

MEETING MINUTES



Meeting

Team Name: Audit Committee

Date: 28 May 2020

Time: 5:12pm to 6:55pm

Venue: Port Stephens Room/Zoom

Chairperson: Ben Niland

Minutes: Wayne Wallis

Purpose of Meeting:

The objective of the Audit Committee is to enhance the corporate governance of Port Stephens Council through the provision of independent oversight, review and advice. The Committee will assist Council by providing independent assurance and assistance on the organisation's governance, risk, control and compliance framework.

Members in Attendance

[PSC Alternate delegate – Cr Ken Jordan]

Ben Niland

Frank Cordingley

Shaun Mahony

Cr Glen Dunkley

Cr Ken Jordan

Officers in Attendance

Wayne Wallis (GM)

Carmel Foster (GMCS)

Greg Kable (GMFS)

Tim Crosdale (GMDS)

Tim Hazell (FS)

Tony Wickham (GOV)

Chris Hilkemeijer (ERM)

Guests in Attendance

Clayton Hickey (PKF)	David Hutchison (PKF)	Cameron Hume (RSM Australia Partners)	

Apologies

Cr Chris Doohan	Martin Doerr (RSM Australia Partners)	Furqan Yousuf (Audit Office)
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Item	Topic	Time Required	Responsible Officer	Action/Decision	Date to be Completed
1.0	WELCOME and APOLOGIES				
1.1		2 mins		<ul style="list-style-type: none"> Apologies received from Cr Chris Doohan, Martin Doerr and Furqan Yousuf. 	Noted.
2.0	DECLARATION OF INTEREST				
2.1	Declaration of Interest form - attachment 1.	5 mins		<ul style="list-style-type: none"> Cr Glen Dunkley declared a less-significant pecuniary conflict of interest in item 4.1.1. the nature of the interest being that his cousin is a member of the PKF audit team. 	Noted.
3.0	MINUTES AND OUTSTANDING ACTIONS				

Item	Topic	Time Required	Responsible Officer	Action/Decision	Date to be Completed
3.1	Record of last meeting held 27 February 2020 – attachment 2.	2 mins		<p>Meeting outcomes from 27 February 2020 for endorsement:</p> <ul style="list-style-type: none"> • Minutes of meeting held 17 October 2019. • Fraud and Corruption Control policy and management directive. • That the following internal audit reports and received and noted. <ul style="list-style-type: none"> ○ Contractor management ○ Payroll and leave management ○ Cash handling ○ Children's Services processes. • That the internal audit actions dated February 2020 be noted as presented. • That the Enterprise Risk Report dated February 2020 be noted as presented. • That the Audit Office Management Letter be noted as presented. • That the information in the Purchase Card transactions, Total Supplier Payments and EFT payments reports be noted as presented. 	Endorsed. F Cordingley/S Mahony.

Item	Topic	Time Required	Responsible Officer	Action/Decision	Date to be Completed
				<ul style="list-style-type: none"> That the summary of legal matters at February 2020 be noted as presented. That the WHS and Injury Management Annual Report 2018-2019 be noted as presented. 	
3.2	Outstanding Actions.			To be updated. <ul style="list-style-type: none"> There are no outstanding actions. 	Noted.
4.0	BUSINESS ITEMS				
4.1	INTERNAL AUDIT				
4.1.1	Receive presentations and reports from internal auditors – attachments 3 and 4. <ul style="list-style-type: none"> a. Project Funds. b. National Heavy Vehicle Accreditation Scheme (NHVAS). c. RMS Drives compliance report (to be tabled). 	20 mins		That the following reports be received and noted as presented. <ul style="list-style-type: none"> Project funds. National Heavy Vehicle Accreditation Scheme (NHVAS). RMS Drive compliance report. 	Noted.
4.1.2	Review internal audit register actions and implementation – attachment 5.	10 mins		For consideration and review of internal audit actions. <ul style="list-style-type: none"> That the internal Audit actions as at May 2020 be noted as presented. 	Noted.
4.2	EXTERNAL AUDIT				
4.2.1	Port Stephens Council Annual Engagement Plan 2020 – attachment 6.	15 mins		For information. <ul style="list-style-type: none"> That the Annual Engagement Plan 2020 be noted as presented. 	Noted.

