



Central Coast Council

Minutes of the **AUDIT RISK AND IMPROVEMENT COMMITTEE MEETING**

Held in the Committee Room, 49 Mann Street, Gosford
on 4 December 2018, commencing at 2PM

Present

Dr Colin Gellatly (Chairperson)
John Gordon
Carl Millington
Councillor Louise Greenaway
Councillor Doug Vincent (arrived 2.07pm)

In Attendance

Mayor Jane Smith	(Observer – by ARIC Invitation)
Gary Murphy	Chief Executive Officer
Peter Auhl	Chief Information Officer
Shane Sullivan	Acting Director Governance
Julie Vaughan	Director Connected Communities (arrived 2:10pm)
Tina Baker	Chief Internal Auditor
Lilly Mojsin	Senior Internal Ombudsman (left 2.23pm)
James Taylor	Acting Unit Manager Governance and Business Services
Jade Maskiewicz	Assistant Internal Ombudsman (left 2.23pm)
Kelly Drover	Advisory Group Support Officer
Ellen Suarez	Coordinator Customer Experience
Marco Monaco	Audit Office of NSW

Apologies

Caroline Mara	PriceWaterhouseCoopers
James Sugumar	Audit Office of NSW

GENERAL REPORTS

1.1 Disclosures of Interest

Resolution

- 1 That the Committee receive the report on Disclosures of Interest.**
- 2 John Gordon made a non-pecuniary interest disclosure that he is a member of the Department of Education Audit, Risk and Improvement Committee.**
- 3 That this report be made publicly available, pursuant to Clause 6.4 of the Audit, Risk and Improvement Committee Charter.**

1.2 Confirmation of Minutes of Previous Meeting

Resolution

- 1 That the Committee confirm the minutes of the previous meeting held on 2 October 2018.**
- 2 That the Committee make a recommendation that this report and the supporting papers to this report be made publicly available as the nature or content of the report do not fall within any listed exceptions, pursuant to Clause 6.4 of the Audit, Risk and Improvement Committee Charter.**

1.3 Outstanding Action Items

Resolution

- 1 That the Committee notes the report on Outstanding Action Items.**
- 2 That the Committee make a recommendation that this report be made publicly available as the nature or content of the report do not fall within any listed exceptions pursuant to Clause 6.4 of the Audit, Risk and Improvement Committee Charter.**

1.4 Enterprise Risk Management Framework - Update

Resolution

- 1 That the supporting papers to this Report be made publicly available, pursuant to Clause 6.4 of the Audit, Risk and Improvement Committee Charter.**
- 2 That John Gordon liaise directly with Shane Sullivan to advise of a few minor amendments to the Framework.**
- 3 That the Committee note the report on the current status of the Enterprise Risk Management Framework project and the confirmation that Councillors will receive a presentation on the Framework after the completion of the project.**

1.5 Update on GIPA Requests

Resolution

- 1 That the Committee receive the report on Update on GIPA Requests.**
- 2 That a report be brought back to the next meeting outlining the themes of GIPA requests.**
- 3 That the Committee make a recommendation that this report and the supporting papers be made publicly available, pursuant to Clause 6.4 of the Audit Risk and Improvement Committee Charter.**

1.6 Customer Experience Survey Results

Ellen Suarez, Coordinator Customer Experience provided an update to the Committee on the Customer Experience Survey Results.

Resolution

- 1 That the Committee receive the report on Customer Experience Survey Results.**
- 2 That the Committee make a recommendation that this report and the supporting papers be made publicly available, pursuant to Clause 6.4 of the Audit Risk and Improvement Committee Charter.**

1.7 Customer Complaints and Compliments

Julie Vaughan, Director Connected Communities provided an update to the Committee on Customer Complaints and Compliments.

Resolution

- 1 That the Committee receive the report on Customer Complaints and Compliments.**
- 2 That the Committee make a recommendation that this report and the supporting papers be made publicly available, pursuant to Clause 6.4 of the Audit Risk and Improvement Committee Charter.**

1.8 Annual Plan for 2019 - Proposed

Resolution

- 1 That the Committee consider the proposed Annual Plan for 2019 and endorse the proposal for implementation in 2019.**
- 2 That the Annual Plan for 2019 be reviewed and a more detailed report to be brought back to the next meeting.**
- 3 That the supporting papers to this Report be made publicly available, pursuant to Clause 6.4 of the Audit, Risk and Improvement Committee Charter.**

1.9 IA Balanced Scorecard Report

Resolution

- 1 That the Audit, Risk and Improvement Committee receive the Chief Internal Auditor's Balanced Scorecard Report.**
- 2 That this report and the supporting papers to this Report be made publicly available, pursuant to Clause 6.4 of the Audit, Risk and Improvement Committee Charter.**

