



Ordinary Meeting of the 39th Council
17 August 2021

ITEM 12.1/IA1
Internal Auditor's Report

Our Vision, Mission and Values

Vision

The City of Stirling will be a place where people choose to live, work, visit and invest. We will have safe and thriving neighbourhoods with a range of housing, employment and recreational opportunities. We will engage with our diverse community to help shape our future into the City of Stirling - City of Choice.

Mission

To serve the City's diverse community through delivering efficient, responsive and sustainable services.

Values

The City of Stirling's core values are:-

- Agile
- Approachable
- Inclusive
- Innovative
- Inspiring
- Respectful
- Transparent

Disclaimer

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

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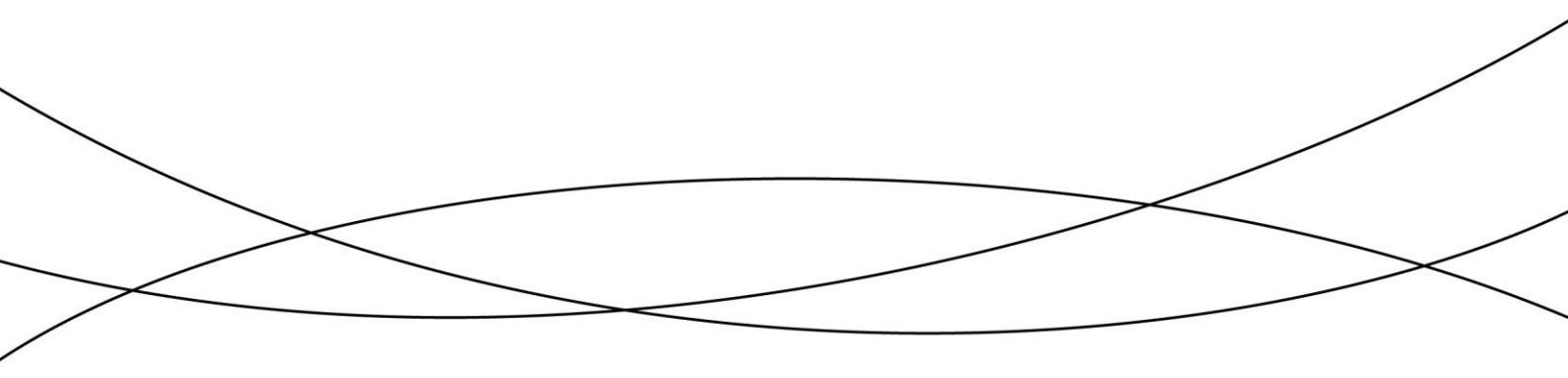


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12. REPORTS AND RECOMMENDATIONS OF COMMITTEES

12.1 AUDIT COMMITTEE - 9 AUGUST 2021

12.1/IA1 INTERNAL AUDITOR'S REPORT

Report Information

Location:	Not Applicable
Applicant:	Not Applicable
Reporting Officer:	Internal Auditor
Business Unit:	Executive Services
Ward:	Not Applicable
Suburb:	Not Applicable

Authority/Discretion

Definition

- | | | |
|-------------------------------------|----------------------|---|
| <input type="checkbox"/> | Advocacy | <i>when Council advocates on its own behalf or on behalf of its community to another level of government/body/agency.</i> |
| <input type="checkbox"/> | Executive | <i>the substantial direction setting and oversight role of the Council. e.g. adopting plans and reports, accepting tenders, directing operations, setting and amending budgets.</i> |
| <input type="checkbox"/> | Legislative | <i>includes adopting local laws, town planning schemes and policies. It is also when Council reviews decisions made by Officers.</i> |
| <input type="checkbox"/> | Quasi-Judicial | <i>when Council determines an application/matter that directly affects a person's right and interests. The judicial character arises from the obligation to abide by the principles of natural justice. Examples of Quasi-Judicial authority include town planning applications, building licences, applications for other permits/licences (e.g. under Health Act, Dog Act or Local Laws) and other decisions that may be appealable to the State Administrative Tribunal.</i> |
| <input checked="" type="checkbox"/> | Information Purposes | <i>includes items provided to Council for information purposes only, that do not require a decision of Council (i.e. - for 'noting').</i> |

Moved Mayor Irwin, seconded Councillor Sandri

THE COMMITTEE RECOMMENDS TO COUNCIL

- 1. That Council RECEIVES and ENDORSES the updated Internal Audit Report.**
- 2. That Council NOTES the current status of the Management Action Plans for past audits and reviews.**
- 3. That the Management Action Plan tasks currently under review REMAIN on this report until complete, so they can be monitored by the Audit Committee.**
- 4. That Council NOTES the current status of the Internal Audit Plan.**

The motion was put and declared CARRIED (9/0).

