
AUDIT COMMITTEE CHAIR'S REPORT TO COUNCIL 2017-18

1 BASIS FOR CONFIDENTIALITY

Not Applicable.

2 EXECUTIVE SUMMARY

The 2017-18 financial year provided several challenges for the City and by extension, the Audit Committee. Several weaknesses were identified in the Council's internal control environment and in processes impacting on financial report preparation including:

- management and integrity of the infrastructure charges register and the timing of recognition of associated revenue;
- reconciliation of data between the Local Government Platform (LGP) system and Council's SAP system following implementation of the former system. Whilst data for both systems to date continues to be reconciled in total (following identification of known issues), there have been issues associated with reconciliation between the systems at a point in time and between categories within the systems;
- interim valuations of land undertaken by the State Valuation Service; and
- the timeliness of implementation of outstanding audit recommendations in relation to internal controls.

Although the Committee was pleased to note that the Council's financial statements for 2017-18 were provided with an unmodified audit opinion, the Committee is concerned that the audit conducted by the Queensland Audit Office (QAO) identified several key internal control shortcomings. Whilst the Committee appreciates that several factors have impinged on the operations and resources of the Council over the past few years including the holding of the Commonwealth Games, the implementation of the second stage of the Light Rail and the implementation of new IT systems, the Committee is concerned that some aspects of the Council's internal controls have slipped below the desired level. Accordingly, the Committee and the Internal Audit Unit will be emphasising a "Focus on the Fundamentals" approach to internal controls during 2018-19.

Because there continue to be issues in relation to the timeliness of responses to certain internal and external audit recommendations, the Committee will again closely monitor management responses particularly those which have remained outstanding for some time. The Committee will also give detailed consideration to findings outlined in QAO performance audits in terms of their relevance to the City and to opportunities for business improvements and compliance requirements.

In terms of the Council's financial sustainability statements for 2017-18, the Committee noted that these were provided with an unmodified opinion by the QAO and that QAO continued to assess the Council's long term financial sustainability as Moderate Risk notwithstanding that the operating surplus ratio for 2017-18 deteriorated slightly due to one off expenditures associated with the Commonwealth Games and the second stage of the light rail. Queensland Treasury Corporation (QTC) has however continued to rate the Council as Sound Risk with a Neutral Outlook.

While the Committee gave particular emphasis to the above matters, the Committee also exercised oversight and provided input, where appropriate, to other financial reporting matters including:

- calculation of a provision for the cost of landfill remediation at various sites including development of the appropriate financial statement note;
- identification and reporting of related party transactions including identification of, and reporting in relation to, associated entities;
- completion of interim valuations of the City's assets; and
- preparation of the financial statements of controlled entities and in this regard, the Committee was pleased to note that unmodified audit opinions were issued in relation to the financial statements of each of the Council's five controlled entities with the Committee noting continuing improvement in the timeliness and quality of financial reporting.

In addition to the above financial reporting matters, the Committee continued to exercise broad oversight of other key matters set out in its Charter including:

- risk identification, assessment and management issues;
- conduct of internal audits and the implementation of relevant recommendations. The Committee noted that the planned program of audits was largely completed although the outcomes remained varied. Given the demands on the Internal Audit Unit for assistance with several ad hoc and complex matters and projects, the Committee considers that the Unit has performed well;
- fraud and corruption risk assessment, management and control;
- corporate and elected governance matters including those arising from the CCC's Operation Belcarra report which may have potential relevance for The City of Gold Coast and elected representatives. (In this regard, the Committee will further consider these matters at its November 2018 and February 2019 meetings to establish whether amendments should be made to the Audit Committee Charter to reflect changes in the audit environment); and
- legislative and policy compliance.

Finally, the Committee notes that during 2017-18, QAO undertook a performance audit focused on the management of local government rates, fees and charges. Five councils (excluding the City of Gold Coast) were selected for detailed analysis of their rating practices including:

- compliance with legislative requirements;
- robustness and transparency of the processes used to set rates and charges; and
- effectiveness of administering rates and charges.

The report on the audit was tabled in Parliament in June 2018 and included a number of findings and recommendations including that Councils:

- document the basis for their forecasts of financial sustainability;
- implement appropriate community engagement process to strengthen community understanding of and input to rates decisions;
- implement appropriate costing models to ensure a clear understanding of the cost of delivering services;

- publish a hardship policy to assist ratepayers in seeking concessions;
- ensure that all budget documents and resolutions comply with all requirements of the Local Government Act; and
- provide appropriate training to staff in this area including better practice debt collection.

The Committee has noted the Council's response to the recommendations contained in the report which indicated general agreement with the recommendations and that Council was well placed in relation to those recommendations.

For 2018-19, the Committee recognises the need to enhance the internal control environment and will again place further emphasis on various internal control, risk and financial reporting matters including:

- reconciliations between the LGP system and SAP;
- detailed follow up of outstanding audit matters relating to internal controls particularly those surrounding the SAP system;
- enhancement of policies and procedures for management of the infrastructure charges register including clear guidelines for recognition of related revenue;
- adoption of a timetable for earlier preparation of the annual financial statements and continuing simplification of the notes to those statements;
- asset valuation methodologies and the need for better, detailed and more comprehensive peer review;
- impact of new accounting standards on the City;
- risk management;
- cyber resilience;
- reporting of related party transactions (including consideration of a policy for controlled entities); and
- monitoring of policies and processes designed to avoid fraud and corruption.

In summary, the Committee considers that it has continued to meet the obligations of its Charter during 2017-18 however is cognisant of the fact that further work remains to be undertaken in 2018-19 to enhance the Council's internal control framework.

3 PURPOSE OF REPORT

The Audit Committee Chair's annual report is designed to provide all Councillors with a summary of the responsibilities, work, operations and deliberations of the Audit Committee for the 2017-18 meeting cycle. The report is also designed to inform Council of any significant relevant issues and/or matters which were addressed or which will be the focus of the Committee's attention during 2018-19. The report is also designed to bring to Councillors' attention, any relevant governance or financial management matters arising within the wider local government environment.

4 PREVIOUS RESOLUTIONS

GA17.1123.002 in part

That the annual report of the Audit Committee Chair 2016-17 is noted.

5 DISCUSSION

5.1 The Committee

5.1.1 Introduction

The Local Government Act 2009 (Act) requires all large local governments to establish an audit committee to:

- monitor and review the -
 - (i) *integrity of financial documents;*
 - (ii) *internal audit function; and*
 - (iii) *effectiveness and objectivity of the local government's internal auditors; and*
- make recommendations to the local government about any matters that the audit committee considers need action or improvement.

