

Minutes

Audit Committee

Tuesday, 29 January 2019

Council Chambers, 1 Omrah Avenue, Caloundra

AUDIT COMMITTEE MEMBERS

Councillor T Dwyer	Division 2
Councillor C Dickson	Division 6
Mr P Dowling AM	Independent Member (Chair)
Mr L Scanlan	Independent Member

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1 DECLARATION OF OPENING

The Chair declared the meeting open at 9:00am.

2 RECORD OF ATTENDANCE AND LEAVE OF ABSENCE**AUDIT COMMITTEE MEMBERS**

Councillor T Dwyer	Division 2
Councillor C Dickson	Division 6
Mr P Dowling AM	Independent Member (Chair)
Mr L Scanlan	Independent Member

BOARD OF MANAGEMENT

Chief Executive Officer
Group Executive Built Infrastructure
Group Executive Business Performance
Group Executive Customer Engagement and Planning Services
Group Executive Economic and Community Development
Acting Group Executive Liveability and Natural Assets

APOLOGIES

Group Executive Liveability and Natural Assets

ATTENDEES

Audit Engagement Leader	Queensland Audit Office
Audit Team Leader	Queensland Audit Office

COUNCIL OFFICERS

Coordinator Financial Accounting
Manager Audit and Assurance
Manager Asset Management
Manager People and Culture
Manager Corporate Governance

3 RECEIPT AND CONFIRMATION OF MINUTES**4 INFORMING OF PERSONAL INTERESTS****4.1 MATERIAL PERSONAL INTEREST**

Pursuant to Section 175C of the *Local Government Act 2009*, no declarations of material personal interest were made during this meeting.

4.2 CONFLICT OF INTEREST / PERCEIVED CONFLICT OF INTEREST

Pursuant to Section 175E of the *Local Government Act 2009*, no declarations of conflict of interest were made during this meeting.

5 REPORTS

5.1 CHIEF EXECUTIVE OFFICER'S UPDATE

5.1.1 CHIEF EXECUTIVE UPDATE

File No: Statutory Meeting
Author: Chief Executive Officer
Office of the CEO

AUDIT COMMITTEE DISCUSSION POINTS

- Office of Industrial Relations (OIR) commencing safety audit for the purpose of supporting the LGW scheme in the workers compensation self-insurance license renewal
- Half year operating result of \$10.5 million at 31 December 2018 yields a \$3.5 million favourable variance against the \$6.9 million budget year to date.
- Sunshine Coast Airport Expansion
- Maroochydore City Centre being a long term project, risk profile is being reviewed. QTC undertaking a governance review around the Council controlled entity
- Sunshine Coast International Broadband Submarine Cable Network – identification of asset ownership by the various partners in the project, preparation for the accounting treatment
- RTI Connectivity to deliver the international broadband submarine cable
- Mooloolaba Walk and Ride Bridge
- Mobility maps
- Integrated Transport Strategy
- Street Tree Master Plan
- Street Tree Planting Program
- Land for Wildlife
- Sippy Downs Parks Master Plan
- Development.i
- Sunshine Coast Exhibition and Convention Facility business case
- Australian Smart Cities Awards
- Major risks currently being reviewed by Senior Management including growth management, cost shifting to local government, the long term SunCentral project and associated expenditure transparency
- CEO's report highlights present and future issues and Council achievements that potentially provide promotional opportunities

Committee Recommendation (AC19/1)

Moved: L Scanlan
Seconded: Councillor T Dwyer

*That the Audit Committee receive and note the report titled "**Chief Executive Update**".*

Carried unanimously.

5.2 EXTERNAL AUDIT**5.2.1 FINALISATION OF COUNCIL'S 2017/18 FINANCIAL STATEMENTS
AUDIT PROCESS**

File No: Council Meetings
Author: Coordinator Financial Accounting
Business Performance Group

EXECUTIVE SUMMARY

The Queensland Audit Office (QAO) has carried out its audit of Council's financial statements including its controlled entities for the year ended 30 June 2018, and has issued an unmodified audit opinion.

AUDIT COMMITTEE DISCUSSION POINTS

- Council received an unmodified audit opinion
- Annual reports associated with Council's controlled entities were presented

Committee Recommendation (AC19/2)

Moved: L Scanlan
Seconded: Councillor T Dwyer

*That the Audit Committee receive and note the report titled "**Finalisation of Council's 2017/18 Financial Statements audit process**".*

Carried unanimously.

