 77  
of the Local Government Act:

Yes

No

Yes

No

**Reason:** Nil

### Purpose

The purpose of this report is to present to the Gifts & Hospitality Register 2016 - 2017 and the Councillor Entitlements, Education & Other Expenses Report for the period 1 July 2016 – 30 April 2017.

### Recommendation

That the Audit & Risk Committee receive and note the Gifts & Hospitality Register 2016 - 2017 and the Councillor Entitlements, Education & Other Expenses Report for the period 1 July 2016 – 30 April 2017.

### Meeting Discussion

- Councillor expenses now reported quarterly in Chambers and published on website.
- Table on page 481 – John Gaven expressed concern list should be longer and include declined items.
- Policy in reasonable shape however procedures around it need to be tidied up.
- Reconsider how the register is compiled to ensure there is more transparency. Suggestions included:
  - Example of six tickets worth \$2000 – Include breakdown who is final recipient. Council may receive tickets as part of event sponsorship. Suggest we look at this practice.
  - Offers of gifts that are declined should to be recorded. Officers agreed to conduct review of policy against Auditor General and Victorian Public Sector Guideline.

### Committee Resolution

#### **MOVED Mr John Gavens, Seconded Mr Brian Keane**

That the Audit & Risk Committee receive and note the Gifts & Hospitality Register 2016 - 2017 and the Councillor Entitlements, Education & Other Expenses Report for the period 1 July 2016 – 30 April 2017.

CARRIED 4:0

## 6.8 Development of the Council Plan 2017-2021

**Charter Reference:** 9.10

**Author's Title:** Coordinator Governance & Corporate Planning

**General Manager:** Anne Howard

**Department:** Governance & Risk

**File No:** F15/1705

**Division:** Governance & Infrastructure

**Trim No:** IC17/364

**Appendix:**

1. Surf Coast Shire Council Plan 2017-2021 Discussion Paper (D17/44914)
2. Surf Coast Shire Council Plan 2017-2021 Community Engagement Report (D17/40900)
3. Surf Coast Shire Council Plan Summary 2017-2021 - Plan on a page (D17/43178)
4. Surf Coast Shire Council Plan 2017-2021 (incorporating the Health and Wellbeing Plan) (D17/42415)

**Officer Direct or Indirect Conflict of Interest:**

**Status:**

In accordance with Local Government Act 1989 – Section 80C:

Information classified confidential under Section 77 of the Local Government Act:

Yes

No

Yes

No

**Reason:** Nil

### Purpose

The purpose of this report is to provide an update on the development of the Council Plan (including the Health and Wellbeing Plan) for 2017-2021.

### Background

Section 125(1) of the Local Government Act 1989 (the Act) requires Council to prepare and approve a Council Plan within the period of 6 months after each general election or by the next 30 June, whichever is later, and to provide a copy of the adopted Council Plan to the Minister for Local Government by 30 June. Prior to final adoption of the Council Plan, the Act requires Council to publically exhibit the draft document and to receive and considers submissions in this regard.

Section 26 of the Public Health and Wellbeing Act 2008 requires Council to prepare a Municipal Public Health and Wellbeing Plan (Health and Wellbeing Plan) within the period of 12 months after each general election of the Council. Section 27 of this Act allows for the integration of the Health and Wellbeing Plan into the Council Plan.

The Council Plan and Health and Wellbeing Plan for 2017-2021 have been integrated to strengthen and streamline reporting processes.

The draft Council Plan (incorporating the Health and Wellbeing Plan) 2017-2021 (The Plan) has been prepared in accordance with the above statutory requirements and following an extensive community engagement process. The Plan outlines the priorities for the Council for the next four years and provides broad direction for the organisation.

### Discussion

The Council Plan is the key corporate document that provides direction to the operations of Council, as well as articulating to the community what Council hopes to achieve during its elected term. A copy of the adopted Council Plan, including a Strategic Resource Plan, is required to be submitted to the Minister for Local Government prior to 30 June following a general election.

Section 26 of the Public Health and Wellbeing Act 2008 requires Council to prepare a Municipal Public Health and Wellbeing Plan (Health and Wellbeing Plan) within the period of 12 months after each general election of the Council. Section 27 of this Act allows for the integration of the Health and Wellbeing Plan into the Council Plan.