Notwithstanding the above obligations, The City of Gold Coast's Audit Committee (Audit Committee) has a much broader charter in relation to financial and risk management, fraud and corruption control, governance and internal control and legislative and policy compliance.

The Committee is an advisory committee of Council currently consisting of two (2) councillors and four (4) independent external members charged with providing assurance, oversight and advice to Council and the Chief Executive Officer in relation to the above accountabilities for the City of Gold Coast and its controlled entities. Council's Audit Committee represents a vital part of good governance practice.

This report documents the Committee's work consistent with the above accountabilities and its proposed work for 2018-19.

5.1.2 Membership

The Local Government Regulation 2012 (Regulation) requires an audit committee to consist of between 3 and 6 members and stipulates that 2 of the members must be councillors.

The current members of the Audit Committee as at 1 July 2018 are:

- Councillor William Owen-Jones
- Councillor Glenn Tozer
- Bill Turner (independent Chair)
- Geoff King (independent member)
- Mitchell Petrie (independent member)
- Kerry Phillips (independent member) – joined on 1 July 2018*

*Mr Len Scanlan's membership of the Committee finished on 30 June 2018 after ten years of outstanding service to the Council. Mr Scanlan's extensive and relevant experience, knowledge and analytical skills were very much valued by the Committee together with his willingness to share deep insights and perspectives gained from his experience with a wide range of organisations.

Mr Turner has extensive senior financial, audit, probity and risk management experience within the public service particularly in infrastructure and being a resident of the Gold Coast brings valuable local knowledge and insights to Committee discussions.

Messrs King and Petrie have substantial experience in, and knowledge of, accounting, auditing and risk management. Mr King has extensive experience in audit, risk management and governance, with particular emphasis on information and communication technology, across a diverse range of industries in the public and private sector including local governments. Mr Petrie was previously an audit assurance partner with KPMG and has extensive audit, risk management and governance experience and knowledge with a wide range of organisations including state and local government bodies.

Ms Kerry Phillips was appointed to the Committee effective from 1 July 2018. Ms Phillips has had highly relevant experience with a wide range of local government bodies both as an employee and audit committee member and has had extensive involvement with professional accounting bodies.

The Committee also values the active participation of Councillor William Owen-Jones and Councillor Glenn Tozer who contribute to the Committee's understanding and appreciation of the Council's objectives and perspectives. Both Councillors also have significant financial accounting and financial management experience which contributes to the work of the Committee.

5.1.3 Committee meetings

The Audit Committee met six times in relation to the 2017-18 reporting cycle as follows:

#	Date	Meeting
1	27 November 2017	Regular Meeting
2	12 February 2018	Regular Meeting
3	18 May 2018	Regular Meeting plus Annual Planning Workshop
4	23 July 2018	Regular Meeting
5	3 September 2018	Draft Financial Statements for 2017-18
6	8 October 2018	Final Financial Statements for 2017-18

Attendance by members at meetings and workshops was as follows:

Member	Possible attendance at Meetings and workshops	Meetings and workshops attended
Councillor William Owen-Jones	6	6
Councillor Glenn Tozer	6	6&
Mr Bill Turner, Chair and independent member	6	6
Mr Len Scanlan, independent member (retired on 30 June 2018)	3	3
Mr Geoff King, independent member	6	5
Mr Mitchell Petrie, independent member	6	6#
Ms Kerry Phillips, independent member (appointed from 1 July 2018)	3	2

& includes part of two meetings

includes part of one meeting

In addition to the members of the Committee, the Chief Executive Officer (CEO) Mr Dale Dickson, who under the Act cannot be a member of the Committee, is a standing invitee and regular attendee. Other management and staff are invited to attend meetings as required.

Council's Internal Audit function is represented at Committee meetings by Council's Manager Corporate Assurance, Mr Grant Mather, Executive Coordinator Internal Audit, Ms Karen Farquhar and other internal audit staff as required.

Council's Chief Operating Officer, Mr Joe McCabe, Manager Corporate Finance, Mr John Blair and other Corporate Finance staff also attend Committee meetings on a regular basis, particularly those meetings where financial statements, financial management and internal and external audit matters are discussed.

Representatives of the Queensland Audit Office (QAO) are invited to attend meetings or part thereof and contribute where relevant and appropriate. It is a responsibility of the Committee to undertake appropriate liaison with the QAO on matters raised or arising from their audit. The Committee also undertakes a closed session with only representatives of the QAO present to allow a free and open exchange of views concerning the performance of the City of Gold Coast in relation to audit and financial management and broader corporate governance issues.

The Committee has continued to take a strategic focus to the conduct of its responsibilities and operations via a Forward Meeting Schedule and review cycle which ensures that over the course of the Council term, all elements outlined in the Audit Committee Charter are addressed.

5.1.4 Responsibilities

The Audit Committee is governed by the Council endorsed Audit Committee Policy (Charter) which is reviewed annually and updated by the Committee if appropriate with any amendments subject to Council endorsement.

As indicated in 5.1 above, the Charter imposes greater responsibilities on the Audit Committee than those defined in the Local Government Act which demonstrates Council's commitment to utilise the Committee as a broader governance tool rather than a just legislative compliance tool.

The oversight responsibilities of the Committee are set out in the Audit Committee Charter (More detail concerning these key responsibilities is included in the Charter which is published on Council's website

http://www.goldcoast.qld.gov.au/documents/bf/Audit_Committee_Policy.pdf)

5.2 THE COMMITTEE'S ACTIVITIES DURING 2017-18

5.2.1 Financial statements and reporting

The Audit Committee is required under its Charter and in accordance with the Local Government Act to review the financial statements of Council and all its controlled entities including City of Gold Coast Insurance Company Ltd, Gold Coast Arts Centre Pty Ltd (HOTA) and the three "events based" entities:

- I. Surfers Paradise Alliance Ltd;
- II. Broadbeach Alliance Ltd and
- III. Connecting Southern Gold Coast Ltd

NB Note that the Council, Committee and QAO have agreed that Bleached Arts Ltd is not a controlled entity (although it has been deemed to be an associated entity for the purpose of reporting of related party transactions).

The Committee commenced its initial review of the Council's financial statements and accompanying notes by considering a range of issues including proposed changes in accounting treatment and/or presentation of certain transactions, processes for valuation of assets, the implications of new or revised accounting standards and their implementation and the potential for earlier completion of the statements going forward.