5.2.2 PLANNING FOR THE 2018/19 FINANCIAL STATEMENTS

File No: Council Meetings
Author: Janine Wex, Coordinator Financial Accounting
Business Performance Group

EXECUTIVE SUMMARY

Queensland Audit Office (QAO) were on site during January 2019 for their 2018/19 Planning Audit and have issued their External Audit Plan for Audit Committee feedback.

QAO have also provided a Briefing Paper for information.

As there are a number of new Australian Accounting Standards impacting Council's current and future financial statements, the following is provided for Audit Committee review and feedback.

- Position Paper: AASB 9 *Financial Instruments*

This new standard applies to Council for the first time this financial year and the attached paper details Council's proposed approach to implementation of this new standard.

- Briefing Papers: New Accounting Standards Update for 2019/20 – Revenue and Leases

A further three new Australian Accounting Standards come into effect for Council for the 2019/20 financial year, namely AASB 1058 *Income of Not-for-Profit Entities*, AASB 15 *Revenue from Contracts with Customers* and AASB 16 *Leases*. These standards will have significant impacts for Council's financial reporting and budgeting, and the attached papers detail Council's preparation progress to date.

AUDIT COMMITTEE DISCUSSION POINTS

- Interim visit and IT review is planned for March at which time follow up of IT recommendations will occur
- Impacts resulting from the new Accounting Standards were overviewed including the valuation of the submarine cable and prepaid rates
- Conversation with QAO with regards to bringing forward timelines for 2020
- Council be provided an update of the new accounting standards and associated impacts on the 2019/20 budget as part of the Budget Workshop process

Committee Recommendation (AC19/3)

Moved: L Scanlan
Seconded: Councillor T Dwyer

That the Audit Committee

- receive and note the report titled "**Planning for the 2018/19 Financial Statements**" and*
- provide feedback on the Queensland Audit Office 2019 External Audit Plan, and*
- provide feedback on the Position Paper – AASB 9 Financial Instruments, and*
- provide feedback on the Briefing Papers – Revenue and Leases.*

Carried unanimously.

5.3 AUDIT AND ASSURANCE

5.3.1 ENVIRONMENT LEVY

File No: Council Meeting
Author: Manager Audit and Assurance
 Office of the CEO

EXECUTIVE SUMMARY

Internal Control and Performance Assessment

Impact / Criticality of Operation to Council	Critical	Significant	Low
Recommendations by Risk Ratings Risk Management Standard ISO 31000	Extreme 0	High 0	Medium/Low 3M/2L
Audit Opinion	Strong	Adequate	Weak

Key Issues Identified

Some scope to improve oversight functions and the ability to readily demonstrate Environmental Levy expenditure is relevant and appropriate by:

- Reviewing and revising procedures and guidelines
- Clarifying what expenditure can be used for
- Validating wages, salaries and historic allocations

Comments by Group Executive Liveability and Natural Areas Warren Bunker:

The range of operational strengths identified through the audit process is pleasing and provides a solid structure to respond to the recommendations. I can advise that I am supportive of the recommendations reported and acknowledge the role of the responsible manager to implement and report back on the recommended responses.

Comments by Group Executive Customer Engagement and Planning Services James Ruprai:

I support the audit recommendations, and management comments. I would like to thank the Auditor for their work in evaluating these functions, and providing this report accordingly. It is good to see that the identified actions are of a medium/low impact and can be addressed by Councils operational areas consequently.

AUDIT COMMITTEE DISCUSSION POINTS

- The environment levy provides substantial benefits with funding used to acquire land, improve water quality and assist with community programs
- The policy and guidelines are being reviewed which will provide input to the 2019/20 budget process
- Current policy review involves structural changes rather than the types of activities performed
- Opportunity to provide consolidated reporting across environmental themes

Committee Recommendation (AC19/4)

Moved: L Scanlan

Seconded: Councillor T Dwyer

*That the Audit Committee receive and note the report titled “**Environment Levy**”.*

Carried unanimously.

5.3.2 PREFERRED SUPPLIER ARRANGEMENTS

File No: Council Meeting
Author: Manager Audit and Assurance
 Office of the CEO

EXECUTIVE SUMMARY

Internal Control and Performance Assessment

Impact / Criticality of Operation to Council	Critical	Significant	Low
Recommendations by Risk Ratings Risk Management Standard ISO 31000	Extreme 0	High 1	Medium/Low 6M/1L
Audit Opinion	Strong	Adequate	Weak

Key Issues Identified

Although value for money and ethical dealing principles were largely reflected across the three preferred supplier arrangements reviewed, there is scope to improve oversight and accountability of selection decisions that do not appear to be commensurate with supplier rankings.

