



MINUTES OF

AUDIT, RISK AND IMPROVEMENT

COMMITTEE

WEDNESDAY 7 JUNE 2023

MINUTES OF THE **Audit, Risk and Improvement Committee** OF TENTERFIELD SHIRE held at the "Koreelah Room", Administration Building, 247 Rouse St, Tenterfield NSW 2372 on Wednesday 7 June 2023 commencing at 10.00 am

ATTENDANCE

Members (voting):

Mr Peter Sheville (Chair) – Independent External Member
Mr Tony Harb – Independent External Member
Mr Gurbindar Singh – Manager Finance Southern Downs Regional Council

ATTENDEES (non-voting)

Ms Bronwyn Petrie - Mayor
Mr Daryl Buckingham – Chief Executive Officer
Ms Kylie Smith – Chief Corporate Officer
Mr Roy Jones – Manager Finance & Technology
Ms Janet Vassallo – Acting Manager HR, Workforce Development & Safety
Mr Chris Thomas – IT Support Officer
Mr John Ringland – Consultant – WHS & Risk
Mr Igor Ivannikov – Financial Advisor (via Zoom)
Mr Paul Cornall – Principal – Forsyths (via Zoom)

Clause 254(b) of the Local Government (General) Regulation 2005 requires that the names of the mover and seconder of the motion or amendment are recorded and shown in the Minutes of the meeting.

DISCLOSURE OF INTERESTS

Name	Interest
Peter Sheville	Chair Audit and Risk Committee for the Public Trustee Queensland

APOLOGIES

Resolved that the apologies from
Erika Bursford – Manager Customer Service, Governance & Records and
Damian Ison – Audit Office of New South Wales
(**Peter Sheville/Tony Harb**)

CONFIRMATION OF MINUTES

Resolved that the minutes of the Audit, Risk and Improvement Committee meeting held on Wednesday 8 March 2023, as circulated, be confirmed and signed as a true record of the proceeding of the meeting.
(**Gurbindar Singh/Tony Harb**)

Action Items:

- Provide Chair with the backlog of minutes to be signed
- Put on future agenda that the Committee will be in closed session 10am-10.15am
- General Business to be included in the agenda
- Under Internal Audit a report on recommendations as a standing item.

(ITEM CEO8/23) ACTION ITEMS ARISING FROM ARIC MEETING 8 MARCH 2023**SUMMARY**

Action items arising from ARIC Meeting 8 March 2023 due ARIC meeting 7 June 2023.

(**Gurbindar Singh/Tony Harb**)

Action arising from (ITEM CEO3/23) ARIC 8 March 2023

- Circulate the agreed timetable for audit engagement. Presently 17 April (interim) and 11 September (final).

Key Points:

- ARIC expectation is the Audit Office Annual Engagement Plan be tabled at March ARIC meeting of that financial year.
- ARIC expectation is the Audit Office Interim Management Letter be tabled at the June ARIC meeting.
- ARIC Committee raised that Rural Fire Service was not in the Audit Office Annual Engagement Plan. Audit Office position remains the same and TSC remains non-compliant in this matter.

Action Register Attached

(ITEM CEO9/23) AUDIT, RISK AND IMPROVEMENT COMMITTEE ANNUAL PLAN ACTIVITIES FOR MEETING OF 7 JUNE 2023

SUMMARY

The purpose of this report is to provide the scheduled Audit, Risk and Improvement Committee Annual Plan reporting activities for the meeting of 7 June 2023, for the Committee to review, assess and provide feedback and guidance.

RECOMMENDATION

That the Audit, Risk and Improvement Committee note the program of the Audit, Risk and Improvement Committee Annual plan of activities for review for the Audit, Risk and Improvement Committee meeting of 7 June 2023.

(Gurbindar Singh/Tony Harb)

Report Noted with adjustments.

In future, this report should immediately precede the reports after financial reports, which will go here.

(ITEM CEO10/23) QUARTERLY BUDGET REVIEW AS AT 31 MARCH 2023

SUMMARY

The purpose of this report is to provide the Committee with a copy of the Quarterly Budget Review Statement as at 31 March 2023 for information.

RECOMMENDATION

That the Audit & Risk Committee receive and note the report.

(Gurbindar Singh/Tony Harb)

Report noted with Action Items.

Key Point:

- Manager Finance & Technology, in future, to give further explanation in QBR Report to ARIC of significant changes in the budget Surplus/Deficits.

Action Items:

- Advise ARIC as soon as is practicable of IPART determination.
- Within a fortnight of determination a special meeting of ARIC be arranged to give the Committee an opportunity to comment on the management response, actions and impact on Council.

(ITEM CEO11/23) FINANCIAL MANAGEMENT - 2.5 FINANCIAL MANAGEMENT REPORT 7 JUNE 2023

SUMMARY

The purpose of this report is to provide information on financial management activities scheduled for reporting to the Audit, Risk and Improvement Committee meeting of 7 June 2023, for the Committee to review, assess and provide feedback and guidance.

RECOMMENDATION

That the Audit, Risk and Improvement Committee review and advise on the reported Financial Management activities for 7 June 2023.

(Tony Harb/Gurbindar Singh)

Report noted with Action Item.

Action Item:

Re: 2.5(f) Satisfy itself there are appropriate mechanisms in place to review and implement, where appropriate, relevant State Government reports and recommendations.

- Manager Finance & Technology to address this action from the context of how you monitor State Government reports and recommendations in relation to financial management [rather than what reports you submit to the state].

(ITEM CEO12/23) RISK - 2.1 RISK MANAGEMENT REPORT 7 JUNE 2023

SUMMARY

The purpose of this report is to provide information on risk activities scheduled for reporting to the Audit, Risk and Improvement Committee meeting of 7 June 2023, for the Committee to review, assess and provide feedback and guidance.

RECOMMENDATION

That the Audit, Risk and Improvement Committee review and advise on the reported Risk activities for 7 June 2023.

(Tony Harb/Gurbindar Singh)

Report Noted with Action Item.

Key Point:

Aric reviewed and advised the following:

- six (6) monthly review of the Risk Register to be undertaken

Action Item:

At future meetings schedule 5-10 minute presentations from each area of Council, to walk ARIC through Risk in each area. Start with more complex areas.

(ITEM CEO13/23) GOVERNANCE - 2.6 GOVERNANCE REPORT 7 JUNE 2023

SUMMARY

The purpose of this report is to provide information on governance activities scheduled for reporting to the Audit, Risk and Improvement Committee meeting of 7 June 2023, for the Committee to review, assess and provide feedback and guidance.

RECOMMENDATION

That the Audit, Risk and Improvement Committee review and advise on the reported Governance activities for 7 June 2023.

(Gurbindar Singh/Tony Harb)

Report Noted with Action Item.

Key Point:

- Address the mechanisms of due diligence around assurances of compliance with outside IT provider.

Action Item:

Re: **2.6(i)** Review and advise Council on information and communications technology (ICT) governance.

Manager Finance & Technology – IT Support Officer, review and advise:

- More information required to the assurance/governance mechanisms of outside IT service providers,
 - assurances, evidence and provision of certification and ongoing auditing for privacy, confidentiality and security
 - Insurance – cyber security
 - business continuity plan