While the intent was to identify and resolve any potential issues early in the process, two matters were identified late in the process which did impact on the timely completion of the financial statements. These related to:

a) *the status of the infrastructure charges register.*

The Council maintains a register which records details of all infrastructure charges attributable to approved developments. Charges become payable once the development has occurred in accordance with the development application and approval. Of course, not all developments proceed. Also, in some cases, they are superseded by a later application and in other cases the actual development or use might vary from the initial application. Furthermore, in some cases developers may seek to vary the charges payable with some challenges resulting in court cases.

When the matter was first raised, the QAO expressed concerns that there were approximately 3000 records totalling approximately \$1.39B and that the Council may not be receiving revenue to which it was entitled in a timely manner.

Extensive work was undertaken to analyse the status of the various records within a short timeframe including the use of sampling. The analysis revealed there was only a small amount of revenue (around \$7.5M) which should have been recorded in the 2017-18 year although QAO considered that a further \$4M could also have been included.

It is clear that management of the register needs to be improved. Work has commenced on enhancing procedures for follow up of approved developments to establish whether the development has proceeded which then triggers the request for payment. In addition, work is proceeding on relevant policies to govern management of the register and the recording of revenue.

The Committee will closely monitor progress in this matter during 2018-19.

b) *the valuation of land*

The financial year 2017-18 did not include a full revaluation of any of the City's asset classes however the values of all classes were reviewed in the light of movements in relevant indices and current contract rates. For the valuation of land however, the State Valuation Service (SVS) was engaged to provide relevant material which informed the valuation process. Unfortunately, upon review of material provided, it became clear late in the process, that there were issues which made use of the data for financial reporting purposes problematic. Consequently, no adjustment was made to the value of land included in the statements. It is clear that a comprehensive review of the process for land valuation will need to be undertaken during 2018-19

In addition to the above matters, the Committee focussed on various matters relating to the preparation of the financial statements including:

- calculation of a provision for the cost of rehabilitation at landfill sites;
- review of indexation calculations and format of reports relating to all asset classes (since none was subject to full revaluations in 2017-18);
- categorisation of land held for sale (including the Bruce Bishop car park);
- consideration of various accounting estimates, assumptions and judgements;
- review of the treatment of final expenditure associated with the Council's involvement in the Gold Coast 2018 Commonwealth Game activities and venues;
- continuing simplification of the notes to the accounts;
- reporting of related party transactions including consistency with reporting by controlled entities and an associated entity (Bleached Arts Ltd);
- consideration of planning for future accounting standard changes. Council's financial statements are required to be prepared in accordance with appropriate legislation and accounting standards. The primary changes relate to the treatment of leases and timing of recognition of revenue. Work is proceeding on analysis of the implications of these changes; and
- other matters raised by the QAO as part of their audit.

The draft financial statements for 2017-18 were completed and made available to the Committee in September. Committee members provided comments which were incorporated in the final version made available to the Committee on 8 October. This version was later amended to reflect the outcome of discussions with the QAO about the two matters referred to above with the amended version endorsed by the Committee as appropriate for certification by the CEO and the Mayor who signed the statements on 22 October 2018.

The QAO provided an unmodified audit opinion on the financial statements (including the Financial Sustainability Statements) on 22 October 2018.

5.2.2 Financial Sustainability Statements

The Financial Sustainability Statements for the Council comprising both current year and long term perspectives are required to be completed, and in respect of the current year's statement, audited by the QAO. The various sustainability ratios and the methods of calculation are prescribed by legislation.

As Councillors will be aware, the City of Gold Coast has previously made representations to various parties over time concerning the legislated methodologies and particularly, the appropriateness of using depreciation costs rather than the amount expended on renewal of assets (as provided for under the Council's Asset Management Plans). Although the QAO has previously made several recommendations which would allow a broadening of the number of ratios to be used, these remain under consideration by the Department of Local Government, Racing and Multicultural Affairs. Hence the ratios shown below have been calculated using the mandated methods although ratios for the Council's preferred method of calculation are also shown for the first two ratios.

For 2017-18, the Operating Surplus Ratio deteriorated due to expenditure associated with the Commonwealth Games and Stage 2 of the Light Rail which was required to be treated as operating expenditure. The remaining two ratios both indicated further improvement and QAO has continued to assess the Council as Moderate Risk. (By way of note, QTC has rated the Council as Sound Risk with a Neutral Outlook)

**Council of City of Gold Coast
Operating Surplus Ratio**

Benchmark

2012-13	-11.2%	0% - 10%
2013-14	-5.4%	0% - 10%
2014-15	-1.6%	0% - 10%
2015-16	+1.1%	0% - 10%
2016-17	+1.5%	0% - 10%
2017-18	-3.7%*	0% - 10%
2017-18 Council preferred method	+7.5%	0% - 10%

* It is anticipated that the operating result will return to surplus in 2018-19 and continue to improve over the next decade.

Asset Sustainability Ratio

2012-13	24.0%	>90%
2013-14	47.5%	>90%
2014-15	34.8%	>90%
2015-16	46.0%	>90%
2016-17	49.6%	>90%
2017-18	56.9%	>90%
2017-18 Council preferred method	125%	90% - 100%

Net Financial Liabilities Ratio

2012-13	41.5%	<60%
2013-14	35.3%	<60%
2014-15	15.8%	<60%
2015-16	-3.6%*	<60%
2016-17	15.3%	<60%
2017-18	-17.9%*	<60%

* The negative figure indicates that current assets exceed current liabilities.

The Financial Sustainability Statements were certified by the QAO on 24 October 2018.

5.2.3 City of Gold Coast Insurance Company Ltd

The Committee noted that the financial statements of the Company for 2017-18 had been audited by Ernst & Young LLP (one of the world's largest accounting firms) and that an unmodified audit opinion had been issued.

The Committee also noted the CEO's report on the Company's operations and the transition to a new Chair and director of the Company.

5.2.4 Other Controlled Entities

The financial statements for all local controlled entities were provided with unmodified audit opinions by QAO. The Committee noted that Council's Corporate Finance staff have continued to assist entities and also noted improvements in the quality and timeliness of the entities' financial statement preparation.

5.3 INTERNAL AUDIT

5.3.1 Internal Audit Function

The Internal Audit function is a key function underpinning the governance framework of Council and provides integral support to the work of the Audit Committee.