Corporate improvements include:

- Formalising the requirement for the Procurement and Contracts Committee to review selection decisions that are not commensurate with price rankings based on contract administrators monitoring and reporting exceptions
- Refine contract manual to provide further guidance around poor performing suppliers

Specific improvements relating to the more complex plant hire arrangement are as follows:

- Develop financial reports showing plant usage by type, capacity, team and supplier
- Monitor and review selection decisions and investigate examples that do not appear to be commensurate with price rankings
- Validate supplier price increases in accordance with contract conditions and update ranking spreadsheet
- Improve checks on invoices and dockets
- Increase collaboration with end users in the development and performance management of the arrangement

Comments by Group Executive Built Infrastructure Tom Jamieson:

I appreciate this audit has been undertaken. With some of the recent changes in Fleet Services, some of the recommendations have been completed and can therefore be removed from future reporting. Commentary has been provided to justify this.

As these recommendations apply across all parts of the organization, consideration needs to be given to ensure all impacted businesses are communicated to and informed of these

procedural changes. It should be noted that Fleet Services administers a large number of contracts for all parts of the organization.

Comments by Acting Group Executive Business Performance Michael Costello:

I support the audit recommendations, noting that there is scope to improve oversight and accountability of selection decisions that do not appear to be commensurate with supplier rankings.

The report notes that information required to inform a review of selection decisions around plant may be extracted from the Technology One Financials system. Finance will provide advice and support requests from Fleet to improve controls. Fleet, as the process owner, will need to provide detailed report specifications of what is required to facilitate their monitoring and review processes.

AUDIT COMMITTEE DISCUSSION POINTS

- Significant expenditure occurs using preferred supplier arrangements which accordingly, may have inherently increased procurement risks
- Assurance around control effectiveness is sought by the Committee with further details explaining the actions taken to mitigate identified risks and results of any specific analysis undertaken

Committee Recommendation (AC19/5)

Moved: L Scanlan

Seconded: Councillor T Dwyer

That the Audit Committee

- (a) *receive and note the report titled “**Preferred Supplier Arrangements**”*
- (b) *request the Chief Executive Officer to provide a further update regarding recommendations associated with the preferred Supplier Arrangements report back to the next Audit Committee meeting*

Carried unanimously.

5.3.3 WASTE COLLECTION SERVICES - REVENUE AND CONTRACT PAYMENTS

File No: Statutory Meetings
Author: Manager Audit and Assurance
Office of the CEO

EXECUTIVE SUMMARY

Internal Control and Performance Assessment

Impact / Criticality of Operation to Council	Critical	Significant	Low
Recommendations by Risk Ratings Risk Management Standard ISO 31000	Extreme 0	High 0	Medium/Low 1M / 4L
Audit Opinion	Strong	Adequate	Weak

Key Issues Identified

The Waste Collection – Revenue and Contract payment control environments are soundly structured and managed with some continuous improvement opportunities identified.

Comments by Group Executive Customer Engagement & Planning Services, James Ruprai

I support the audit recommendations, and management comments. I would like to thank the Auditor for their work in evaluating these functions, and providing this report accordingly. It is good to see that the identified actions are of a medium/low impact only, and no high or extreme impacts have been noted. Consideration has been given to alignment of liquid waste costs, which is proposed to be addressed at the close of the current prescribed arrangements to further minimise any cost impost to Council, and which will address this medium risk in line with the businesses in place contracts.

Comments by Group Executive Business Performance, Jeanette Allom-Hill

A strong audit opinion for the critical operation of waste management is a very pleasing result. Key operation strengths identified the contribution of skilled personnel with sound processes, coupled with good technology. The audit provides confidence to management for the continued provision of a key Council service.

AUDIT COMMITTEE DISCUSSION POINTS

- Waste services is a key visible service provided to the public
- The litres for contracted liquid waste pump out services will be aligned to ensure user pays for services requested

Committee Recommendation (AC19/6)

Moved: L Scanlan

Seconded: Councillor T Dwyer

*That the Audit Committee receive and note the report titled “**Waste Collection Services - Revenue and Contract Payments**”.*

Carried unanimously.