For: Councillors Caddy, Ferrante, Lagan, Migdale, Perkov, Proud, Sandri, Mayor Irwin and Mr Linden.

Against: Nil.

Recommendation

1. That Council RECEIVES and ENDORSES the updated Internal Audit Report.
2. That Council NOTES the current status of the Management Action Plans for past audits and reviews.
3. That the Management Action Plan tasks currently under review REMAIN on this report until complete, so they can be monitored by the Audit Committee.
4. That Council NOTES the current status of the Internal Audit Plan.

Report Purpose

To provide Council with updates on a range of internal audit activity.

Relevant Documents

Attachments

Attachment 1 - Management Action Plans (previously circulated to Elected Members under confidential separate cover)

Available for viewing at meeting

Nil

Background

Under its Terms of Reference, the Audit Committee assists Council in overseeing the City's internal audit program.

Comment

Due to the resignation of the Internal Auditor in July, the strategic internal audit plan has not been included within the August 2021 Audit Committee Agenda. A draft plan has been developed by the former Internal Auditor for review by the new Internal Auditor prior to presentation at the November 2021 Audit Committee meeting. The draft plan includes the reviews not completed as part of the 2020/2021 annual internal audit plan (Leisure Aquatic Facilities, Waste – Container Deposit Scheme, Environmental Sustainability and Human Resources).

Consultation and Other Activity

Regular meetings are held with the Service Lead Compliance, Risk and Information Management and the Risk Management and Corporate Compliance Officer. This assists with the coordination between the audit, compliance and risk management functions.

Tender Conflict Checks

The Internal Auditor has reviewed the results of the tender conflict checks 578-591 performed since the Audit Committee meeting held 3 May 2021. No issues were noted.

Misconduct, Corruption and Fraud Hotline

Since the Audit Committee meeting held 3 May 2021, no calls have been received through the Misconduct and Fraud Hotline.

Management Action Plan Updates

At the time of reporting to the 3 May 2021 Audit Committee, there were eight action plans which were open. Since then eight actions have been completed and seven new action plans have been added.

There are currently seven action plans open. Of these, three are not yet due and four are overdue, compared to six overdue in May 2021. All overdue actions are rated as 'medium'.

Audit Name	Original Actions	Previously closed	Closed This Period	Open	Overdue	Not Yet Due
Customer Service	5	4	1	0	0	0
OAG General Computer Controls	34	32	1	1	1	0
RMS Project Management	4	3	1	0	0	0
Social Media & Media	2	1	0	1	1	0
Procurement	4	1	2	1	1	0
Financial Management Review	6	0	3	3	1	2
OAG Financial Report	1	0	0	1	0	1
Total	56	41	8	7	4	3

	Aug-19	Nov-19	Feb-20	Aug-20	Nov-20	Feb-21	May-21	Aug-21
Number of overdue actions	16	15	14	9	9	8	6	4

The overdue action plans are summarised below (for more detail refer to Attachment 2).

Audit Name & Date of Review	Area	Rating
OAG General Computer Controls	Information not provided on the action for reasons of security	Medium
Social Media & Media	Social media monitoring processes	Medium
Procurement	Update of Policy	Medium
Financial Management	Information not provided on the action for reasons of security	Medium

Policy and Legislative Implications

Nil.

Financial Implications

Nil.

Strategic Implications

Governance: Making it happen

Outcome G1: Good governance

Sustainability Implications

ENVIRONMENTAL	
Issue	Comment
Nil.	

SOCIAL	
Issue	Comment
Nil.	

ECONOMIC	
Issue	Comment
Nil.	

Conclusion

The Internal Audit Activity Report updates Council on the City's internal audit program.