Council's Internal Audit Unit reports to the Manager Corporate Assurance, Mr Grant Mather, who has been with Council for nine years, firstly as Manager Internal Audit and more recently as Manager Corporate Assurance. Grant has a broad range of internal audit, risk management and business consulting skills, and is a Certified Practising Accountant (CPA), Certified Information Systems Auditor (CISA) and long standing member of the Institute of Internal Auditors (Australia).

The Branch was restructured during 2017-18 to enhance resourcing and provide extra focus on ongoing internal audit requirements as mentioned in my report for 2016-17. A new position of Executive Coordinator Internal Audit was created with Ms Karen Farquhar being appointed to the role following a publicly advertised recruitment process. She is supported by four professional internal audit staff (although not all are full time employees) and one business support officer. Ms Farquhar has extensive and relevant internal audit experience and holds the following qualifications – Bachelor of Business and member of the Institute of Chartered Accountants Australia..

Other professional internal audit staff have various qualifications and experience in the fields of accounting, finance, commerce, IT, data analysis and internal audit. Professional development plans have continued in place to ensure internal audit staff stay abreast of current risk and control developments and leading internal audit practices. Approximately 10% of available audit time is spent on professional development and related activities to ensure staff are providing high quality advice and audit services.

Internal Audit services have continued to be provided through a mix of professional internal staff supported by external specialist services as required particularly where a specific review or activity is involved.

The Manager Corporate Assurance and staff of the Internal Audit Unit provide specialist advice and guidance to the Audit Committee and to management through their active participation in a range of organisational working groups and project steering committees. Through this involvement, Internal Audit assists management to identify and implement risk and control improvements early in the change/project cycle and provide ongoing assurance. In undertaking this work, conditions are imposed by Internal Audit such that involvement is in no way part of the management or implementation process and is advisory only. This is important to protect the independence of Internal Audit and its ability to later audit outcomes.

Under the guidance of the Manager, Corporate Assurance and the Executive Coordinator Internal Audit and with the support of the Committee and CEO, the Internal Audit Unit has adopted a balanced and strategically aligned assurance and advisory function that seeks to add value to the organisation by helping management understand and better manage their key risks. The Audit Committee again noted positive feedback from the areas being audited of the value-add provided by the Internal Audit Unit and the Manager Corporate Assurance.

The Internal Audit Unit budget for internal audit services in 2018-19 is approximately \$1 million. This continues to represent around 0.08% of Council's total operating expenditure excluding contributions and donations (\$1.3billion) which is significantly less than the average for Queensland State Government Departments

5.3.2 Internal Audit Operations

Because of the extra demands placed upon the internal audit function, it was not possible to fully complete the Internal Audit Plan for 2017-18. Some audits were deferred to 2018-19 and some replaced due, in part, to emerging or evolving issues (including those outlined in this report). A table of formal internal audit reports issued during the 2017-18 cycle is attached as Attachment A.

As part of each audit, various recommendations were determined and agreed with the responsible Manager and Director, and ranked on a high, medium and low scale together with timelines for corrective action. The results of those audits, although generally satisfactory, remain varied indicating a need for enhanced focus in certain areas. In this context, and as part of an effort to improve interpretation of audit findings, the Internal Audit Unit has developed an improved rating system to better express audit findings.

Findings and recommendations made in internal and external audit reports and relevant Auditor-General reports to Parliament are recorded and tracked by the Internal Audit Unit with the aim of ensuring that management addresses improvement actions in a timely manner. A register of these issues (and those raised by the QAO) is maintained and regularly followed up by Internal Audit with reports on management's progress in addressing audit actions provided to the Audit Committee on a regular basis. In this context, the Internal Audit Unit is trialling an improved reporting tool which is planned to be fully implemented during 2018-19 to assist the Committee in undertaking this function.

As part of its review, the Committee again focussed on the high rated outstanding actions and those more than three months overdue where there are still a significant number of outstanding recommendations to be implemented. Whilst appreciating the demands on Council staff due to one off activities, the Audit Committee continues to have significant concerns regarding delays in addressing audit matters in areas where those demands do not appear to have not been particularly pressing. While the Committee will continue to closely monitor progress in this area, the matter will be escalated should no improvement be noted.

Finally, the Internal Audit Unit has continued its strong but independent working relationship with management and the Audit Committee. This has allowed for robust discussions surrounding risk and control issues as and when they arose. The Internal Audit Unit has also continued to play an active role in maintaining open and effective lines of communication with the QAO to ensure internal and external audit activities are aligned and integrated during audit planning activities. Both audit functions collectively worked together to minimise duplication of audit activities where possible.

5.3.3 Going forward - Internal Audit Planning

In accordance with the normal practice, the Audit Committee undertook its annual planning workshop in May 2018.

Workshop participants were provided with QAO and Internal Audit Unit strategies and plans. In addition, information was provided and presented by management concerning the wider internal audit environment, specific audit, risk and/or internal control matters allowing the Committee's consideration of such matters and to ensure:

- that any shortfalls in delivery of the 2017-18 Plan could be addressed;
- that there is appropriate recognition of higher priority and emerging risk matters in audit planning, scheduling and resourcing; and
- that the Annual Internal Audit Plan for 2018-19 was facilitated and agreed and that the existing rolling 3 year Strategic Audit Plan was reviewed and modified to ensure its currency and appropriateness.

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In developing the Annual Audit Plan for 2018-19 at the time, the theme adopted a "Focus on the Fundamentals" reflecting:

- the completion of several one off activities or projects which had taken precedence in terms of allocation of internal audit resources in recent years;
- the need for enhanced follow up of outstanding (some long term) audit recommendations/actions;
- broad risks - with focus generally on high risks areas such as ICT systems (including LGP and SAP);
- continued external security threats;
- the balance between undertaking an extensive review of a small number of areas which is more time consuming versus high level reviews of a wider range of areas;
- specific requests from management for an audit of a particular area or activity given management concerns regarding risks to which the Council might be exposed;
- the need for certain internal audit work to be undertaken annually simply because of the size, importance and sensitivity of the activities, regardless of risk. These are not necessarily full activity audits but can be restricted to selected component audits. The Committee noted that some of this audit activity had been deferred in 2017-18 and expressed a view that this be addressed in 2018-19; and
- results of audits and whether there were adverse conclusions. Consideration was also given to the extent and timeliness of implementation of agreed actions and to the period since the last audit;

As usual, the Committee took a keen interest in ensuring that allowance is made in the Annual Internal Audit Plan (see Attachment B) for emerging issues that are unable to be identified or quantified at the time of planning. As it transpires, the identification of some significant internal control deficiencies post the workshop have required use of that allowance/contingency and may require further amendment of the Plan to accommodate the extra workload. Any such changes to the Plan will be reviewed by the CEO and the Audit Committee during committee meetings.