5.3.4 CORPORATE ACCOUNTS PAYABLE (BDO REVIEW)

File No: Council Meetings
Author: Manager Audit and Assurance
 Office of the CEO

EXECUTIVE SUMMARY**Internal Control and Performance Assessment**

Impact / Criticality of Operation to Council	Critical	Significant	Low
Recommendations by Risk Ratings Risk Management Standard ISO 31000	Extreme 0	High	Medium/Low 4M / 1L
Audit Opinion	Strong	Adequate	Weak

Key Issues Identified

Testing performed has confirmed that the controls regarding the processing of creditor payments are sound. Overall there were no exceptions identified regarding access permissions of creditor systems, the matching and payment of creditor invoices or the approval and processing of bank transfers. Overall the creditor payment controls appear to be appropriately designed and implemented.

Opportunities relate to:

- review of delegations and in particular, the ability of Order Controllers to raise/approve purchase orders and receipt/approve associated invoice payments to \$15,000
- the appropriateness of creditor document associated with Council grant funding

Comments by Acting Group Executive Business Performance, Michael Costello

I support the recommendations, noting that testing performed confirmed that the controls regarding the processing of creditor payments are sound. BDO note that the creditor payment controls appear to be appropriately designed and implemented. The audit report is a good result.

AUDIT COMMITTEE DISCUSSION POINTS

- The assurance provided by an external firm around this critical process was acknowledged

Committee Recommendation (AC19/7)

Moved: L Scanlan
Seconded: Councillor T Dwyer

That the Audit Committee receive and note the report titled “Corporate Accounts Payable (BDO Review)”.

Carried unanimously.

5.3.5 AUDIT AND ASSURANCE STATUS REPORT

File No: Council Meetings
Author: Manager Audit and Assurance
Office of the CEO

EXECUTIVE SUMMARY

The report provides the Audit Committee with an update on the 2018/19 Audit Plan and the status on Audit Recommendations. As at January 2019, the current financial year's Internal Audit Work Plan is progressing on schedule and there are 32 audit recommendations in total to be actioned including 8 which have exceeded expected completion dates.

AUDIT COMMITTEE DISCUSSION POINTS

- Noted that the numbers of outstanding audit recommendations was declining with overdue actions remaining at a relatively low level

Committee Recommendation (AC19/8)

Moved: L Scanlan
Seconded: Councillor T Dwyer

*That the Audit Committee receive and note the report titled "**Audit and Assurance Status Report**".*

Carried unanimously.

5.3.6 AUDIT COMMITTEE AND INTERNAL AUDIT CHARTERS

File No: Council Meetings
Author: Manager Audit and Assurance
Office of the CEO
Attachments: Att 1 - Internal Audit Charter
Att 2 - Audit Committee Charter

EXECUTIVE SUMMARY

Best practice guidelines from Queensland Treasury, Auditing and Assurance Standards Board and the Australian Institute of Company Directors state that Audit Committees conduct an annual review of its performance and effectiveness. This review process will include an annual review of Charters.

Accordingly, an annual review of Audit Committee and Internal Audit Charters is undertaken to ensure legislative compliance and best practice is incorporated where applicable. The Charters were last reviewed 29 January 2018 by the Audit Committee and subsequently endorsed by Council 22 March 2018.

As a result of this annual review, the Internal Audit Charter is unchanged with the Audit Committee Charter amended to reflect legislative reporting requirements to Council.

AUDIT COMMITTEE DISCUSSION POINTS

- Minor change noted to the Audit Committee Charter

Committee Recommendation (AC19/9)

Moved: L Scanlan
Seconded: Councillor T Dwyer

That the Audit Committee:

- (a) *receive and note the report titled “**Audit Committee and Internal Audit Charters**” and*
- (b) *recommend to Council that the attached Audit Committee Charter and the Internal Audit Charter be endorsed.*

Carried unanimously.

5.3.7 AUDIT COMMITTEE PERFORMANCE REVIEW - SELF ASSESSMENT

File No: Council Meetings
Author: Manager Audit and Assurance
Office of the CEO

EXECUTIVE SUMMARY

The self assessment is designed to provide assurance and identify continual improvement opportunities around the Audit Committee and associated governance operations. The assessment was adapted to suit the Local Government framework using Best Practice Checklists from government agencies, professional bodies and major accounting firms as follows:

- Australian National Audit Office and Queensland Treasury Guidelines
- CPA and Institute of Internal Auditors Guidelines
- Deloitte, KPMG and Price Waterhouse Coopers Guidelines

The assessment questionnaire was completed by ten respondents being Audit Committee members, Chief Executive Officer and Group Executives who attend Audit Committee meetings.

