

**CM11.1. Minutes of the Audit, Risk and Improvement Committee meeting held on Wednesday 27 February 2019**

**Recommendation**

That Council receive note and accept the Minutes/Recommendations of the Audit Risk and Improvement Committee held on Wednesday 27 February 2019. (See attachments).

**Note: The Minutes of Advisory Committees and Working Parties may come to Council for noting prior to the adoption of the Minutes by the relevant Committee or Working Party. This is to ensure timely information to the Council. Should an Advisory Committee or Working Party subsequently agree that the Minutes should be changed, this will be noted in the next set of Minutes.**

## **Chairperson's Report to Council**

The Audit, Risk and Improvement Committee meeting on 27 February considered a range of issues covered by the Committee's Charter.

In the light of the recent release by the Office of Local Government of the Code of Conduct, a number of governance issues raised by the Internal Audit review of governance are now being progressed.

The Committee continued to monitor implementation of management initiatives to address significant concerns about Council's procurement function identified in an Internal Audit review conducted in late 2017. Progress and improvements in cyber security recommended in another Internal Audit report were also noted.

In relation to the Organisation Review, the Committee received a report from the General Manager and members were encouraged by the prospect of an independent governance function in the new Council structure.

The Committee discussed plans for the external audit of the Council's finances put forward by the NSW Audit Office and considered a report prepared by management on risk and safety issues.

As part of a series of presentations by senior managers, Corporate Planner, Kate de Hennin, outlined how risks are identified and addressed in relation to Council's strategic planning function.

I would be pleased to provide further information on these matters or on the operation of the Committee generally and may be contacted through [brycemcnair@gmail.com](mailto:brycemcnair@gmail.com).

# Audit, Risk and Improvement Committee Meeting MINUTES

**Minutes of the Audit, Risk and Improvement Committee Meeting held on  
Wednesday 27 February 2019 at 12.00pm**

**Present:** Bryce McNair (Chair), Chris Davies, Margaret Nicholls, Cr Alice Glachan and Cr David Thurley

**Councillor:** Cr Kevin Mack (Mayor)

**Staff:** Frank Zaknich (General Manager), Murray Watson (Human Resources Group Leader), Justin Finlayson (Chief Financial Officer), Kate de Hennin (Corporate Planner)

**Guest:** Lawrissa Chan (NSW Audit Office) and Furqan Yousuf (NSW Audit Office)

## **DECLARATION OF CONFLICT OF INTEREST**

*There were no Conflict of Interest Declarations received by the Chair.*

## **ARIC2. APOLOGIES**

*There were no Apologies received by the Chair.*

## **ARIC3. MINUTES OF THE AUDIT, RISK AND IMPROVEMENT COMMITTEE MEETING**

**ARIC3.1. Minutes of the Audit, Risk and Improvement Committee Meeting held on  
Wednesday 21 November 2018**

**Cr Thurley Moved, Cr Glachan Seconded**

That the Minutes of the Audit, Risk and Improvement Committee meeting held on Wednesday 21 November 2018, at 12.01pm, be confirmed.

**CARRIED**

#### **ARIC4. MATTERS ARISING FROM THE MINUTES**

*There were no Matters Arising from the Minutes.*

#### **ARIC5. AUDIT, RISK AND IMPROVEMENT COMMITTEE ACTION PLANS**

##### **ARIC5.1. Audit, Risk and Improvement Committee Meeting Action Plan - Murray Watson**

**Marg Nicholls Moved, Chris Davies Seconded**

That the Audit, Risk and Improvement Committee receive and note the Action Plan and agree to change the date to review the ARIC Charter to May 2019.

**CARRIED**

##### **ARIC5.2. Audit, Risk and Improvement Committee External Audit Action Plan - Justin Finlayson**

**Cr Thurley Moved, Cr Glachan Seconded**

That the Audit, Risk and Improvement Committee receive and note the External Audit Action Plan update.

**CARRIED**

##### **ARIC5.3. Internal Audit Review Detailed Update - Governance Review - Murray Watson**

**Marg Nicholls Moved, Chris Davies Seconded**

That the Audit, Risk and Improvement Committee:

- a. Receive and note the Internal Audit Review Detailed Update - Governance Review Action Plan.
- b. Request that the Governance Framework be circulated to Committee members following presentation to Council.