In conclusion, the Internal Audit Unit has worked with the Committee and management to ensure an appropriate balance between competing focus areas and the consequent risks when developing the Annual Audit Plan for 2018-19 and the Strategic Audit Plan.

5.4 EXTERNAL AUDIT

5.4.1 QAO Financial Statement Audit

The Audit Committee, management and the Internal Audit Unit have continued to work closely with the QAO as the Council's external auditors and continue to have a strong and effective working relationship.

For 2017-18, QAO commenced their audit of the Council's financial statements a little later than originally planned. Throughout the audit, QAO kept management and the Committee informed of the audit process and specific matters requiring attention. This was achieved by presentation of the audit strategy and plan and regular reports to the Committee as well as ad hoc briefing notes. While the audit initially progressed in accordance with agreed timeframes, QAO staff identified two matters which required considerable extra audit work (see section 5.2.1 above) and which delayed the completion of the financial statements.

As part of its audit process, QAO formally advises the Mayor and Chief Executive Officer of any major matters they have raised with management during the interim and final stages of the audit by issuing observation reports. These reports, when received by the Mayor, are tabled with Council as required by legislation. The final QAO Management Report for 2017-18 will be tabled with Council in November 2018 and will refer to a number of deficiencies around internal control including the issues referred to above.

Although the original external audit fee set by the QAO for Council's 2017-18 external audit was \$395,000, the audit fee has increased to \$440,000 because of the additional audit work in relation to the review of the infrastructure charges register.

Committee members also appreciate the opportunity to liaise extensively with representatives of the QAO through their attendance at Committee meetings. From time to time relevant presentations are made by QAO and on occasion, as considered necessary by the Committee, the Committee meets "in camera" with QAO representatives to ensure that open and honest communication can ensue without management being present.

Finally, the Committee wishes to acknowledge the assistance and cooperation provided by QAO staff and in particular the efforts of Patrick Flemming over an extended period as the Director in charge of the Council's audit.

5.4.2 QAO Report to Parliament on 2017-18 local government audits

In early 2019, the QAO will issue its consolidated local government sector report covering the 2017-18 financial statement audits of all local government entities. The Committee considers it likely that the report may include some of the matters mentioned in this report (although it is understood that several other councils may also have experienced similar issues).

5.4.3 Other QAO reports to Parliament

From time to time, the Auditor-General tables reports to Parliament which deal with both sector wide issues and specific performance audits which may have application to more than one organisation. The Committee monitors such reports and all reports are also analysed by the Manager Corporate Assurance and the Committee to establish whether the findings and recommendations have relevance to the operations of the Council. Where they have relevance, action is taken to draw the attention of management to the findings and to the recommended actions.

Reports tabled during 2017-18 which had relevance to Council included:

- Managing local government rates and charges;
- Monitoring and managing ICT projects;
- Finalising unpaid fines;
- Confidentiality and disclosure of government contracts;
- Integrated transport planning;
- Environmental regulation of the resources and waste industries; and
- Fraud risk management.

During 2018-19, the QAO will be undertaking 2 performance audits which have direct relevance to the Council:

- Managing the cost of local government services (which will presumably build on the previous audit in relation to managing local government rates and charges); and
- Regulating food safety

At this stage it is not known whether QAO will approach the City in relation to direct involvement in the first audit.

5.5 FRAUD AND CORRUPTION CONTROL

The Audit Committee has continued to take a keen interest in fraud and corruption control during the 2017-18 meeting cycle and supports management's ongoing attention to this matter. The Committee remains aware of ongoing allegations (and criminal charges being laid) in relation to fraud and corruption within the local government sector and appreciates that this matter will be the subject of ongoing attention by the QAO and the CCC. The Committee continues to be updated on an ongoing basis on instances of fraudulent or corrupt activity and the implementation of the fraud and corruption control framework.

The Committee also strongly supports the Manager Corporate Assurance who has implemented an annual benchmarking activity using the QAO developed fraud and corruption assessment tool throughout the Council's operations to assess the strength of the Council's current framework including policies, processes and responses. A report on the assessment is expected at the Committee's November 2018 meeting with the planned Integrity and Ethical Standards Unit (IESU) report due at the February 2019 meeting.

The Committee will continue to monitor this matter to ensure that staff, external suppliers and contractors remain fully aware of Council's zero tolerance towards fraud and corruption and the potential consequences of any wrongdoing.

5.6 INTERNAL CONTROL AND GOVERNANCE

5.6.1 Internal Control

Although the Internal Audit Unit and the Committee have focussed on internal control matters in recent years, it was concerning that further weaknesses were identified during 2017-18. As raised elsewhere, the timeliness and comprehensiveness of management responses has been poor in some areas. The Committee will seek to ensure that additional resourcing made available to the Internal Audit Unit and the use of improved management tools leads to improved performance in this area

5.6.2 Management Presentations to Audit Committee

The Committee continues to gain value from presentations made by senior managers and directorates with at least an annual presentation and, in the higher risk areas, six monthly presentations or as needed. The focus of the presentations remains on updating the Committee on staff changes and activities since the last report with a focus on current and emerging issues, strategies, risks, opportunities and activities being undertaken to address relevant matters.

Key presentations made during the 2017-18 meeting cycle and/or at the planning workshop included:

- Chief Executive Officer – on strategic direction, challenges faced by the City, issues such as the Commonwealth Games, opportunities in the digital space, implementation of the second stage of the light rail, planning for the third stage of the light rail and organisational and personnel changes;
- Director, Economy, Planning and Environment – on issues and developments within the directorate;
- Director Lifestyle and Communities – on issues and developments within the directorate;
- Director Organisational Services (and separately LGP Implementation Manager) in relation to the LGP Project;
- Chief Procurement Officer providing his annual procurement update in terms of direction, systems and local government procurement preference;
- Manager Business Services GCW in relation to the provision for landfill remediation;
- Manager Corporate Planning and Performance in relation to the Annual Report and quarterly corporate performance;
- Manager Corporate Asset Management in relation to asset valuation and asset management plans;
- Manager Corporate Finance on financial statements, financial performance, financial management plan, financial management, related parties reporting, financial sustainability and proposed changes in accounting policies or presentation;
- Manager Corporate Assurance on progress against the audit plan and major findings and recommendations arising from internal and external audit activities together with various assurance matters and fraud and corruption matters;
- Manager Business Innovation and Technology Services in relation to cyber resilience;
- City Solicitor on legal, compliance framework update, contingency provisions and insurance matters and in particular, current legal and legislative issues relating to rate notices and infrastructure charges; and
- Executive Coordinator, Risk, Security and Business Continuity on current and emerging risks to Council.