The Council Plan and Health and Wellbeing Plan for 2017-2021 have been integrated to strengthen and streamline reporting processes.

## 6.8 Development of the Council Plan 2017-2021

### Developing the Plan

The Draft Council Plan (incorporating the Health and Wellbeing Plan) 2017-2021 has been prepared following an extensive community engagement process.

Council developed a Discussion Paper (appendix 1) as the basis of community engagement to inform development of the Council Plan. A survey tool was designed and publicised inviting feedback on the paper. The survey process held in January and February 2017 attracted responses from over 930 people.

Other engagement activities included:

- targeted engagement activities for people under 25 and over 65 years of age
- review of the Youth Survey completed in 2016
- review of the customer satisfaction survey completed in 2016.

Council considered the community's input during March and April 2017 and reviewed Council's proposed vision and strategic objectives for the next four years. Council used the agreed vision and objectives to develop draft strategies to show how Council could achieve each objective and measures to assist the community to assess Council's performance each year.

The results of Community Engagement against the Discussion Paper are attached at Appendix 2.

Feedback collected against the Discussion Paper informed development of the summary Plan on a Page (Appendix 3) and the Draft Council Plan (incorporating the Health and Wellbeing Plan) 2017-2021 (Appendix 4).

### Exhibition and adoption of the Plan

Prior to adopting its Council Plan, Council is required to publicly exhibit the draft document, and to receive and consider public submissions in regard to the draft document. Section 223 of the Local Government Act 1989, requires this public exhibition process to continue for a period of not less than 28 days after the date on which a public notice is published.

At a Special Meeting of Council held on Tuesday 11 April Council formally resolved on the Draft Council Plan (incorporating the Health and Wellbeing Plan) 2017-2021 (Appendix 4), and commenced the public exhibition process.

Submissions against the Draft Council Plan will be accepted until 4pm on 11 May. A Hearing of Submissions Committee meeting is scheduled to be held on 30 May 2017 commencing at 6pm in the Council Chambers, 1 Merrijig Drive, Torquay.

Council intends to consider the draft Council Plan (incorporating the Health and Wellbeing Plan) 2017-2021 for adoption at a Special meeting of Council, scheduled to be held on Thursday 22 June 2017.

### Recommendation

That the Audit & Risk Committee note Council's progress in development of the Council Plan (incorporating the Health and Wellbeing Plan) 2017-2021.

### Meeting Discussion

- Council Plan discussion paper issued to community and strong feedback received.
- Vision Purpose and Direction affirmed.
- Five core themes – Wellbeing, Environment, Governance, Balancing Growth and Vibrancy of Economy.
- Torquay, Jan Juc and Winchelsea – Growth areas.
- Key risks over next 4 years – Need to ensure focussed on core priorities and not have so many that they get lost in the process. Some actions have significant community interest and will influence how Council progresses eg provision of rail service.
- Hearing of Submissions - 30 May 2017.

### Committee Resolution

#### **MOVED Mr John Gavens, Seconded Cr Clive Goldsworthy**

That the Audit & Risk Committee note Council's progress in development of the Council Plan (incorporating the Health and Wellbeing Plan) 2017-2021.

CARRIED 4:0

## 6.9 Transparency of Local Government Decision Making

**Charter Reference:** 9.10

**Author's Title:** Coordinator Corporate Planning **General Manager:** Anne Howard

**Department:** Governance & Risk **File No:** F17/145

**Division:** Governance & Infrastructure **Trim No:** IC17/266

**Appendix:**

1. Summary Report - Victorian Ombudsman - Investigation into the Transparency of Local Government Decision Making - December 2016 (D17/27577)

**Officer Direct or Indirect Conflict of Interest:**

In accordance with Local Government Act 1989 –  
Section 80C:

Yes

No

**Status:**

Information classified confidential under Section 77  
of the Local Government Act:

Yes

No

**Reason:** Nil

### Purpose

The purpose of this report is to provide a summary of the Victorian Ombudsman's Report dated December 2016 relating to the transparency of local government decision making and in particular Surf Coast Shire Council.

### Recommendation

That the Audit & Risk Committee receive and note the summary of the Victorian Ombudsman's Report dated December 2016 relating to the transparency of local government decision making.

