

9.2. Audit, Risk and Improvement Committee Minutes - 2 February 2024

AUTHOR	Ian Curry, Manager Governance
ENDORSED BY	Luke Harvey, Director Corporate Services
ATTACHMENTS	1. 2 February 2024 ARIC Minutes [9.2.1 - 9 pages]
CSP LINK	5. Our Civic Leadership 5.2 Strong civic leadership and customer focussed services

PURPOSE:

The purpose of this report is to enable Council to consider the Minutes of this Committee as required under the Audit, Risk, and Improvement Committee Charter.

EXECUTIVE SUMMARY:

- This report presents the recommendations of the last meeting of the Audit, Risk and Improvement Committee held on 2 February 2024 for Council adoption. The minutes are attached for information.
- As the 26 April Committee meeting falls on the Friday after Anzac Day, it is proposed to reschedule this meeting to Friday 19 April.

RECOMMENDATION:

1.THAT the Minutes of the Audit, Risk, and Improvement Committee meeting held on 2 February 2024 be adopted in accordance with the Audit, Risk, and Improvement Committee Charter.

2. THAT the next Committee meeting be rescheduled from 26 April to Friday 19 April.

Background

In accordance with the Audit, Risk & Improvement Committee Charter:

7. REPORTING The endorsed Minutes of the Committee Meetings will be submitted to the next available Council meeting for adoption subject to any confidentiality requirements of specific items.

Report

The minutes of the 2 February 2024 meeting have been endorsed by the Chair and will be reported to the next Committee meeting. These minutes are attached and provided to Council in accordance with the Audit, Risk, and Improvement Committee Charter.

As the 26 April Committee meeting falls on the Friday after Anzac Day, the members of the Committee were asked if they would like to reschedule this meeting to Friday 19 April or Friday 3 May. The majority were in favour of Friday 19 April so it is proposed to reschedule the next meeting to this date.

Consultation requirements

Community engagement is not required.

Financial/Resource Implications

There are no financial implications to this report.

Legislation

Under section 428A of the *Local Government Act 1993*, all councils (including county councils) and joint organisations are required to have an ARIC or to have entered into an arrangement with another council or joint organisation to share an ARIC from 4 June 2022. Council is compliant with this requirement.



MINUTES

The Minutes of the **Audit, Risk & Improvement Committee MEETING**
held in the Supper Room of North Sydney Council Chambers,
200 Miller Street, North Sydney at 10.00am Friday 2 February 2024.



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1. Opening Meeting

1.1. Opening Meeting

At the commencement of business 10.00am those present were:

Chair and Independent Member Brian Hrnjak

Independent Members Ron Switzer and Rhonda Wheatley (online)

Councillors Beregi (online) and Welch

Mohua Mukherjee (Internal Auditor) and Karen Taylor (Audit Office of NSW)

Staff members: Luke Harvey (Director Corporate Services), Christian Menday (Manager Financial Services), and Ian Curry (Manager Governance).

The meeting was opened by the Chair.

2.0. Apologies

An apology was received from Therese Manns, General Manager

3. Disclosures of Interest

3.1. Disclosures of Interest

There were no declarations of interest.

4. Confirmation of Minutes

4.1. Confirmation of Minutes

The Minutes of the previous meeting held 10 November 2023 were taken as read and confirmed.

The Motion was moved by Ron Switzer and seconded by Rhonda Wheatley.

Voting was as follows:

For/Against 5 / 0

For: Brian Hrnjak, Ron Switzer, Rhonda Wheatley, Councillor Beregi and Councillor Welch

Against: Nil

Absent: Nil

5. Reports

5.1. Completed Internal Audit Reports (IA)

AUTHOR	Mohua Mukherjee, Interim Head of Internal Audit
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RECOMMENDATION:

1. THAT the Audit, Risk and Improvement Committee receive and note the internal audit report on Payroll.

The Recommendation was moved by Rhonda Wheatley and seconded by Ron Switzer.

The Motion was put and **carried**.

Resolved to Recommend:

1. THAT the Audit, Risk and Improvement Committee receive and note the internal audit report on Payroll.

Voting was as follows:

For/Against 5 / 0

For: Brian Hrnjak, Ron Switzer, Rhonda Wheatley, Councillor Beregi and Councillor Welch

Against: Nil

Absent: Nil

5.2. Internal Audit Plan and Status Report (IA)

AUTHOR	Mohua Mukherjee, Interim Head of Internal Audit
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RECOMMENDATIONS:

1.THAT the Audit, Risk and Improvement Committee receive and note the report with respect to the:

1. Status of the 2023/24 internal audit plan.
2. Upcoming audit planning for FY 24-25
3. Summary update from Internal Audit for the following items from the ARIC schedule of responsibilities:

A Motion was moved by Ron Switzer and seconded by Rhonda Wheatley.

1.THAT the Audit, Risk and Improvement Committee receive and note the report with respect to the:

1. Status of the 2023/24 internal audit plan.
2. Upcoming audit planning for FY 24-25
3. Summary update from Internal Audit for the ARIC schedule of responsibilities.

The Motion was put and **carried**.

Resolved to Recommend:

1.THAT the Audit, Risk and Improvement Committee receive and note the report with respect to the:

1. Status of the 2023/24 internal audit plan.
2. Upcoming audit planning for FY 24-25
3. Summary update from Internal Audit for the ARIC schedule of responsibilities.