5.6.3 Circulation of Better Practice Guidance material

The Audit Committee continues to encourage the sharing of better practice guidance within Council and supports the efforts of the Manager Corporate Assurance and Executive Coordinator Internal Audit in disseminating and discussing relevant better practice guidance material and other independent reports for the consideration of Council managers and staff. The outcomes and recommendations resulting from sector wide QAO audits were also made available for appropriate consideration and/or action where relevant.

5.6.4 Related Party Transactions

The requirement for local government bodies to disclose and report related party transactions became effective in 2016-17. During 2017-18, the Committee raised questions as to whether the current definition of Key Management Personnel (KMP) needs to be expanded given the role of certain other key staff. This matter will be progressed during 2018-19.

In addition, the Committee noted that, in discussions with the QAO, it was determined that Bleached Arts Ltd is an associated entity and therefore transactions between the Council and that entity need to be reported as related party transactions. Further, the QAO also noted that the City did not have a formal policy in relation to controlled entities, that is, in relation to their creation, relationship and management. The Committee will further consider this matter following completion of the Council's review of the three events based entities

Finally, the Committee noted that, except for the above matter, there were no matters of significance raised in reporting of related party transactions during 2017-18.

5.6.5 Enterprise Risk Management

The Committee continues to exercise broad oversight of risk management activities which continue to become more complex and wide ranging. The Committee seeks bi annual presentations from the Council's Manager Corporate Risk and Safety on all aspects of Council's risk profile and risk register including the extent of changes from prior presentations and emerging new risks. In addition, Directorate presentations also touch on risks specific to that Directorate with the opportunity provided to Committee members to seek explanations concerning the identification and treatment of risks in that area.

Changes are made to Council's overall risk profile due to a range of factors including emerging new risks such as the implementation of new systems, projects and/or processes, the outsourcing of services, the identification of environmental risks, for example, in relation to tip contamination or variations in the control environment which have reduced or increased an individual risk rating. The risk profile also changes as a result of the completion of certain activities, for example, the Commonwealth Games and the second stage of the light rail.

The Committee sought explanations of major changes in risk ratings from relevant areas and continues to monitor whether new risks are being properly addressed. The matter of risk management continues to be a key topic at the Committee's annual planning workshop.

Finally, the Committee will also continue to monitor the auditability of external suppliers contracted for several critical services to ensure that there are adequate safeguards in terms of security and adequate provision for ongoing review of those safeguards by Internal Audit or QAO staff.

5.6.6 Legislative and Policy Compliance

In accordance with established good corporate governance, representation letters for 2017-18 were prepared by Directors and Managers in relation to specific activities. This is a structured and continuous process with representation effectively to Council officials who sign the financial statements on behalf of Council. Executives remain acutely aware of the significance and importance of this process and the reliance that is placed on their representations.

While the process works effectively and is a useful mechanism to highlight any major issues for the Committee, some matters have been identified particularly in the area of valuations and infrastructure charges which would further improve the value of such representations to management. These will be implemented during 2018-19.

As Councillors would also be aware, there are often changes to legislation (including regulations) that control the activities of Council. As changes are proposed and/or made, relevant discussion papers are prepared, presented and discussed at Committee meetings. The Committee's focus remains on how any changes effect Council's position and the risks and opportunities relating thereto. Further, the Committee is advised of what processes are being put in place to comply with legislative changes and how compliance is to be monitored. The Committee is also aware that several external organisations conduct compliance reviews such as governance, privacy and environmental reviews which assist in ensuring that the Council remains compliant.

Finally, the Committee continues to emphasise the need for clear accountability for the totality of all compliance matters (see 5.6.8 below)

5.6.7 Legal Matters

The City Solicitor again presented to the Committee during 2017-18 and also provided ad hoc briefings in relation to the amount to be included as contingent liabilities in Council's financial statements.

As part of his presentations, he provided advice to the Committee on outstanding legal matters, insurance issues and legislative or regulatory changes with implications for the City.

Some of the more significant legal matters on which the Committee was briefed during 2017-18 included:

- the outcomes of various court cases and subsequent legislative amendments made in relation to the issue of infrastructure charges notices;
- the potential sale of the Bruce Bishop car park; and
- outstanding insurance claims

5.6.8 Other Assurance Activities

From time to time certain Council activities are subjected to independent reviews of their operational activities by regulators or other independent bodies. Where such reports are known to Internal Audit and available, executive summaries are made available to the Committee. All such information and data add to the overall governance of Council.

Examples include independent audits or reviews by the Crime and Corruption Commission, Office of the Information Commissioner, Queensland Ombudsman, regular Work Health and Safety reviews by the self insurance regulator and QTC Credit Reviews. The Committee is not currently aware of any adverse matters arising from such activities.

5.6.9 Overall compliance responsibility

Notwithstanding the many activities undertaken to ensure compliance, the Committee remains aware that there is no single point of accountability for ensuring Council's overall compliance.

The Committee understands that while a trial of a compliance reporting tool was initiated within Gold Coast Water (GCW), it has been necessary to pursue a different software tool following the takeover of the original supplier. The Committee will await the outcomes of that activity.

5.7 THE COMMITTEE'S WORK FOR 2018-19

Given the matters identified in relation to internal control deficiencies and their impact on financial reporting, the Committee will have a clear focus on closely monitoring the following matters:

5.7.1 Active infrastructure charges register

The Committee will pay close attention to on this area to ensure that appropriate policies and processes are in place and followed to ensure the currency of information maintained on the register and that all revenue to which the Council is entitled, is collected.

5.7.2 Reconciliation of data between LGP and SAP systems

During 2017-18 Council finalised implementation of its Local Government Platform which replaced many outdated and unsupported legacy systems. Whilst the implementation has generally gone well, there remain several issues associated with reconciliation of data between the LGP system and the Council's financial system (SAP). Although the data can be reconciled in total on a "to date" basis (after allowing for known matters), reconciliations at month and year end have proven problematic largely due to differences in timing of recognition of certain transactions between the two systems. In addition, there remain problems with reconciliations at a rate category level within the systems (although totals do agree). This matter was rated a Significant Deficiency by the QAO. The Committee is aware that significant Council resources are being devoted to this matter (including the continuing full time secondment of an Internal Audit Unit staff member). The Committee is also aware that this matter has been escalated to the highest level of the supplier's management in an effort to achieve resolution. Given the critical nature of this matter for the integrity of the Council's financial management and reporting, the Committee will closely monitor this matter.

