MEETING MINUTES

Meeting

Team Name:	Audit Risk and Improvement Committee

Date:	23 May 2024	**Time:**	4.02 pm	**Venue:**	Committee room or ZOOM
Chairperson:	Deborah Goodyer			**Minutes:**	Tony Wickham

Purpose of Meeting:	The objective of the Audit Committee is to enhance the corporate governance of Port Stephens Council through the provision of independent oversight, review and advice. The Committee will assist Council by providing independent assurance and assistance on the organisation's governance, risk, control and compliance framework.

Members in Attendance

Deborah Goodyer (Chair)	Frank Cordingley	Paul Dunn	Cr Leah Anderson	

Officers in Attendance

Tim Crosdale (General Manager)	Greg Kable Director Facilities & Infrastructure (F&I)	Steve Peart Director Community Futures (CF)	Glen Peterkin (Finance Services Section Manager & Acting Director Corporate Strategy & Support – CSS)	Croydon Dowley (Financial Reporting Coordinator)
Tony Wickham (Governance Section Manager)	Chris Hilkemeijer (Enterprise Risk Manager)			

Item	Topic	Time Required	Responsible Officer	Action	Decision
1.0	**WELCOME and APOLOGIES**				
1.1		2 mins	Chair	The Chair welcomed all attendees to the meeting. This was the first ARIC meeting for Paul Dunn and Frank Cordingley (re-appointed). All attendees introduced themselves. Mr Dunn provided a brief overview of his background. No apologies were received.	Noted.
2.0	**DECLARATION OF INTEREST**				
2.1	Declaration of Interest form - attachment 1.	5 mins	Chair	Nil declaration of interest were received.	Noted.

Item	Topic	Time Required	Responsible Officer	Action	Decision
3.0	**MINUTES AND OUTSTANDING ACTIONS**				
3.1	Minutes of last meeting held 22 February 2024 – attachment 2.	2 mins	Chair	The minutes of the Audit, Risk and Improvement Committee held on 22 February 2024 were endorsed.	Endorsed.
3.2	Outstanding Actions from – there are no outstanding actions.	2 mins	T Wickham	There were no outstanding actions.	Noted.
4.0	**BUSINESS ITEMS**				
4.1	**INTERNAL AUDIT**				
4.1.1	Receive presentations and reports from internal auditors – PKF • Contract/Contractor Management – attachment 3.	20 mins	PKF	The Contract/Contractor Management internal audit report was received and noted by the Committee. The chairperson provided general comments on proposed improvements for future use of the new report template including more detail on specific criteria used to assess the subject against the objectives, and that Management Agreed Actions be documented which reflect the position and actions to be taken as agreed between the internal auditors and relevant management. The "Considerations for Council" and the "Agreed Management Actions" be included in the Internal Audit action in Protecht.	Noted.

Item	Topic	Time Required	Responsible Officer	Action	Decision
4.1.2	Review internal audit register actions and implementation – attachment 4.	10 mins	T Wickham	The Internal Audit outstanding actions as at 23 May 2024 were received and noted by the Committee.	Noted.
4.2	**EXTERNAL AUDIT**				
4.2.1	Receive presentations and reports from external auditors – Prosperity Advisors Group • Verbal update on Audit progress	5 mins	Prosperity Advisors	Prosperity provided a verbal update including: 1) Complimented Council on its preparedness for the audit visit. 2) Interim external audit has commenced. 3) Management letter to be distributed to the Committee members out of session when received from Prosperity. 4) Valuations are required on recreation and open space this year. 5) Depreciation treatment on assets will occur once valuation is complete. 6) Working on an outcome with regards to Newcastle Airport and Council's audit.	Noted.
4.2.2	Review external audit register actions and implementation – there are no external audit actions.	2 mins	G Peterkin	There were no External Audit outstanding actions.	Noted.