The results indicate that the Audit Committee and associated operations continue to operate to a high standard.

AUDIT COMMITTEE DISCUSSION POINTS

- The results indicate that the Audit Committee and Internal/External Audit are operating in accordance with legislation and best practice guidelines
- With the current Independent Audit Committee Members contracts due to expire March 2020, transition planning and timing of appointments of new Independent Audit Committee Members will need to be considered

Committee Recommendation (AC19/10)

Moved: L Scanlan
Seconded: Councillor T Dwyer

*That the Audit Committee receive and note the report titled "**Audit Committee Performance Review - Self Assessment**".*

Carried unanimously.

5.4 GOVERNANCE REPORTING

5.4.1 ASSET MANAGEMENT AUDIT RECOMMENDATIONS

File No: Council meetings
Author: Manager Asset Management
Built Infrastructure Group

EXECUTIVE SUMMARY

An internal audit on Asset Management Plans and System was presented to the Audit Committee in January 2017. The Asset Management Plans and System were reviewed against best practice as advocated by the International Infrastructure Management Manual and the Queensland Audit Office report to Parliament about long-term sustainability of local government. The Strategic Policy – Asset Management Policy stated, at that time, that the overall objectives were “the development of core Asset Management Plans which will be further developed into advanced plans”

This audit review resulted in seven improvement recommendations. Of the seven recommendations only two have been completed. The remaining five are overdue and will remain overdue for a significant period. The purpose of this report is to explain why the other recommendations have not been completed and to recommend a way forward.

AUDIT COMMITTEE DISCUSSION POINTS

- Asset Management Team established in July 2018 with appointment of new Manager Asset Management
- CONFIRM asset management system being implemented with project team established
- Difficulty in understanding the achievements/progress since the 2017 audit report and associated recommendation actions remaining not completed
- The outstanding audit recommendations remain relevant moving forward but it is a timing issue
- Assurance that Council do not lose the lessons learnt from previous years
- Establishment of Asset Management Branch is to consolidate what we have and continue moving forward with regards to Asset Management
- Asset Management is a tool to manage the business into the future
- What is Council's vision for Asset Management, what level of maturity is realistically achievable for the business, what is fundamentally needed to manage the business and long term costs associated with our ambitions
- Must have regard for political aspects and community expectations around service levels e.g. sealing gravel roads

Committee Recommendation (AC19/11)**Moved:** L Scanlan**Seconded:** Councillor T Dwyer*That the Audit Committee:*

- (a) receive and note the report titled “**Asset Management Audit Recommendations**”
- (b) request the Asset Management Branch to develop a clear vision and roadmap for asset management to report back to the Audit Committee in August 2019
- (c) request the Chief Executive Officer to consider establishing an Expert Advisory Panel to peer review Council’s Asset Management approach and
- (d) request the Chief Executive Officer to provide a management report back to the next Audit Committee meeting as to the timing of addressing the outstanding audit actions.

Carried unanimously.

5.4.2 WORK HEALTH AND SAFETY REPORT

File No: Council Meetings
Author: Manager People and Culture
Business Performance Group

EXECUTIVE SUMMARY

The Queensland Government requires workers compensation self-insurers to satisfy a range of WH&S obligations as a condition of the renewal of their self-insurance license.

For the license renewal in 2019, the Office of Industrial Relations (OIR) has selected 6 LGW members to be audited including Sunshine Coast Council. This external audit will be conducted 28-30 January 2019 and is the first time Sunshine Coast Council has been selected to be audited by OIR for the purposes of supporting the LGW scheme in the workers compensation self-insurance license renewal.

As part of LGWs preparation for the audit an external WHS consultant, Michael Brittliff, was engaged to support the 6 LGW member Councils in preparation for the audit. Mr Brittliff is accredited to perform workers compensation self-insurance audits for the OIR. He completed a desktop audit during the week of 10th September 2018, resulting in the formulation of an action plan for the Health and Safety Team to follow. Mr Brittliff also completed a closing meeting with CEO, Michael Whittaker.

This desktop review created 143 opportunities for improvement (OFI) across 19 procedures. There were a further 33 documents which were not directly identified in the review, however they were referenced within the item "WHS Management System Procedures (Various)".