**CARRIED**

*Cr Mack left the meeting at 12.44pm.*

*Cr Mack returned to the meeting at 12.45pm.*

**ARIC5.4. Internal Audit Review Detailed Update - Procurement and Contracting Review - Justin Finlayson**

**Cr Glachan Moved, Chris Davies Seconded**

That the Audit, Risk and Improvement Committee receive and note the Internal Audit Review Detailed Update - Procurement and Contracting Review Action Plan.

**CARRIED**

**ARIC5.5. Internal Audit Review Detailed Update - Cyber Security Review - Rikk Price**

**Cr Thurley Moved, Marg Nicholls Seconded**

That the Audit, Risk and Improvement Committee receive and note the Internal Audit Review Detailed Update – Cyber Security Review Action Plan.

**CARRIED**

*Cr Mack left the meeting at 12.53pm.*

*Cr Mack returned to the meeting at 1.05pm*

**ARIC6. GENERAL MANAGER UPDATE**

**ARIC6.1 Organisation Review Update**

**Marg Nicholls Moved, Cr Glachan Seconded**

That the Audit, Risk and Improvement Committee receive and note the Organisation Review Update provided by the General Manager.

**CARRIED**

**ARIC7. QUARTERLY BUDGET REVIEW**

**ARIC7.1. December Quarter Budget Review**

**Cr Glachan Moved, Marg Nicholls Seconded**

That the Audit, Risk and Improvement Committee receive and note the revised budget estimates for the 2018/19 financial year.

**CARRIED**

## **ARIC8. INTERNAL AUDIT REPORTS**

### **ARIC8.1. Scope of Upcoming Audits**

**Cr Glachan Moved, Cr Thurley Seconded**

That the Audit, Risk and Improvement Committee accept the Scope of Upcoming Audits as attached.

**CARRIED**

*Cr Glachan left the meeting at 1.18pm.*

## **ARIC9. REPORTS FOR CONSIDERATION**

*There were no Reports for Consideration.*

## **ARIC10. REPORTS FOR NOTING**

### **ARIC10.1. NSW Audit Office Annual Engagement Plan**

**Cr Thurley Moved, Marg Nicholls Seconded**

That the Audit, Risk and Improvement Committee receive and note the NSW Audit Office Annual Engagement Plan.

**CARRIED**

### **ARIC10.2. Risk and Safety Report**

**Marg Nicholls Moved, Chris Davies Seconded**

That the Audit, Risk and Improvement Committee receive and note the Risk and Safety Report.

**CARRIED**

## **ARIC11. DIRECTOR/GROUP LEADER PRESENTATION**

### **ARIC11.1. Presentation by Corporate Planner, Kate de Hennin**

**Marg Nicholls Moved, Cr Thurley Seconded**

That the Audit, Risk and Improvement Committee receive and note the Presentation by the Corporate Planner.

**CARRIED**

## **ARIC12. GENERAL BUSINESS**

### **ARIC12.1. Audit, Risk and Improvement Committee Performance Review**

**Cr Glachan Moved, Marg Nicholls Seconded**

That the Audit, Risk and Improvement Committee request that Council circulate to selected contractors the Performance Review of the Audit, Risk and Improvement Committee for Expressions of Interest, with a view to having the review presented at the May 2019 meeting.

**CARRIED**

### **ARIC12.2. Audit, Risk and Improvement Committee Charter Review**

**Marg Nicholls Moved, Chris Davies Seconded**

That the Audit, Risk and Improvement Committee note that the review of the Audit, Risk and Improvement Committee Charter will be informed by the Committee Performance Review.

**CARRIED**

### **ARIC12.3 Resignation of Damian McKenzie-McHarg**

**Cr Thurley Moved, Chris Davies Seconded**

That the Audit, Risk and Improvement Committee note the resignation of Damian McKenzie-McHarg from AlburyCity's Audit, Risk and Improvement Committee and thank him for his contribution.

**CARRIED**

*Meeting closed at 1.57pm.*