

7.2. Audit, Risk and Improvement Committee - Minutes 13 November 2020

AUTHOR: Ian Curry, Manager Governance & Committee Services

ENDORSED BY: Margaret Palmer, Director Corporate Services

ATTACHMENTS:

1. ARIC Minutes - 13 Nov 2020 [7.2.1 - 4 pages]

PURPOSE:

Council is required to consider the Minutes of this Committee under the Code of Meeting Practice.

EXECUTIVE SUMMARY:

This report presents the recommendations of the last meeting of the Audit, Risk and Improvement Committee held on 13 November 2020 for Council adoption. The minutes are attached for information.

FINANCIAL IMPLICATIONS:

Nil.

RECOMMENDATION:

1. **THAT** the status of past internal audit recommendations be received and noted. *(AR01)*
2. **THAT** this report be received and the status of the 2020 internal audit plan including carrying forward of the Privacy and Information review be noted. *(AR02)*
3. **THAT** the Audits identified at the meeting of shared Audit service General Managers on 16 November 2020, be circulated to the Committee members for information. *(AR02)*
4. **THAT** the Annual Insurance Update be received. *(AR03)*
5. **THAT** the revised annual Audit, Risk & Improvement Committee Agenda, as amended, be received and approved by the Committee. *(AR04)*
6. **THAT** the Legislative Compliance Policy report be received. *(AR05)*
7. **THAT** the NSW Audit Office be advised that Council has adopted and implemented the recommendation in the 2019 Final Management Letter to develop a Legislative Compliance Policy *(AR05)*
8. **THAT** the 2021 Audit, Risk & Improvement Committee Meeting schedule, as detailed in this report, be adopted. *(AR06)*

LINK TO COMMUNITY STRATEGIC PLAN

The relationship with the Community Strategic Plan is as follows:

5. Our Civic Leadership

5.2 Council is well governed and customer focused

BACKGROUND

In accordance with Council's Code of Meeting Practice:

20.24 The minutes of meetings of each Committee of the Council must be confirmed at a subsequent meeting of the committee.

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

7. 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.

CONSULTATION REQUIREMENTS

Community engagement is not required.

DETAIL

This report presents the recommendations of the last meeting of the Audit, Risk and Improvement Committee held on 13 November 2020 for Council adoption. The minutes are attached for information.

NORTH SYDNEY COUNCIL

REPORT OF AUDIT, RISK & IMPROVEMENT COMMITTEE

SUBJECT: PROCEEDINGS OF COMMITTEE AT MEETING HELD IN THE SUPPER ROOM AT THE COUNCIL CHAMBERS, NORTH SYDNEY, ON FRIDAY 13 NOVEMBER 2020 AT 10.00AM.

PRESENT

Brian Hrnjak, Independent Chair and Councillors Barbour and Mutton

Council Staff:

Margaret Palmer, Director Corporate Services

Garry Ross, Manager Financial Services

Ian Curry, Manager Governance and Committee Services

Visitors:

Susan Leahy

Head of Internal Audit North Shore Councils

Keely Autrey

General Manager NSW, JLT Public Sector

Apologies:

Mr Ron Switzer, Independent Member

Ken Gouldthorp, General Manager

Alex Hardy, Prosperity Advisers Group

Declarations of Interest

Nil

27. Minutes

The Minutes of the previous meeting held on 2 October 2020, copies of which had been previously circulated, were taken as read and confirmed.

28. AR03: Annual Insurance Update

Report of John Thomson, Manager Risk & Contracts

This report provides the annual update on Council's insurance program following renewal of cover for FY2021. Total contributions and premiums have risen 1.6% p.a. in real terms over the five fund years to date.

Richard Briggs from JLT will attend the Committee meeting to make a presentation on this item.

Recommending:

1. THAT the Annual Insurance Update be received.

Keely Autry (JLT) addressed the Committee regarding this Item

This is Page No 19 of the Minutes of the Audit, Risk & Improvement Committee Meeting of the North Sydney Council held on 13 November 2020.