As part of ongoing system improvements and in preparation for the audit, the Health and Safety team have:

- Progressed the identified opportunities for improvement
- Reconfigured the WHS intranet site to improve access to safety information
- Completed preparatory hazard inspections
- Reviewed all Safe Work Method Statements in the field and reduces to simplify the process

Fortnightly progress reports have been sent to the Board of Management and the Corporate Health and Safety Steering Committee. On 7 January 2019 87% of opportunities for improvement items were completed.

During the reporting period there were two (2) incidents which required Council to notify Workplace Health and Safety Queensland (WHSQ):

- a worker who slipped from truck steps and falling on to the asphalt causing them to lose consciousness and requiring to be treated at hospital. Video evidence identified that the worker did not use correct technique while exiting the vehicle;
- A worker was found unconscious near the work truck and requiring to be treated
- During the reporting period Council has not received any Prohibition, Infringement or Improvement notices for WHSQ.

AUDIT COMMITTEE DISCUSSION POINTS

- Some focus to be given at the next meeting around Council's health initiatives
- An update provided around the implementation and benefits associated with the new Human Resource and Payroll system (peopleHub)
- Implementation team enthusiastic and there is a high level of confidence around the implementation for go live in July
- The build process for payroll, HR core and Roster, Time and Attendance (RTA) is iterative with three stages to review and improve the design. After the build is completed, User Acceptance Testing will commence which will also test the integrations. In addition, prior to go-live there will be parallel pay run testing to provide a high level of assurance. If the parallel pay runs are not successful go-live will be delayed until we the team are assured of an accurate payroll.
- The new functionality provides increased productivity due to the elimination of current manual processes
- Audit and Assurance to provide some oversight

Committee Recommendation (AC19/12)**Moved: L Scanlan****Seconded: Councillor T Dwyer**

*That the Audit Committee receive and note the report titled "**Work Health and Safety Report**".*

Carried unanimously.

5.4.3 GOVERNANCE AND RISK REPORT

File No: Council Meetings
Author: Manager Corporate Governance
Office of the CEO

EXECUTIVE SUMMARY

Recent changes to the *Local Government Act 2009* and the *Local Government Electoral Act 2011* relating to the new Councillor Complaints System and Operation Belcarra amendments have been met positively and proactively by Council. A new Code of Conduct for Councillors, a new Investigation Policy, amendments to Council's Standing Orders and amendments to the Councillor Acceptable Request Guidelines were all adopted by Council at its Ordinary Meeting held on 6 December 2018. Councillors also attended training hosted by the Department of Local Government, Racing and Multicultural Affairs on the new arrangements which also included a presentation from representatives of the Integrity Commissioner.

The Governance in Action program continues to focus on raising awareness in all areas of governance to ensure that Council continues to achieve the Corporate Plan goal of being 'an outstanding organisation' as well as ensuring community confidence in Council activities.

Emphasis has been placed on building awareness and developing proactive strategies and governance tools to assist the organisation in their everyday tasks, activities, obligations and decision making. The Corporate Governance Branch is committed to building a strong positive attitude and culture towards compliance across the organisation through the investment of ongoing governance training for staff.

Risk management is also an important aspect with Strategic and Operational Risks continuing to be monitored and managed. This report provides information on the current 256 risks rated from 'low to extreme'.

As part of our Integrity Management Program, complaint matters elevated to the Corporate Governance Branch continue to be actioned within set time frames. Analysis is done to assess the cause of each complaint and what management or system improvements can be implemented to ensure continuous improvement growth and the prevention of similar issues or concerns in the future.

The current period reflects an interesting and concerning time in Queensland local government history. Council has taken the opportunity to implement the new amendments to the *Local Government Act* and reflect on Council's policy standards, procedures and governance frameworks relating to matters identified within the CCC's Operation Belcarra Report.

AUDIT COMMITTEE DISCUSSION POINTS

- Strategic risks recently reviewed by Board of Management with some risks being re-rated and expanded in the Corporate Risk Register
- The hierarchy of strategic risks associated with the Maroochydore CBD risks was highlighted
- Background to the strategic risks around the development of Exhibition and Convention Centre and the alignment to Council's corporate strategies
- The inclusion of Community at the top of Council's Governance Framework provides the opportunity for further discussion around the intent

Committee Recommendation (AC19/13)

Moved: L Scanlan

Seconded: Councillor T Dwyer

*That the Audit Committee receive and note the report titled “**Governance and Risk Report**”.*

Carried unanimously.
