

Special Audit and Risk Committee

Notice of Meeting
10 December 2018
4.30pm

Committee Room 1
Ninth Floor
Council House
27 St Georges Terrace, Perth



City of Perth

Agenda

ORDER OF BUSINESS AND INDEX

- 1 Declaration of Opening
- 2 Apologies
- 3 Question Time for the Public
- 4 Disclosure of Members' interests
- 5 Matters for which the meeting may be closed
- 6 Reports

| Report No. | Item Title | Page |
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| 6.1 | Annual Report and Audited Financial Statements for the Year Ended 30 June 2018 | 1 |

- 7 Closure

MURRAY JORGENSEN
CHIEF EXECUTIVE OFFICER

8 December 2018

This meeting is open to members of the public

AUDIT AND RISK COMMITTEE

Established: 11 May 2010

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| Members: |
| Robert Maurich (Independent Member) (Presiding Member) |
| Commissioner Eric Lumsden |
| Commissioner Gaye McMath |
| Commissioner Andrew Hammond |

Quorum: Two

Expiry: October 2019

TERMS OF REFERENCE: [26/06/18]

1. The Audit and Risk Committee's role, in accordance with Regulation 16 of the *Local Government (Audit) Regulations 1996*, is to:
 - a. guide and assist the local government in carrying out:
 - i. its functions under Part 6 of the Act;
 - ii. its functions relating to other audits and other matters related to financial management;and
 - b. functions in relation to audits conducted under Part 7 of the Act. review a report given to it by the CEO under regulation 17(3) (the CEO's report) and is to —
 - i. report to the council the results of that review; and
 - ii. give a copy of the CEO's report to the Council.
 - c. monitor and advise the CEO when the CEO is carrying out functions in relation to a review under —
 - i. regulation 17(1); and
 - ii. the *Local Government (Financial Management) Regulations 1996* regulation 5(2)(c);
 - d. support the auditor of the local government to conduct an audit and carry out the auditor's other duties under the Act in respect of the local government;
 - e. oversee the implementation of any action that the local government —
 - i. is required to take by section 7.12A(3); and
 - ii. has stated it has taken or intends to take in a report prepared under section 7.12A(4)(a); and
 - iii. has accepted should be taken following receipt of a report of a review conducted under regulation 17(1); and
 - iv. has accepted should be taken following receipt of a report of a review conducted under the *Local Government (Financial Management) Regulations 1996* regulation 5(2)(c);
 - f. perform any other function conferred on the audit committee by these regulations or another written law.
2. The Committee may provide guidance and assistance to the local government regarding:
 - a. other matters to be audited;
 - b. the scope of audits; and
 - c. financial, risk and compliance management functions as prescribed in the Local Government Act 1995; as well as
 - d. other matters specified in these Terms of Reference.

3. The Committee may resolve to request the Chief Executive Officer (CEO) to provide any information or make arrangements to provide independent expert advice, as appropriate and required by the Committee in order to fulfil its duties and responsibilities.
4. The Committee is to review and make recommendations to the Council regarding:
 - a. **Financial Management**
 - i. the annual Financial Statements with a view to being satisfied as to their accuracy and timeliness and the inclusion of prescribed disclosures and information;
 - ii. changes in accounting practices, policies and material changes in accounting treatment, providing advice on the appropriateness of implementation strategies; and
 - iii. the City's financial status and performance.
 - b. **Risk Management**
 - i. the City's risk management strategies and policies;
 - ii. the adequacy of the City's risk management systems and practices; and
 - iii. the management of strategic risks, identifying as appropriate, specific risks for more detailed review and response.
 - c. **Internal Controls**
 - i. the standard and effectiveness of the City's corporate governance and ethical considerations;
 - ii. the integrity, adequacy and effectiveness of the City's financial and administration policies, systems and controls in providing financial and governance information which:
 - is accurate and reliable;
 - complies with legislative obligations and requirements; and
 - minimises the risk of error, fraud, misconduct or corruption; and
 - iii. the efficiency and effectiveness on achievement of objectives.
 - d. **Legislative Compliance**
 - i. the integrity, adequacy and effectiveness of the City's systems and controls for legislative compliance;
 - ii. the level of compliance with legislative obligations as well as the City's policies;
 - iii. the CEO's report on the review of the City's legislative Compliance systems, at least once triennially; and
 - iv. the annual statutory Compliance Audit.
 - e. **Internal and External Audit Planning and Reporting**
 - ii. the integrity, adequacy and effectiveness of the City's Internal Audit Plan and External Audit Plan;
 - iii. reports, findings and recommendations arising from Internal and External Audits;
 - iv. the audit of the City's Annual financial statements;
 - v. the integrity, adequacy and effectiveness of the management response and any actions proposed to be taken to address issues raised by the Internal or External Auditor; and
 - vi. the oversight and monitoring of implementation of agreed actions.