Voting was as follows:

For/Against 5 / 0

For: Brian Hrnjak, Ron Switzer, Rhonda Wheatley, Councillor Beregi and Councillor Welch

Against: Nil

Absent: Nil

5.3. Internal Audit Outstanding Recommendations Status Report - February 2024 (IA)

AUTHOR	Mohua Mukherjee, Head of Internal Audit (Interim)
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RECOMMENDATION:

1. THAT the Audit, Risk and Improvement Committee receive and note the status of open internal audit recommendations.

The Recommendation was moved by Ron Switzer and seconded by Rhonda Wheatley.

The Motion was put and **carried**.

Resolved to Recommend:

1. THAT the Audit, Risk and Improvement Committee receive and note the status of open internal audit recommendations.

Voting was as follows:

For/Against 5 / 0

For: Brian Hrnjak, Ron Switzer, Rhonda Wheatley, Councillor Beregi and Councillor Welch

Against: Nil

Absent: Nil

5.4. Internal Audit Charter Updated (IA)

AUTHOR	Mohua Mukherjee, Interim Head of Internal Audit
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RECOMMENDATIONS:

1. THAT the Audit, Risk and Improvement Committee reviews and endorses the updated Draft Internal Audit Charter.

A Motion was moved by Rhonda Wheatley and seconded by Ron Switzer.

1. THAT the Audit, Risk and Improvement Committee defers consideration of the updated Draft Internal Audit Charter to the next meeting of ARIC and pending further discussion at the General Managers' meeting on 7 February 2024.

The Motion was put and **carried**.

Resolved to Recommend:

1. THAT the Audit, Risk and Improvement Committee defers consideration of the updated Draft Internal Audit Charter to the next meeting of ARIC and pending further discussion at the General Managers' meeting on 7 February 2024.

Voting was as follows:

For/Against 5 / 0

For: Brian Hrnjak, Ron Switzer, Rhonda Wheatley, Councillor Beregi and Councillor Welch

Against: Nil

Absent: Nil

5.5. 2023 Final Audit Management Letter

AUTHOR	Luke Harvey, Director Corporate Support
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RECOMMENDATION:

1. THAT the NSW Audit Office final management letter be received and noted.

The Recommendation was moved by Rhonda Wheatley and seconded by Ron Switzer.

The Motion was put and **carried**.

Resolved to Recommend:

1. THAT the NSW Audit Office final management letter be received and noted.

Voting was as follows:

For/Against 5 / 0

For: Brian Hrnjak, Ron Switzer, Rhonda Wheatley, Councillor Beregi and Councillor Welch

Against: Nil

Absent: Nil

5.6. Audit Office Annual Engagement Plan for year ending 30 June 2024

AUTHOR	Ian Curry, Manager Council & Committee Services
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RECOMMENDATION:

1. THAT the Annual Engagement Plan for the Audit for the Year Ending 30 June 2024 be considered by the Committee

A Motion was moved by Ron Switzer and seconded by Rhonda Wheatley.

1. THAT the Annual Engagement Plan for the Audit for the Year Ending 30 June 2024 be considered and noted by the Committee.

The Motion was put and **carried**.

Resolved to Recommend:

1. THAT the Annual Engagement Plan for the Audit for the Year Ending 30 June 2024 be considered and noted by the Committee.

Voting was as follows:

For/Against 5 / 0

For: Brian Hrnjak, Ron Switzer, Rhonda Wheatley, Councillor Beregi and Councillor Welch

Against: Nil

Absent: Nil

Cr Beregi retired from the meeting at 11.35am after Item 5.6

5.7. 2023 Continuous Improvement Pathway Benchmarking Report

AUTHOR	Ian Curry, Manager Council & Committee Services
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RECOMMENDATION:

1. THAT the Audit, Risk and Improvement Committee receive the 2023 Continuous Improvement Pathway Benchmarking Report and note the outcomes.

A Motion was moved by Ron Switzer and seconded by Rhonda Wheatley.

1. THAT the Audit, Risk and Improvement Committee receive the 2023 Continuous Improvement Pathway Benchmarking Report and note the outcomes and the existence of a Business Continuity Plan and management comments in this regard.

The Motion was put and **carried**.

Resolved to Recommend:

1. THAT the Audit, Risk and Improvement Committee receive the 2023 Continuous Improvement Pathway Benchmarking Report and note the outcomes and the existence of a Business Continuity Plan and management comments in this regard.

Voting was as follows:

For/Against 4 / 0

For: Brian Hrnjak, Ron Switzer, Rhonda Wheatley and Councillor Welch

Against: Nil

Absent: Councillor Beregi

5.8. North Sydney Olympic Pool - February 2024

AUTHOR	Luke Harvey, Director Corporate Support
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RECOMMENDATION:

1. THAT the Audit, Risk and Improvement Committee note the contents of this report regarding the redevelopment of the North Sydney Olympic Pool.

The Recommendation was moved by Rhonda Wheatley and seconded by Ron Switzer.

The Motion was put and **carried**.

Resolved to Recommend:

1.THAT the Audit Risk and Improvement Committee notes the contents of this report regarding the redevelopment of North Sydney Olympic Pool.

Voting was as follows:

For/Against 4 / 0

For: Brian Hrnjak, Ron Switzer, Rhonda Wheatley and Councillor Welch

Against: Nil

Absent: Councillor Beregi

GENERAL BUSINESS

1. Mr Harvey asked the Committee if would like to reschedule the 26 April Committee meeting at it falls on the Friday after Anzac Day.
2. The Chair acknowledged that this would probably be the last meeting for Ron Switzer, who is stepping down from the Committee after 10 years of service. On behalf of the Committee, the Chair thanked Ron for his roles as a past Chair and independent member and for the sound counsel and wisdom that he provided to Council over that time and he wished him well for the future.

6. Closure

That the Chair now formally close the meeting.

The meeting concluded at 12.10pm.