The Committee has had concerns for some time regarding the timeliness and quality of responses to outstanding audit recommendations. In several cases recommendations have been reraised from previous years with limited progress apparently made. The Committee is aware that the Council staff have been placed under considerable pressure with activities such as the Commonwealth Games, however considers that during 2018-19, available resources should be directed at resolving these matters. The Internal Audit Unit has developed a new form of reporting to assist the Committee in monitoring these matters.

Also, in this context, Council entered into a contract (managed service provider) during 2016-17 with the latter responsible for the provision of a range of ICT services to the Council. Whilst this has generally worked well, the Committee has some concerns regarding the timeliness and quality of the provider's actions in dealing with outstanding audit matters. The Committee is aware that this matter has been taken up with the provider's management and will closely monitor efforts at resolution during 2018-19.

5.7.3 Valuation of non-current assets

As a consequence of the issues arising in relation to data provided by the State Valuation Service, QAO recommended that a comprehensive revaluation of land and buildings be undertaken during 2018-19). In addition, a comprehensive valuation of major site improvements will be undertaken in 2018-19 as part of the normal cycle of valuation activities. The Committee expects that these activities will occur as part of a wider review

designed to optimise asset management and valuation methodologies and activities including appropriate documentation and reporting of peer reviews and outcomes. As the Committee has emphasised the need for quality peer review procedures for some time, the Committee will closely monitor this matter.

5.7.4 Reporting of related party transactions

The Committee will provide oversight of the review of the current definition of Key Management Personnel (KMP) to ensure that all relevant personnel are included for the purpose of reporting of related party transactions.

5.7.5 Financial statements preparation (including accompanying notes)

Although simplification of the financial statements and the accompanying notes continued during 2017-18, the Committee considers there is still potential to further simplify the notes and improve their readability and will pursue this in conjunction with Corporate Finance.

5.7.6 Controlled entities

The Committee will continue to exercise broad oversight of planning and preparation by the entities for the preparation of financial statements for the 2018-19 financial year although the Committee is aware that the Council will shortly consider a report on future arrangements for the “events based” controlled entities which may have implications for future financial arrangements and reporting requirements.

In addition, the QAO, as part of its audit, noted that there was no formal Council policy in relation to the formation and management of controlled entities. Notwithstanding the outcomes of the above review, the Committee accepts that a policy should be formalised and will monitor the development of such a policy during 2018-19.

5.7.7 Rehabilitation of landfill sites

The Council operates a number of landfill sites which will require rehabilitation upon the completion of their useful lives. Estimation of the likely cost involves several assumptions as to timing, nature of rehabilitation and unit costs and is a complex process however following extensive work by Water and Waste staff, a provision of \$70m has now been included in the Council’s financial statements. Further review of the process for estimation of the provision will be undertaken during 2018-19 in conjunction with the QAO.

5.7.8 Implementation of new or revised accounting standards

There are a number of significant new or revised accounting standards which will be effective for periods commencing on or after 1 January 2018 (that is, for financial year 2018-19) or 1 January 2019 (that is, for financial year 2019-20). The more significant are:

- AASB 16 – Leases – where it is likely that some operating leases will be required to be recognised on the balance sheet as both lease assets and financial liabilities. The Committee notes that Corporate Finance is:
 - currently compiling a comprehensive list of finance leases;
 - determining relevant asset and liability values based on contract/market rates; and
 - updating relevant policies and procedures.
- The Committee has also noted QAO’s advice concerning the need for early completion of this work and will monitor progress over the next few months.

- AASB 1058 – Income of Not for Profit Entities – where the recognition of income received from developers to acquire or construct infrastructure will require to be deferred until the infrastructure is acquired or constructed. This matter will also be closely monitored by the Committee during 2018-19.

5.7.9 Cyber resilience (including the potential for data breaches)

The Committee remains acutely aware of the dangers to Council operations and to the broader community posed by cyber attacks on its systems. The Committee has continued and will continue to monitor the steps being taken by management to develop resilience to such attacks and for the Council's operations to recover from any successful attack.

In this context, the Committee notes that many organisations have suffered data breaches whereby personal information held by those organisations has been accessed and, in some cases, made publicly available. The Committee notes that Council has approved a Cyber Breach Response Plan which outlines how Council would deal with communicating and reporting of any such data breach although the Plan seems perhaps at present to be more inwardly focussed rather than focussing on those affected external to the Council.

5.7.10 Internal Audit Plans

A 3 year Strategic Audit Plan and a 2018-19 Annual Audit Plan (copy at Attachment B) were developed by the Manager Corporate Assurance and Executive Coordinator Internal Audit and agreed with the Committee following the Committee's planning workshop in May 2018. The focus of the Plans reflected a "Focus on the Fundamentals" approach given the diversion of resources to one off activities and projects in recent years. However, and as indicated earlier in this report, some internal control issues emerged late in the financial reporting cycle. Consequently, the Committee will continue to review these Plans to ensure that all relevant issues identified are addressed in a timely manner.

5.8 AUDIT COMMITTEE CHARTER AND OPERATIONS

The Committee continues to be aware of the need to enhance the effectiveness of its operations. Consequently, the Chair of the Committee attends QAO briefings provided specifically for Audit Committee Chairs to ensure that they are aware of QAO objectives, strategies and plans together with current and emerging issues and approaches and can pass on relevant matters to Committee members and to Council management.

At the completion of the 2017-18 cycle, members again gave some consideration to the appropriateness of the Committee's Charter but will be undertaking a more detailed review at its November 2018 and February 2019 meetings. In particular, the Committee will discuss the Committee's role in both corporate governance and democratic governance in the context of its current Charter, the potential for overlap with other regulatory bodies and its ability to monitor relevant activities.

During 2018-19, the Committee will also:

- continue to work towards more standardised reporting from key governance areas; and
- further review the forward schedule of activities to better align with the Audit Committee Charter.

6 ALIGNMENT TO THE CORPORATE PLAN, CORPORATE STRATEGIES AND OPERATIONAL PLAN

The role of Council's Audit Committee is aligned with the "Supporting the Delivery of Gold Coast 2020" elements of the corporate plan, particularly:

B We manage the city responsibly

Our stewardship of the city provides value for money for ratepayers.