Item	Topic	Time Required	Responsible Officer	Action	Decision
4.2.3	NSW Auditor General's report dated 26 March 2024 – attachment 5.	10 mins	T Crosdale	The NSW Auditor General's report dated 26 March 2024 was received and noted by the Committee.	Noted.
4.2.4	Audit Office – Cyber security in Local Government – attachment 6.	10 mins	T Crosdale	The Audit Office – Cyber security in Local Government report was received and noted by the Committee.	Noted.
4.3	**RISK MANAGEMENT**				
4.3.1	Enterprise Risk Report – attachment 7.	10 mins	C Hilkemeijer	1) The Enterprise Risk Report as at May 2024 was received and noted by the Committee. 2) The Committee were provided with a presentation on the changes to the Risk Apettite and risk library, which has simplified the approach and deployment across Council. The Committee extended its appreciation for the detailed presentation.	Noted.

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4.4	**FINANCE**				
4.4.1	Finance presentation – to be tabled. • Quarterly Budget Upate. • 2025 Long Term Financial Plan – attachment 8.	15 mins	G Peterkin	1) The Committee received a presentation on the March 2024 Budget Review, which included: i. Operational budget – income/expenditure ii. Capital program iii. Restricted cash iv. Underlying result v. Performance indicators 2) Long Term Financial Plan review 3) Integrated Planning and Repotring process The Committee made an observation regarding the inclusion of OLG asset backlog and renewal ratios, and that external benchmarking from the Office of Local Government, if any, could be beneficial. The Committee extended its appreciation for the detailed presentation.	Noted.
4.5	**LEGAL**				

Item	Topic	Time Required	Responsible Officer	Action	Decision
4.5.1	Receive presentations and reports on current legal matters – attachment 9.	10 mins	T Wickham	The summary of legal matters as at May 2024 was received and noted by the Committee.	Noted.
4.6	**STRATEGY**				
4.6.1	Risk Management Policy – attachment 10.	5 mins	T Wickham	The Committee endorsed the Risk Management Policy subject to the inclusion of the OLG Risk Management and Internal Audit Guidelines reference at 7.6. Noting the policy will now be reported to Council.	Endorsed with amendment.
4.6.2	Memo & ICAC Investigation report – April 2024 – attachment 11.	5 mins	G Peterkin	The ICAC Investigation report was received and noted by the Committee.	Noted.
4.6.3	Integrated Planning & Reporting documents • Draft Resourcing Strategy 2024-2034 – attachment 12. • Draft Delivery Program 2022-2026 Operational Program 2024 – 2025 – attachment 13. • Draft Fees and Charges 2024 – 2025 – attachment 14.	10 mins	G Peterkin	The Committee received and noted the Integrated Planning and reporting documents.	Noted.

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4.6.4	Cyber management at Council – attachment 15.	10 mins	G Peterkin	The Cyber management report was received and noted by the Committee.	Noted.
4.7	**GENERAL BUSINESS**				
		5 mines	Chairperson	The Chairperson advised the Committee of the Independent Quality Assessment and Gap Analysis with the Office of Local Government Risk Management and Internal Audit Guidelines currently underway.	Noted.
5.0	**FUTURE MEETING DATES**				
5.0.1	Current meeting schedule	5 mins	Members	That the meeting schedule be updated as follows and meetings to commence at 4pm. • Thursday 25 July 2024. • Thursday 10 October 2024. • Thursday 27 February 2025.	Noted.
6.0	**KEY MESSAGES**				

MEETING CLOSED AT 6pm.

Item	Topic	Time Required	Responsible Officer	Action	Decision
NEXT MEETING					

Date:	Thursday, 25 July 2024	**Time:**	4 – 6pm	**Venue:**	Committee room

MEETING CODE OF COOPERATION

We start on time and finish on time.

We all participate and contribute – everyone is given opportunity to voice their opinions.

We use improvement tools that enhance meeting efficiency and effectiveness.

We actively listen to what others have to say, seeking first to understand then to be understood.

We follow up on the actions we are assigned responsibility for and complete them on time.

We give and receive open and honest feedback in a constructive manner.

We use data to make decisions (whenever possible).

We strive to continually improve our meeting process and build time into each agenda for reflection.

We will promote best practice, keeping open minds, combining our experiences and shared learnings to inform our deliberations.