1.10 Chief Internal Auditor's Quarterly Progress Update

Resolution

- 1 That the Audit, Risk and Improvement Committee receive the Chief Internal Auditor's Report.**
- 2 That this report and the supporting papers to this Report be made publicly available, pursuant to Clause 6.4 of the Audit, Risk and Improvement Committee Charter.**

1.11 IA Comparative Data Analysis and Risk Outlook Report

Resolution

- 1 That this report and the supporting papers to this Report be made publicly available, pursuant to Clause 6.4 of the Audit, Risk and Improvement Committee Charter.**
- 2 That the Audit, Risk and Improvement Committee receive the Comparative Data and Risk Outlook Report.**
- 3 That the Committee consider the issues highlighted in the Comparative Data Analysis and Risk Outlook Report and determine what information/reports/presentations they would like on what topics at future meetings to assist them in further meeting their Charter obligations, with specific reference to section 1(f) implementation of the strategic plan, delivery program and strategies and 1(h) collection of performance measurement data by the Council.**

1.12 IA Emerging Themes Report

Resolution

- 1 That the Audit, Risk and Improvement Committee receive the IA Emerging Themes Report.**
- 2 That the Committee consider the issues highlighted in the IA Emerging Themes Report and determine what information/reports/presentations they would like on what topics at future meetings (and the frequency) to assist them in further**

meeting their Charter obligations, with specific reference to section 1(f) implementation of the strategic plan, delivery program and strategies and 1(h) collection of performance measurement data by the Council.

- 3** *That the Committee make a recommendation that this report and the supporting papers be made publicly available, pursuant to Clause 6.4 of the Audit, Risk and Improvement Committee Charter.*

1.13 IA Work Programme 2018 to 2020

Resolution

- 1** *That the Internal Audit program for 2018/19 be finalised with the Chief Executive Officer working with the Internal Auditor and Chief Executive Officer to ensure Outstanding actions are up to date.*
- 2** *That once the Co-source external audit comes on board, the program for 2019/20 to be brought to the next meeting.*
- 3** *That this report and the supporting papers to this Report be made publicly available, pursuant to Clause 6.4 of the Audit, Risk and Improvement Committee Charter.*

1.14 Implementation of Management Actions Arising From IA Reviews

Resolution

- 1** *That the Audit, Risk and Improvement Committee receive the report on the implementation of management actions arising from IA reviews.*
- 2** *That the Chief Executive Officer undertakes to investigate the lack of progress on actions arising from IA reviews and report back to the next meeting.*
- 3** *Pursuant to Clause 6.4 of the Audit, Risk and Improvement Committee Charter, that the Audit, Risk and Improvement Committee consider assigning a 'confidential' privacy marking to Appendix 1 to this report for the reasons that it contains information that could compromise the "security of Council, Council Officials and Council property".*

1.15 Dates for 2019 Audit, Risk and Improvement Committee (ARIC) meetings

Resolution

- 1** *That the Committee set the recommended dates Dates for 2019 Audit, Risk and Improvement Committee (ARIC) meetings, with the following changes:*
 - *First meeting date changed to Tuesday 5 March 2019;*
 - *Extraordinary meeting to review draft financial statements to be held late October on a date to be determined.*

- 2** *That the Committee make a recommendation that this report be made publicly available as the nature or content of the report do not fall within any listed exceptions pursuant to Clause 6.4 of the Audit, Risk and Improvement Committee Charter.*

At the request of the Chair, Item 2.1 was moved forward to the beginning of the meeting.

2.1 Confidential Report from the Office of the Internal Ombudsman

Resolution

- 1** *That the Committee note the report of the Senior Internal Ombudsman.*
- 2** *That the Senior Internal Ombudsman provides a report at the next meeting outlining general observations on best practice.*
- 3** *That the Committee make a recommendation that this report not be made publicly available pursuant to Clause 6.4 of the Audit, Risk and Improvement Committee Charter as it contains personnel matters concerning particular individuals.*
- 4** *That the Chief Executive Officer meet with Councillor Greenaway to further discuss issues raised in regards to this report.*

GENERAL BUSINESS

- GB6/18** **Marco Monaco, Audit Office of NSW provided the Committee with an update on the Independent Audit Reports.**

A Draft Management Letter will be issued to Management shortly for comments.

- GB7/18** **Minutes and Business Papers of Audit, Risk and Improvement Committee meeting**

The Committee discussed the request from Councillors that the Minutes and Business Papers of the Audit, Risk and Improvement Committee be made available to them.

Resolution:

That the Committee continues the current status quo. The Agendas and Minutes of the Audit, Risk and Improvement Committee meetings are proactively released on the website and available to all Councillors.

GB8/18 Internal Audit Co-source Model

Shane Sullivan advised the Committee that it is anticipated that Tender documentation will go out in January for procurement of a Co-source Audit function to support our in house internal audit.

The Meeting closed at 3.22pm

Next Meetings: Ordinary Meeting
Tuesday 5 March 2019
2pm – 5pm
Gosford Committee Room