7 FUNDING AND RESOURCING REQUIREMENTS

There were no new budget/funding considerations. The budget for the Committee's operations is approximately \$90,000 per annum.

8 RISK MANAGEMENT

The Audit Committee plays an active role in relation to Council's corporate and directorate risk profiles in ensuring that appropriate focus is placed on identifying, prioritising, monitoring, mitigating and managing risks to which the Council is exposed. Section 5 above provides further information concerning risk management.

The Committee received regular updates on ongoing risks and actions being taken by management including details of risk registers where relevant.

9 STATUTORY MATTERS

Section 105 of the Local Government Act 2009 (Act), requires all large local governments to establish an audit committee to:

- monitor and review the:
 - integrity of financial documents; and
 - internal audit function; and
 - effectiveness and objectivity of the local government's internal auditors; and
- make recommendations to the local government about any matters that the audit committee considers need action or improvement.

The Council's Audit Committee Charter extends well beyond the statutory requirements outlined above to incorporate a broader range of matters including financial and risk management, corporate governance, fraud and corruption control, internal control framework and asset management and valuation. The Committee's activities and operations for 2017-18 satisfied all the above statutory requirements together with those of its Charter.

10 COUNCIL POLICIES

Audit Committee Policy and Charter

11 DELEGATIONS

Not Applicable.

12 COORDINATION AND CONSULTATION

Name and/or Title of the Stakeholder Consulted	Directorate or Organisation	Is the Stakeholder Satisfied With Content of Report and Recommendations (Yes/No) (comment as appropriate)
Audit Committee members	Audit Committee	Yes
Grant Mather, Manager Corporate Assurance Executive Coordinator Internal Audit	Office of the COO	Yes - Consulted

13 STAKEHOLDER IMPACTS

Not Applicable.

14 TIMING

Council's Audit Committee Charter requires the Chair of the Audit Committee to present an annual report of the Committee's activities for the year after the QAO has certified Council's financial statements. The QAO certified the Council's financial statements on 24 October 2018.

15 CONCLUSION

The Audit Committee has continued to meet its obligations as set out in the Audit Committee Charter and applicable legislation however it is clear that there is scope for improvement. The Charter imposes considerable responsibilities on the Committee which considers its contribution to good corporate governance within Council as a vital role. In accordance with past practice, complying with such responsibilities is considered over the term of Council as against an annual basis.

Although this report has been submitted by me as the Chair of the Audit Committee, I would like to acknowledge the extensive, perceptive and effective contributions made by the other members of the Committee. The members of the Committee remain totally independent of management and ensure that they are free from conflicts of interest (with all declarations of external interests and relevant registers for Councillor members maintained up to date). While enjoying excellent relationships with key Council staff, members continued to draw on a wide and varying range of experience and knowledge to participate in an enquiring, professional and robust manner through detailed and comprehensive questioning of attendees to assess their strategic and operational understanding of the topic under discussion or review, the quality of their responses and their assessment and management of associated risks and opportunities. Their extensive experience, strategic insights and approach and their knowledge of current audit, ICT, financial and risk management and governance issues and developments provide significant value to the Committee's workings.

The Committee also acknowledges and appreciates the continuing excellent work undertaken by the Internal Audit Unit and the Manager Corporate Assurance. The outcomes achieved and the improvements made in a variety of internal control areas reflect the dedicated efforts and work of the Manager and his staff. The Committee also very much appreciates the support afforded to it in its work by the Internal Audit Unit.

The Committee remains strongly committed to working closely with the QAO, Corporate Assurance, executive management, Councillors and other stakeholders to continue to improve the efficiency and effectiveness of Council's operations including identification, assessment and management of risks and to protection of the Council from fraud, loss and/or corruption.

Through the minute process, matters the Committee believe Council should be advised of are so noted. Matters that may require escalation are discussed with Councillors Owen-Jones and Tozer.

Finally, The Committee was again pleased to welcome Councillor Pauline Young to the July meeting of the Committee. The Committee again extends an offer to all Councillors (and particularly to those members of the Events, Tourism and Governance Committee) to attend Committee meetings for the whole or any session of a meeting that may be of interest.

16 RECOMMENDATION

It is recommended that Council resolves as follows:

That the annual report of the Audit Committee Chair for 2017-18 is noted.

Author:

Mr Bill Turner
Independent Audit Committee Chair
13 November 2018

ATTACHMENT A

2017-18 INTERNAL AUDIT REPORTS
The Arts Centre Gold Coast Payroll
LGP Quality Assurance Review - November 2017
Annual Fraud & Corruption Control Self-Assessment
Staff Welfare Fund Annual Review
QAO Open Audit Recommendations Follow-up
VicRoads Agreement – Annual Compliance Audit
Surfers Paradise Alliance Limited – Credit Card Expenditure Review
Working with Children and Young People (Discussion Report)
Internal Incident Management and Business Continuity Planning – Follow-up
Fleet Acquisitions and Disposals
Excess Leave Management (Data Analysis)
Data Analytics and Continuous Controls Monitoring (Bi-annual)
Open Audit Recommendations– QAO Performance Audit
ICT Incident Management
ICT Managed Services – Service Performance
ICT Change Management
Commonwealth Games workforce planning
Parking Revenue
Rating Resolution and budget adoption compliance review
Key Management personnel Chris 21 review
HOTA systems implementation
LGP Project Assurance – Final QAR Report (June 2018)
Risk Management Maturity
Sponsorship Management
Compliance Management Pilot Project Review
Natural Hazards Resilience Corporate Risk - Controls & Mitigation effectiveness review
Vehicle & Fuel Usage
Commonwealth Games payroll and procurement review post games
Parking Meter Discrepancy review

ATTACHMENT B

INTERNAL AUDIT PLAN FOR 2018-19
Follow up review – Cash Management Major Venues
Infrastrucutre Charging Agreements
Active Infrastructure Charges business process review
Internal Work Health and Safety Audit program
IT General Controls - Access
City Maintenance - work orders and warranties
Strategy - W&W
Digital City Program - Data Governance review
Contract Governance
Right to Information & Information Privacy Act – Compliance Check
Online Timesheeting Project
Code of Conduct for employees
Fleet review
Information Security Culture review
Rates
VicRoads Information Protection Agreement Annual Audit
Recruitment in Libraries
Major projects and programs - T&I
Overtime Management in Recycling Centres and Water maintenance
Development Assessments - Management of corruption risks
Regulatory change compliance – Belcarra and Councillor complaints
Continuous Controls Monitoring
IT - Business reporting
HOTA Systems Implementation project health check