

MINUTES OF AUDIT, RISK AND IMPROVEMENT COMMITTEE HELD ON THURSDAY, 12 MARCH 2020

Committee Members: Stephen Coates - External Independent Member – Chairperson
Brian Hrnjak - External Independent Member
Councillor Sam Ngai (by telephone)
Councillor Martin Smith

Also Present: John McKee - General Manager
David Marshall – Director Corporate
Jennie Keato - Manager People & Culture
Jo Zhu – Acting Team Leader Corporate Risk and Assurance
Stephen Kwok – On behalf of Manager Governance and Corporate Strategy
Inna Hawkins – On behalf of Group Lead Major Projects
Susan Leahy – Head of Internal Audit Shared Service
Ash Pather – External Auditor Crowe Horwath

Observers Nil

Apologies: Mayor Cr Jennifer Anderson (Observer)

The Meeting commenced at 5:01 PM

DECLARATIONS OF INTEREST

Nil

CONFIRMATION OF MINUTES

AC57 **Minutes of Audit, Risk and Improvement Committee**

File: CY00458/8

Meeting held 12 December 2019

Minutes numbered AC44 to AC56

The Committee Recommends:

(Moved: External Independent Member Hrnjak/Councillor Ngai)

Action Item:

That Minutes numbered AC44 to AC56 circulated to the Committee were taken as read and confirmed as an accurate record of the proceedings of the Meeting, subject to the correction of a typographical error in the apologies whereby the Mayor was referred to as 'Major'.

GENERAL BUSINESS

AC58 **Outstanding Action Schedule**

File: CY00458/8

Vide: GB.1

To provide the Audit & Risk Committee with details of outstanding actions from previous meetings.

The Committee Recommends:

(Moved: External Independent Member Hrnjak/Councillor Smith)

That the report and its contents be received and noted.

AC59 **Audit Risk & Improvement Committee 2020 Meeting Dates**

File: CY00458/8

Vide: GB.2

To provide the Committee with an overview of the proposed meeting dates for 2020.

The Committee Recommends:

(Moved: External Independent Member Hrnjak/Councillor Smith)

1. That the Committee receives and notes this report.
2. That meeting 3 tentatively set for 10 September commence at 6.15pm due to pre-poll for the local government elections.
3. That meeting 5 be held on Tuesday 15 December.

AC60 **LVH Quarterly Update**

File: S12165-1-6

Vide: GB.3

To update the Committee on the Lindfield Village Hub Project during the reporting period.

The Committee Recommends:

(Moved: Councillors Smith/Ngai)

That the Committee receives and notes this report.

AC61 **Risk Management Update**

File: CY00458/8d

Vide: GB.4

To update the Audit Risk and Improvement Committee on the recent developments and progress on Enterprise Risk Management (ERM) initiatives as well as Key Risk Indicators for ERM, Public Liability and Worker's Compensation for the current reporting period 1/12/2019 to 15/02/2020.

The Committee Recommends:

(Moved: Councillor Smith/ External Independent Member Hrnjak)

1. The report is received and noted with key risk developments and initiatives acknowledged.
2. That a column be added for Treatment Plan for the top risks list.
3. That the Risk Matrix definitions such as Likelihood and Consequence be included in future reports.

AC62 **Workplace Health & Safety Performance**

File: CY00458/8

Vide: GB.5

To provide the Audit, Risk & Improvement Committee with an overview of Council's Work Health & Safety (WHS) Performance and an update on development and progress on WHS initiatives for the period from 1/1/2019 to 31/12/2019.

The Committee Recommends:

(Moved: Councillors Ngai/Smith)

The report is received and noted with key WHS developments and initiatives acknowledged.

AC63 **Compliance and Reporting Requirements December 2019 - February 2020**

File: S11015

Vide: GB.6

To provide the Audit, Risk and Improvement Committee with a summary of actions taken in the past quarter against compliance and reporting requirements set out by the Office of Local Government.

The Committee Recommends:

(Moved: External Independent Member Hrnjak/Councillor Smith)

That the Committee receives and notes the report.

AC64 **GIPAA, PPIPA and HRIPA statistics December 2019 - February 2020**

File: CY00458/8

Vide: GB.7

To provide the Audit, Risk and Improvement Committee with a summary of Council's actions in response to applications received under the *Government Information (Public Access) Act 2009* (GIPA Act), *Privacy and Personal Information Protection Act 1998* (PPIP Act) and *Health Records and Information Privacy Act 2002* (HRIP Act) for the reporting period December 2019 – February 2020.

The Committee Recommends:

(Moved: External Independent Member Hrnjak/Councillor Smith)

That the Committee receive and note the report.

AC65 **Summary of Relevant Circulars, Legislative Updates and Matters Arising - December 2019 - February 2020**

File: S11015

Vide: GB.8

To provide the Audit, Risk and Improvement Committee with a summary of Council's actions in response to relevant circulars, legislative updates and other matters arising that impact the local government sector.

The Committee Recommends:

(Moved: Councillors Ngai/Smith)

That the Committee receives and notes the report.

AC66 **Internal Audit Plan & Status Report**

File: CY00578/3-1

Vide: GB.9

To update the Committee on the resourcing and work of the internal audit function, including the status of the internal audit plan

The Committee Recommends:

(Moved: Councillor Smith/External Independent Member Hrnjak)

1. That the status of the 2020 internal audit plan be received and noted.

2. That the draft ARIC Effectiveness Survey be received and endorsed for distribution.
3. That the results of both the ARIC Effectiveness and Internal Audit Function's performance be compiled and presented to a closed session (invitees to be determined by Chair and General Manager) at the June 2020 ARIC meeting.
4. That the ARIC Annual Agenda be adjusted to show the Complaints and Compliments Reporting in Q4 only.

AC67 **Completed Internal Audit Report**

File: CY00578/3-1

Vide: GB.10

Internal audit completed a risk assessment of the Fraud and Corruption framework.

The full internal audit report is provided for the Committee's information.

The Committee Recommends:

(Moved: Councillor Smith/External Independent Member Hrnjak)

That the internal audit report be received and noted.

AC68 **Status of Outstanding Internal Audit Recommendations**

File: CY00578/3-1

Vide: GB.11

Report on the progress of previous internal audit recommendations made.

The Committee Recommends:

(Moved: Councillor Smith/External Independent Member Hrnjak)

That this report and the attached listing of past internal audit recommendations be received and noted.

AC69 **Annual Report for the Audit, Risk and Improvement Committee for the year ended December 2019.**

File: CY00578/3-1

Vide: GB.12

To provide the annual report of the Audit, Risk & Improvement Committee (ARIC) from the Chair for the year ended December 2019 that highlights the Committee's activities and achievements.

The Committee Recommends:

(Moved: Councillor Smith/External Independent Member Hrnjak)

That the annual report of the Audit, Risk & Improvement Committee be received and endorsed for presentation to the next Council meeting.

OTHER BUSINESS

- 1) An update on Council preparedness for the COVID-19 pandemic was provided by the General Manager and Manager People and Culture.
- 2) The Chair, Mr Stephen Coates observed an emerging risk in other councils was an increase in violence towards council staff .

The Meeting closed at 6:26PM