



Central Coast Council

Minutes of the
AUDIT RISK AND IMPROVEMENT COMMITTEE
MEETING of Council

Held via Skype on 17 March 2020 commencing at 2.10pm

Present

Dr Colin Gellatly (Chairperson)
Carl Millington
John Gordon
Councillor Louise Greenaway
Councillor Jeff Sundstrom

In Attendance

Gary Murphy	Chief Executive Officer
Mark Margin	Acting Chief Information Officer
Boris Bolgoff	Director Roads, Transport, Drainage and Waste
Craig Norman	Chief Financial Officer
Emma Roberts	General Counsel
Shane Sullivan	Unit Manager Governance and Business Services
Tina Baker	Chief Internal Auditor
Lilly Mojson	Senior Internal Ombudsman
Jade Maskiewicz	Assistant Internal Ombudsman
James Taylor	Section Manager Governance
Kelly Drover	Advisory Group Support Officer
Cassie Malone	Audit Office of NSW
Aaron Green	Audit Office of NSW
Penny Corkill	Account Manager, Centium, IA Co-Sourced Partner

1 INTRODUCTION

1.1 Welcome, Acknowledgement of Country and Apologies

The Chairperson, Colin Gellatly, declared the meeting open at 2.10pm and completed an Acknowledgement of Country.

Apologies Received: Councillor Doug Vincent

GENERAL REPORTS

1.2 Disclosures of Interest

Resolution

10/2020(ARIC) That the Committee receive the report on Disclosures of Interest.

11/2020(ARIC) John Gordon made a non-pecuniary interest disclosure that he is a member of the Healthcare Complaints Commission Audit, Risk and Improvement Committee.

12/2020(ARIC) 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 78 of the Audit, Risk and Improvement Committee Charter.

1.3 Confirmation of Minutes of Previous Meetings

Resolution

13/2020(ARIC) That the Committee confirm the minutes of the previous meetings held on 4 December 2019 and 20 February 2020 noting that they will subsequently be reported to Council on Monday 27 April 2020.

14/2020(ARIC) 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 78 of the Audit, Risk and Improvement Committee Charter.

1.4 Outstanding Action Items

Resolution

15/2020(ARIC) That the Committee notes the report on Outstanding Action Items.

16/2020(ARIC) That an update be provided at the next meeting on Action Item 6.2 from the 4 December 2019 meeting in relation to the Reports on record keeping and procurement of contractors.

17/2020(ARIC) That this report and supporting papers be made publicly available as the nature or content of the report do not fall within any listed exceptions pursuant to Clause 78 of the Audit, Risk and Improvement Committee Charter.

2.1 Chief Internal Auditor's Quarterly Progress Report

Resolution

18/2020(ARIC) That the Audit, Risk and Improvement Committee receive the Chief Internal Auditor's Report.

19/2020(ARIC) That the Audit, Risk and Improvement Committee invite the Unit Manager, Business Enterprise to present to the next meeting (June 2020) on the outcome and management actions from the recent review by an external consultant on Holiday Parks.

20/2020(ARIC) The Committee notes that management is developing a plan to manage the event of an absence of the Chief Internal Auditor and an update to be provided at the next meeting.

21/2020(ARIC) That this report and supporting papers be made publicly available as the nature or content of the report do not fall within any listed exceptions pursuant to Clause 78 of the Audit, Risk and Improvement Committee Charter.

2.2 Implementation of Management Actions Arising From IA Reviews

Resolution

22/2020(ARIC) That the Audit, Risk and Improvement Committee receive the report on the Implementation of Management Actions arising from IA Reviews.

23/2020(ARIC) That an update be provided at the next meeting from Director Connected Communities on the 20 open actions for the Directorate.

24/2020(ARIC) That Management provide an update to the next meeting on the management of s94/94A contributions and the action still outstanding from the June 2016 IA report.

25/2020(ARIC) That the Audit, Risk and Improvement Committee note that management has agreed the organisation are working towards one system for the implementation of management actions and in the future unit managers will be invited to attend the Audit, Risk and Improvement Committee meetings to discuss closure of their items.