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4.2.2	Review external audit register actions and implementation.			For consideration and review: <ul style="list-style-type: none"> There are no outstanding external audit actions as at May 2020. 	Noted.
4.3	RISK MANAGEMENT				
4.3.1	Enterprise Risk Report – attachment 7.	10 mins		For consideration and review of high priority risks: <ul style="list-style-type: none"> That the Enterprise Risk Report as at May 2020 be noted as presented. 	Noted.
4.4	FINANCE				
4.4.1	COVID-19 Financial Impact – attachment 8 and Update (presentation to be emailed under separate cover).	15 mins		For information. <ul style="list-style-type: none"> That the COVID-19 Financial Impact memo and presentation be noted as presented. 	Noted.
4.4.2	Audit Office Report on Local Government 2019 – attachment 9.	5 mins		For information. <ul style="list-style-type: none"> That the Audit Office Report on Local Government 2019 be noted as presented. 	Noted.
4.5	LEGAL				
4.5.1	Receive presentations and reports on current legal matters – attachment 10.	10 mins		For consideration and review: <ul style="list-style-type: none"> That the summary of legal matters as at May 2020 be noted as presented. 	Noted.
4.6	STRATEGY				
4.6.1	Draft 2018-2030 integrated planning documents. [documents to be emailed under separate cover]	5 mins		For information. <ul style="list-style-type: none"> That the draft 2018-2030 integrated planning documents be noted as presented. 	Noted.

Item	Topic	Time Required	Responsible Officer	Action/Decision	Date to be Completed
				<ul style="list-style-type: none"> That the draft 2018-2030 integrated planning documents be presented to Council for endorsement on 9 June 2020. 	Noted.
4.6.2	Internal Audit Plan 2020-2021.	5 mins		For consideration and endorsement. <ul style="list-style-type: none"> That the Internal Audit Plan 2020-2021 be endorsed as presented. That an internal audit of Data Management be included in the 2020 to 2021 internal audit plan. 	Endorsed. Endorsed.
4.6.3	Enterprise Risk Management Policy.	5 mins		For consideration and endorsement. <ul style="list-style-type: none"> That the Enterprise Risk Management Policy be endorsed as presented. 	Endorsed.
4.7	GENERAL BUSINESS				
4.7.1	Audit Committee independent membership extension – attachment 11.	5 mins		For information. <ul style="list-style-type: none"> That the 12 May 2020 Council resolution to extend the term of the independent Audit Committee members until 30 June 2022 be noted as presented. That the 12 May 2020 Council resolution advising that the allowance paid to independent Audit Committee members is to remain at \$500 per meeting attended be noted as presented. 	Noted. Noted.
5.0	FUTURE MEETING DATES				

Item	Topic	Time Required	Responsible Officer	Action/Decision	Date to be Completed
5.0.1	Current meeting schedule.	5 mins		<p>That the meeting schedule be updated as follows with meetings to commence at 5pm.</p> <ul style="list-style-type: none"> • Thursday 23 July 2020. • Thursday 15 October 2020. • Thursday 25 February 2021. • Thursday 27 May 2021. 	Noted.
6.0	KEY MESSAGES				
6.1	PSC Annual Engagement Plan 2020 received and noted.				
6.2	Presentation received on the COVID-19 financial impact.				
6.3	Audit Office Report on Local Government 2019 received and noted.				
6.4	Draft integrated planning documents to be presented to Council for adoption on 9 June 2020.				
6.5	Enterprise Risk Management Policy endorsed.				
6.6	Internal Audit Plan 2020 to 2021 endorsed.				
6.7	Audit Committee independent membership extended to 30 June 2022.				

MEETING CLOSED AT 6:55pm

**NEXT
MEETING**

Date: 23 July 2020

Time: 5pm to 7pm

Venue: Committee rooms