

RELEVANT INFORMATION FOR COUNCIL

FILE:	S125483	DATE:	12 December 2016
TO:	Lord Mayor and Councillors		
FROM:	Hannah Reid, Acting Director Legal & Governance		
THROUGH:	Monica Barone, Chief Executive Officer		
SUBJECT:	Information Relevant To Item 6.3 – Audit Risk and Compliance Committee Annual Report to Council - At Council - 12 December 2016		

Recommendation

That the Lord Mayor and Councillors note the information contained in this memo.

Background

At the Corporate, Finance, Property and Tender Committee meeting of 5 December 2016, the following matters were raised by Committee members, and taken on notice by Ms Elizabeth Crouch, Chair Audit Risk & Compliance Committee:

1. There were concerns about the business development funding of the Restaurant Associates contract. Has that been resolved and how was it resolved?
2. Non-Residential Register and Rolls – Did the audit assess the apparent differences in the numbers of people who had tried to enrol and the number of people who ended up on the register?

Response

1. The City has had a contract with Restaurant Associates Pty Ltd (part of the Compass Group) through the Town Hall Catering Agreement since 2004. This contract includes a Business Development Fund (BDF) to support the marketing of catering services at the venues. It is calculated as an annual fee plus a percentage of gross sales. The audit identified a small number of items charged to the BDF that could not be supported. On 11 August, the City accepted an offer by Restaurant Associates for a financial contribution to the BDF and for a process map to be developed to support the handling of BDF expenditure by both parties in the future. The City agreed that expenses associated with the BDF were incurred in good faith. This resolved outstanding issues concerning the BDF.
2. As part of the City of Sydney's 2015/16 Internal Audit Plan, Internal Audit reviewed the Non-Residential Register & Rolls (NRRR) project.

The overall objective of this review was to assess whether appropriate governance frameworks, processes and responsibilities were in place to support the NRRR project so that the City can comply as far as is possible with the *City of Sydney Amendment (Elections) Act 2014*.

The review therefore focused on the effectiveness of project management. The scope of the review did not specifically assess numbers of people who had tried to enrol and those who ended up on the register.

Hannah Reid, Acting Director Legal & Governance

Prepared by: Barry Munns, Internal Audit Manager

TRIM Document Number: 2016/640105

approved

P. M. Barone

Monica Barone, Chief Executive Officer