Resolved to recommend:

1. **THAT** the Annual Insurance Update be received.

Voting was unanimous.

29. **AR01: Internal Audit Recommendations Status Report – November 2020**

Report of Susan Leahy, Head of Internal Audit

At the completion of each audit, an Action Plan for Implementation of Report Recommendations is provided to Council management for comment and determination of accountabilities. Prior to each Audit & Risk Committee (ARIC) meeting an updated status is sought from management. The status is linked to ‘traffic light’ reporting that is in accordance with the following:



Action Plan – Completed



Action Plan – Progressing to schedule



Action Plan – Progressing but behind schedule



Action Plan – Progress stalled or substantially behind schedule

Recommending:

1. **THAT** the status of past internal audit recommendations be received and noted.

Resolved to recommend:

1. **THAT** the status of past internal audit recommendations be received and noted.

Voting was unanimous.

30. **AR02: Internal Audit Status Report - November 2020**

Report of Susan Leahy, Head of Internal Audit

This report provides a status on the Internal Audit Function in terms of resources, planned and completed audits.

Recommending:

1. **THAT** this report be received and the status of the 2020 internal audit plan including carrying forward of the Privacy and Information review be noted.

Resolved to recommend:

1. **THAT** this report be received and the status of the 2020 internal audit plan including carrying forward of the Privacy and Information review be noted.
2. **THAT** the Audits identified at the meeting of shared Audit service General Managers on 16 November 2020, be circulated to the Committee members for information.

Voting was unanimous.

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31. **AR03: Annual Insurance Update**
(This matter was considered earlier in the meeting, see Min. No, xx)
32. **AR04: Review of Annual Audit, Risk & Improvement Committee Agenda**
Report of John Thomson, Manager Risk and Contracts
The Q4 Audit, Risk & Improvement Committee meeting has a standing item “Review Annual Audit Committee Agenda”.
Attached is the proposed Agenda for 2021.
Recommending:
1. **THAT** the revised annual Audit, Risk & Improvement Committee Agenda be received and approved by the Committee.

Resolved to recommend:
1. **THAT** the revised annual Audit, Risk & Improvement Committee Agenda, as amended, be received and approved by the Committee.

Voting was unanimous.
33. **AR05: Legislative Compliance Policy**
Report of Ian Curry, Manager Governance and Committee Services
At its meeting on 28 September 2020, Council adopted a Legislative Compliance Policy.
A copy of the full Council report is attached.
Recommending:
1. **THAT** the Legislative Compliance Policy report be received.
2. **THAT** the NSW Audit Office be advised that Council has adopted and implemented the recommendation in the 2019 Final Management Letter to develop a Legislative Compliance Policy.

Resolved to recommend:
1. **THAT** the Legislative Compliance Policy report be received.
2. **THAT** the NSW Audit Office be advised that Council has adopted and implemented the recommendation in the 2019 Final Management Letter to develop a Legislative Compliance Policy.

Voting was unanimous.
34. **AR06: 2021 Meeting Dates**
Report of Ian Curry, Manager Governance and Committee Services
The Charter of the Audit, Risk and Improvement Committee provides for at least four times per year, with one of these meetings to include review and endorsement of the annual audited financial reports and external audit opinion.
Recommending:
1. **THAT** the 2021 Audit, Risk & Improvement Committee Meeting schedule, as detailed in this report, be adopted.

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Resolved to recommend:

1. THAT the 2021 Audit, Risk & Improvement Committee Meeting schedule, as detailed in this report, be adopted.

Voting was unanimous.

Meetings with Internal and External Auditors

The Chair requested that separate in camera meetings be organised with the Internal and External Auditors for the Committee members, prior to Christmas.

The meeting closed at 11.57am.

The next meeting will be held on Friday 26 March 2021 at 10.00am.