### Meeting Discussion

- Item taken as read.
- Due to agenda size the Committee agreed to provide feedback via email.

### Committee Resolution

**MOVED Mr Brian Keane, Seconded Cr Clive Goldsworthy**

That the Audit & Risk Committee receive and note the summary of the Victorian Ombudsman's Report dated December 2016 relating to the transparency of local government decision making. Item carried subject to feedback received from Committee via email.

CARRIED 4:0

## 7. ADMINISTRATIVE MATTERS

### 7.1 Committee Work Plan 2017-2018

**Charter Reference:** 9.10.4

**Author's Title:** Team Leader Governance

**General Manager:** Anne Howard

**Department:** Governance & Risk

**File No:** F17/145

**Division:** Governance & Infrastructure

**Trim No:** IC17/281

**Appendix:**

1. Draft - Audit and Risk Committee Work Plan 2017-2018 - May 2017 (D17/28984)

**Officer Direct or Indirect Conflict of Interest:**

**Status:**

In accordance with Local Government Act 1989 –  
Section 80C:

Information classified confidential under Section 77  
of the Local Government Act:

Yes

No

Yes

No

**Reason:** Nil

#### **Purpose**

The purpose of this report is to present the draft 2017-2018 Audit & Risk Committee Work Plan for consideration and adoption.

#### **Recommendation**

That the Audit & Risk Committee adopts the Audit & Risk Committee Work Plan for 2017-2018.

#### **Meeting Discussion**

- Item noted and taken as read.
- Agreed this represents the Committee's work plan for the next year.

#### **Committee Resolution**

**MOVED Mr Brian Keane, Seconded Ms Debra Russell**

That the Audit & Risk Committee adopts the Audit & Risk Committee Work Plan for 2017-2018.

CARRIED 4:0



## 7.2 Next Meeting & Proposed Agenda Outline

**Charter Reference:** 9.10.4

**Author's Title:** Team Leader Governance

**General Manager:** Wendy Hope

**Department:** Governance & Risk

**File No:** F17/145

**Division:** Governance & Infrastructure

**Trim No:** IC17/378

**Appendix:**

Nil

**Officer Direct or Indirect Conflict of Interest:**

**Status:**

In accordance with Local Government Act 1989 –  
Section 80C:

Information classified confidential under Section 77  
of the Local Government Act:

Yes

No

Yes

No

**Reason:** Nil

### Purpose

The next meeting is scheduled to be held on **Thursday, 7 September 2017 from 9.00 – 11.30am.**

The proposed Agenda outline for this meeting is as follows:

- Audit Committee Members-Only Session with VAGO
- Chief Executive Officer's update
- Outstanding Issues & Actions
- Business Improvement update
- Financial Reports
  - Monthly Finance Report
  - Review Accounting Principles, Policies and Practices
  - Review Annual Financial Statements
  - Local Government Annual Performance Reporting Framework (LGPRF) Results
- Risk Management
  - Enterprise Risk Management Report
  - Review of Risk Policy
  - WHS and Program Management Report
- Audit Reports
  - Internal Auditors Update (Grant Thornton)
  - External Audit Update (VAGO)
  - Performance Audit Reports – External Bodies
- Other Reports
  - Review SCS 009 Infrastructure Special Rates and Charges Scheme Policy
  - Review SCS 013 Sale of Council Land Policy
  - Review SCS 019 Procurement Policy
  - Review Management's Fraud Prevention Strategies and Programs
  - Evaluation of Audit and Risk Committee's performance (including management views).
  - Review of Committee Annual Report to Council.
- Administrative Matters
  - Next Meeting Date & Proposed Agenda

### Recommendation

That the Audit & Risk Committee note the proposed agenda outline for the next meeting to be held on Thursday, 7 September 2017 from 9.00 – 11.30am.

### Meeting Discussion

- Item noted and taken as read.

### Committee Resolution

#### **MOVED Ms Debra Russell, Seconded Cr Clive Goldsworthy**

That the Audit & Risk Committee note the proposed agenda outline for the next meeting to be held on Thursday, 7 September 2017 from 9.00 – 11.30am.

CARRIED 4:0

**Close:** There being no further items of business the meeting closed at 11.40am