26/2020(ARIC) *That this report be made publicly available, pursuant to Clause 78 of the Audit, Risk and Improvement Committee Charter but that Appendix 1 to the Report not be released to the public for the reasons that it contains information that could compromise the "security of Council, Council Officials and Council property".*

2.3 Internal Audit Balanced Scorecard Report

Resolution

27/2020(ARIC) *That the Audit, Risk and Improvement Committee receive the Chief Internal Auditor's Balanced Scorecard Report.*

28/2020(ARIC) *That this report and supporting papers be made publicly available as the nature or content of the report do not fall within any listed exceptions pursuant to Clause 78 of the Audit, Risk and Improvement Committee Charter.*

2.4 Internal Audit Charter Update

Resolution

29/2020(ARIC) *That the Audit, Risk and Improvement Committee approve the revised internal Audit Charter as presented at the meeting.*

30/2020(ARIC) *That this report and supporting papers be made publicly available as the nature or content of the report do not fall within any listed exceptions pursuant to Clause 78 of the Audit, Risk and Improvement Committee Charter.*

3.1 Central Coast Council and Central Coast Council Water Supply Authority 2019 Audit Reports (CONFIDENTIAL)

Resolution

31/2020(ARIC) *That the Committee receive the Central Coast Council 2019 Audit Reports.*

32/2020(ARIC) *That the Committee receive the Central Coast Council Water Supply Authority 2019 Audit Reports.*

33/2020(ARIC) *That this Report and the supporting papers not be made publicly available:*

- a) *pursuant to Clause 78 of the Audit, Risk and Improvement Committee Charter, as they contain information about matters*

affecting the security of Council, Council Officials and/or Council property; and

- b) as on balance it would not be in the public interest to make this information available as Council does not disclose to the public any information from the NSW Audit Office to ensure the efficacy of its investigating, auditing or reporting functions.*

4.1 COVID-19 Council Readiness

Shane Sullivan (Unit Manger Governance and Business Services) provided an update on the Pandemic Continuity Management Team who have confirmed Council is currently at a moderate risk level and have determined the benchmark for extreme. There is also a Tactical Team to implement the decisions of the Pandemic Continuity Management Team and both teams are meeting on a daily basis.

Gary Murphy (Chief Executive Officer) advised that a remote working test will be held Friday 20 March 2020. Staff who are able to work from home will be asked to work remotely on Friday to test essential business functions.

Resolution

34/2020(ARIC) *That the Committee note the report on COVID-19 Council Readiness.*

35/2020(ARIC) *That a weekly update be provided to the Audit, Risk and Improvement Committee on the COVID-19 situation.*

36/2020(ARIC) *That this report and supporting papers be made publicly available as the nature or content of the report do not fall within any listed exceptions pursuant to Clause 78 of the Audit, Risk and Improvement Committee Charter.*

5.1 Governance Dashboard - current status

Resolution

37/2020(ARIC) *That a meeting be organised for the Audit, Risk and Improvement Committee to view the Dashboard as it is currently prepared and provide comment for future development and improvement.*

38/2020(ARIC) *That this report and supporting papers be made publicly available as the nature or content of the report do not fall within any listed exceptions pursuant to Clause 78 of the Audit, Risk and Improvement Committee Charter.*

6.1 Report from the Office of the Internal Ombudsman

Resolution

39/2020(ARIC) That the Committee receive the report from the Office of the Internal Ombudsman.

40/2020(ARIC) That an update be provided at the next meeting on the progress of the outstanding recommendations in regard to investigations completed by the Internal Ombudsman.

41/2020(ARIC) That this report and the supporting papers to this Report not be made publicly available pursuant to Clause 78 of the Audit, Risk and Improvement Committee Charter, as they contain information about matters affecting the security of Council, Council Officials and/or Council property.

6.2 Internal Ombudsman Charter

Resolution

42/2020(ARIC) That the Committee receive the report and endorse the draft Internal Ombudsman Charter.

43/2020(ARIC) That a provision be included in the Internal Ombudsman Charter that the Internal Ombudsman will meet with the members of the Audit, Risk and Improvement Committee annually In-Camera, or as arranged with the Committee, without the presence of management AND that the Audit, Risk and Improvement Committee Charter be amended, in identical terms, to provide for this In-Camera meeting.

44/2020(ARIC) That this report provided to this meeting by the Senior Internal Ombudsman and the supporting papers provided not be made publicly available pursuant to Clause 78 of the Audit, Risk and Improvement Committee Charter as they contain information about matters affecting the security of Council, Council Officials and/or Council property.

6.3 Timeline of organisation's constitution changes and implications

Resolution

45/2020(ARIC) That the Committee note the report on Timeline of organisation's constitution changes and implications.