Delegated Authority 1.1.3 – Audit and Risk Committee provides authority for the Committee to fulfil the duty of the Council to meet with the City's External Auditor at least once per year [s.7.12A(2)].

INFORMATION FOR THE PUBLIC ATTENDING COMMITTEE MEETINGS

Question Time for the Public

- An opportunity is available at all Committee meetings open to members of the public to ask a question about any issue relating to the City. This time is available only for asking questions and not for making statements. Complex questions requiring research should be submitted as early as possible in order to allow the City sufficient time to prepare a response.
- The Presiding Person may nominate a Member or officer to answer the question, and may also determine that any complex question requiring research be answered in writing. No debate or discussion is allowed to take place on any question or answer.
- To ask a question please write it on the white Question Sheet provided at the entrance to the Council Chamber and hand it to a staff member at least an hour before the meeting begins. Alternatively, questions can be forwarded to the City of Perth prior to the meeting, by:
 - Letter: Addressed to GPO Box C120, Perth, 6839;
 - Email: info.city@cityofperth.wa.gov.au
- Question Sheets are also available on the City's web site: www.perth.wa.gov.au.

Deputations

A deputation wishing to be received by a Committee is to apply in writing to the CEO who will forward the written request to the Presiding Member. The Presiding Member may either approve the request or may instruct the CEO to refer the request to the Committee to decide whether or not to receive the deputation. If the Presiding Member approves the request, the CEO will invite the deputation to attend the meeting.

Please refer to the 'Deputation to Committee' form provided at the entrance to the Council Chamber for further information on the procedures for deputations. These forms are also available on the City's web site: www.perth.wa.gov.au.

Disclaimer

Members of the public should note that in any discussion regarding any planning or other application that any statement or intimation of approval made by any Member or officer of the City during the course of any meeting is not intended to be and is not to be taken as notice of approval from the City. No action should be taken on any item discussed at a Committee meeting prior to written advice on the resolution of the Council being received.

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EMERGENCY GUIDE

Council House, 27 St Georges Terrace, Perth



The City of Perth values the health and safety of its employees, tenants, contractors and visitors. The guide is designed for all occupants to be aware of the emergency procedures in place to help make an evacuation of the building safe and easy.

BUILDING ALARMS

Alert Alarm and Evacuation Alarm.

ALERT ALARM

beep beep beep

All Wardens to respond.

Other staff and visitors should remain where they are.



EVACUATION ALARM / PROCEDURES

whoop whoop whoop

On hearing the Evacuation Alarm or on being instructed to evacuate:

1. Move to the floor assembly area as directed by your Warden.
2. People with impaired mobility (those who cannot use the stairs unaided) should report to the Floor Warden who will arrange for their safe evacuation.
3. When instructed to evacuate leave by the emergency exits. **Do not use the lifts.**
4. Remain calm. Move quietly and calmly to the assembly area in **Stirling Gardens** as shown on the map below. Visitors must remain in the company of City of Perth staff members at all times.
5. After hours, evacuate by the nearest emergency exit. **Do not use the lifts.**

EVACUATION ASSEMBLY AREA

