

MINUTES OF AUDIT AND RISK COMMITTEE HELD ON WEDNESDAY, 6 DECEMBER 2017

Committee Members: John Bartrop - External Independent Member- Acting Chairperson
John Gordon - External Independent Member (by telephone)
Councillor Sam Ngai - Ku-ring-gai Council
Councillor Martin Smith – Ku-ring-gai Council

Also Present: Mayor, Councillor Jennifer Anderson
John McKee - General Manager
David Marshall - Director Corporate
Virginia Leafe – Acting Director Community
Angela Apostol - Manager Finance
Jennie Keato - Manager People and Culture
Amber Moloney – Manager Records and Governance
Anne Seaton – Manager Regulation and Compliance
Rod Kidd – Team Leader Corporate Risk and Assurance
Tom Nemes – Project Manager Corporate
Michael Quirk – Internal Auditor
Krishnan Pechimuthoo – Internal Auditor
Mark Nicholaeff - External Auditor

Apologies: Nil

The Meeting commenced at 5.00 PM

DECLARATIONS OF INTEREST

John Gordon declared that he has recently been appointed to the Audit and Risk Committee for the NSW Audit Office.

CURRENT DEVELOPMENTS OVERVIEW

Nil

MATTERS ARISING FROM PREVIOUS MEETING

1. Gordon Golf Club

John Bartrop asked the External Auditor about the outcome of previous correspondence from the Gordon Golf Club regarding Council's Financial Statements.

The External Auditor Mark Nicholaeff advised that he considered the issues raised to be minor and no changes were required to the financial statements.

2. Asbestos notification to the Department of Fair Trading

John Bartrop asked the Manager Regulation and Compliance if Council can introduce a refinement of the current process when asbestos is identified on private property, and notify the Department of Fair Trading when Council becomes aware of its presence.

The Manager Regulation and Compliance agreed to undertake this notification to the Department of Fair Trading.

This action has been incorporated into the recommendation for GB.1 – Outstanding Action Schedule.

CONFIRMATION OF MINUTES

AC146 Minutes of Audit and Risk Committee

File: CY00458/5

Meeting held 4 September 2017

Minutes numbered 144 to 145.

The Committee Recommends:

That Minutes numbered 144 to 145 circulated to the Committee were taken as read and confirmed as an accurate record of the proceedings of the Meeting.

GENERAL BUSINESS

AC147 Outstanding Action Schedule

File: CY00458/5

Vide: GB.1

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

The Committee Recommends:

- A. That the report and its contents be received and noted.
- B. That Council notify the Department of Fair Trading when asbestos is identified on private property.

AC148 **Response to Question - Fire Safety and Certifiers**

File: CY00070/9

Vide: GB.2

To provide information regarding the independent members questions in regard to monitoring private certifiers in relation to the fire safety certification of buildings.

The Committee Recommends:

That the Committee receives and notes the report.

AC149 **Response to Project Management Audit**

File: CY00458/5

Vide: GB.3

To provide the Audit & Risk Committee with an update on Councils progress in addressing the recommendations resulting from the audit of Project Management.

The Committee Recommends:

That this report is received and noted by the Committee

AC150 **Investment Report as at 31 October 2017**

File: S05273

Vide: GB.4

To present Council's investment portfolio performance for October 2017.

The Committee Recommends:

That the summary of investments and performance for October 2017 be received and noted.

AC151 **Compliance and Reporting Requirements June to November 2017**

File: S11015

Vide: GB.5

To provide the Audit and Risk 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:

That the Committee receives and notes the report.

AC152 **Summary of Relevant Circulars, Legislative Updates and Matters Arising - June to November 2017**

File: S11015

Vide: GB.6

To provide the Audit and Risk 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:

That the Committee receives and notes the report.

AC153 **Summary of Councils Obligations under the Privacy and Personal Information Protection Act 2009 and the Health Records and Information Privacy Act 2002**

File: S11015

Vide: GB.7

To provide the Audit and Risk Committee with a summary of Council's obligations under the Privacy and Personal Information Protections Act 2009 and the Health Records and Information Privacy Act 2002, as per the request from the Committee.

The Committee Recommends:

That the Committee receives and notes the report.

AC154 **Ku-ring-gai Finance Committee**

File: CY00546

Vide: GB.8

To inform the Audit Committee of the recently establishment of the Ku-ring-gai Finance Committee, and to provide the Terms of Reference, for information.

The Committee Recommends:

That the Audit Committee receive and note the information provided in this report.

AC155 **Complaints and Compliments**

File: CY00458/5

Vide: GB.9

To update the Audit and Risk Committee on activities relating to complaints and compliments and a summary of Council's actions in response to applications received under (or other matters relating to) the Government Information (Public Access) Act 2009, Privacy and Personal Information Protection Act 1998, and Health Records and Privacy Act 2002.

The Committee Recommends:

That the report be received and noted.

AC156 **Workplace Health & Safety Performance**

File: CY00458/5

Vide: GB.10

To provide the Audit and Risk Committee with an overview of Council's WHS Performance.

The Committee Recommends:

- A. That the report be received and noted.
- B. That the next report to the Audit and Risk Committee include external benchmarking data related to WHS incidents.
- C. That the next report to the Audit and Risk Committee include Employee Assistance Program statistics.

AC157 **Risk Management Update**

File: CY00458/5

Vide: GB.11

To update the Audit and Risk Committee on the progress and actions undertaken on the Enterprise Risk Management (ERM) system and risk management projects.

The Committee Recommends:

- A. That this report is noted by the Committee.
- B. That the next report to the Audit and Risk Committee provides a risk matrix and scoring.
- C. That the next report to the Audit and Risk Committee provides the StateCover risk maturity evaluation of Ku-ring-gai Council.

AC158 **Briefing on the Findings of the ICAC Operation Ricco Investigation**

File: CY00458/5

Vide: GB.12

To provide the Audit & Risk Committee with a briefing on the outcomes from the ICAC Operation Ricco investigation

The Committee Recommends:

That the briefing on the findings of the ICAC Operation Ricco Investigation be received and noted.

AC159 **Internal Audit Report - Completed Audit**

File: S04589

Vide: GB.13

To provide the Audit and Risk Committee with the results of an audit completed in the period since the last Committee meeting.

The Committee Recommends:

That the Internal Auditor's Report from the completed Audit of Purchasing be received and noted.

AC160 **Internal Audit Status Report**

File: S04589

Vide: GB.14

To update the Audit and Risk Committee on the progress of the Internal Audit shared service in Council.

The Committee Recommends:

That this report be received and noted.

AC161 **Internal Audit Implementation Report**

File: S04589

Vide: GB.15

To provide the Audit and Risk Committee with updated information on the implementation of recommendations contained in previously completed Audit reports.

The Committee Recommends:

That this report be received and noted

OTHER BUSINESS

The Audit and Risk Committee thanked Michael Quirk for his service to Ku-ring-gai Council, and other members of the shared audit service.

The Meeting closed at 6.52 pm