46/2020(ARIC) That the report and supporting papers to this report not be made publicly available, pursuant to Clause 78 of the Audit, Risk and Improvement Committee Charter as they contain information about

matters affecting the security of Council, Council Officials and/or Council property.

6.4 Update on Council's Data Breach Policy and Procedures

Resolution

47/2020(ARIC) That the Committee receives the report on the draft Central Coast Council's Data Breach Policy and Procedures.

48/2020(ARIC) That this report and supporting papers be made publicly available as the nature or content of the report do not fall within any listed exceptions pursuant to Clause 78 of the Audit, Risk and Improvement Committee Charter.

6.5 Governance and Risk activities update

Resolution

49/2020(ARIC) That the Committee note the report on Governance and Risk activities.

50/2020(ARIC) That an update on Governance and Risk activities be provided at all future Audit, Risk and Improvement Committee meetings.

51/2020(ARIC) That this report and supporting papers be made publicly available as the nature or content of the report do not fall within any listed exceptions pursuant to Clause 78 of the Audit, Risk and Improvement Committee Charter.

6.6 Audit, Risk and Improvement Committee Self-Assessment Survey Summary Report

Resolution

52/2020(ARIC) That the Committee receive the Audit, Risk and Improvement Committee Self-Assessment Survey Summary Report.

53/2020(ARIC) That this report and supporting papers be made publicly available as the nature or content of the report do not fall within any listed exceptions pursuant to Clause 78 of the Audit, Risk and Improvement Committee Charter.

6.7 Probity Advice Policy

Resolution

54/2020(ARIC) That the Committee receives the report on the draft Probity Advice Policy.

55/2020(ARIC) That this report and supporting papers be made publicly available as the nature or content of the report do not fall within any listed exceptions pursuant to Clause 78 of the Audit, Risk and Improvement Committee Charter.

6.8 Update on Legal Matters

Resolution

56/2020(ARIC) That the Committee receives the report on Update on Legal Matters.

57/2020(ARIC) That the supporting papers to this report not be made publicly available, pursuant to Clause 78 of the Audit, Risk and Improvement Committee Charter, as these documents:

- a) May contain advice concerning litigation, or advice that would otherwise be privileged from production in legal proceedings on the grounds of legal professional privilege;**
- b) Further, on balance, it would not be in the public interest to make this information available as it may compromise Council's ability to ensure the optimum outcome for the community.**

7.1 Update from IM&T

Mark Margin (Acting Chief Information Officer) provided a verbal update from IM&T.

Resolution

58/2020(ARIC) That an update be provided at the next meeting on the integration of core systems.

59/2020(ARIC) Chief Information Officer to provide the Audit, Risk and Improvement Committee with a copy of the Essential Eight Report and an assessment of this report at a future meeting.

9.1 Update on Audit Office 2018-19 interim management letter actions

Resolution

60/2020(ARIC) That the Audit, Risk and Improvement Committee receive the report on Audit Office 2018-19 Interim Management Letter actions.

61/2020(ARIC) That this report be made publicly available, pursuant to Clause 78 of the Audit, Risk and Improvement Committee Charter but that Appendix 1 to the Report not be released to the public for the reasons that it contains information that could compromise the "security of Council, Council Officials and Council property".

GENERAL BUSINESS

10.1 Continuing WHS issues relating to Ordinary Council Meetings

A discussion was held around continuing WHS issues relating to Ordinary Council Meetings and concerns regarding recent meetings.

A risk assessment was undertaken by staff resulting in meetings being only held in the Wyong Chambers until further notice. Numbers will also be limited in regard to attendance and public speakers are required to register prior to the Council Meeting.

Resolution

62/2020(ARIC) That the Audit, Risk and Improvement Committee note the concerns surrounding WHS issues at Ordinary Council Meetings and the measures being put in place to address these issues.

10.2 Notice of Motion – Nine Million (\$9,000,000) Agency Agreements / Body Hire

The Committee discussed a Notice of Motion from the 9 March 2020 Ordinary Council Meeting on Agency Agreements and Body Hire.

Resolution

63/2020(ARIC) A copy of the report from the Chief Executive Officer to Council on Agency Agreements / Body Hire to be provided to the Audit, Risk and Improvement Committee.

The Meeting closed at 4.50 pm.

Next Meeting: Wednesday 17 June 2020
2pm – 5pm
Wyong Committee Room
2 Hely Street, Wyong