

MEETING MINUTES



Meeting

Team Name: Audit Risk and Improvement Committee

Date: 1 August 2024 **Time:** 4.29pm

Venue: Committee room or ZOOM

Chairperson: Deborah Goodyer

Minutes: Tony Wickham

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

Deborah Goodyer (Chair)
(zoom)

Frank Cordingley

Paul Dunn

Cr Leah Anderson (zoom)

Officers in Attendance

Tim Crosdale (General
Manager)

Greg Kable
Director Facilities &
Infrastructure (F&I)

Steve Peart
Director Community
Futures (CF) (zoom)

Glen Peterkin (Finance
Services Section Manager
& Acting Director
Corporate Strategy &
Support)

Chris Hilkemeijer
(Enterprise Risk Manager)

Tony Wickham
(Governance Section
Manager)

Nichole Le Grange – WHS
Manager (observer)

Guests in Attendance

Martin Matthews (PKF)
(zoom)

David Hutchison (PKF)

Alex Hardy (Prosperity
Advisers Group) (zoom –
5:05pm – 5:27pm)

Apologies

Zoe Pattison
Director Corporate
Strategy & Support (CSS)

Nicky Rajani (Audit Office)

Item	Topic	Time Required	Responsible Officer	Action	Decision
1.0	WELCOME and APOLOGIES				
1.1		2 mins	Chair	The Chair welcomed all attendees to the meeting and noted apologies.	
2.0	DECLARATION OF INTEREST				
2.1	Declaration of Interest form - attachment 1.	5 mins	Chair	Nil declarations of interest were received.	Noted.
3.0	MINUTES AND OUTSTANDING ACTIONS				
3.1	Minutes of last meeting held 23 May 2024 – attachment 2.	2 mins	Chair	The Minutes of the Audit, Risk and Improvement Committee held on 23 May 2024 were endorsed.	Endorsed.
3.2	Outstanding Actions from – there are no outstanding actions.	2 mins	T Wickham	There were no outstanding actions.	Noted.

Item	Topic	Time Required	Responsible Officer	Action	Decision
3.3	General Manager's Update		T Crosdale	<p>General Manager provided an update on the ICT outage from 25 July 2024, resulting in rescheduling the ARIC meeting.</p> <p>The ICT outage effected ICT and some Council telephone services. Telephone access to Holiday Parks was not affected. Social media facilitated updates to inform the community and the issue was resolved with the system being back online around 3.06pm.</p> <p>A full review and debrief was undertaken which identified a number of operational improvements:</p> <ol style="list-style-type: none"> 1. Continue to undertake ICT works after hours. 2. Refer to backup services. <p>The ICT performed well to identify and correct the issue. Organisation and community communications was also performed well.</p>	Noted.
3.4	Chairperson address		Chair	<p>The Chair noted Cr Anderson's participation on the Committee to date and thanked Cr Anderson. Given the new financial year commenced (OLG Guidelines effective from 1 July), it was noted Cr Anderson will now attend as a non-voting member.</p>	
4.0	BUSINESS ITEMS				
4.1	INTERNAL AUDIT				

Item	Topic	Time Required	Responsible Officer	Action	Decision
4.1.1	<p>Receive presentations and reports from internal auditors – PKF</p> <ul style="list-style-type: none"> • National Heavy Vehicle Accreditation Scheme (NHVAS) – attachment 3. • Transport for NSW DRIVES Annual Compliance Statement – attachment 4. 	20 mins	PKF	<p>The Governance Section Manager provided update on timeline of Internal Audit Strategic Plan and will be providing the Plan to the ARIC in October 2024.</p> <p>The National Heavy Vehicle Accreditation Scheme (NHVAS) compliance report be received and noted. Following discussion by the ARIC, consideration will be given to conducting this report internal in the future.</p> <p>The Transport for NSW DRIVES Annual Compliance Statement be received and noted.</p>	

Item	Topic	Time Required	Responsible Officer	Action	Decision
4.1.2	Review internal audit register actions and implementation – attachment 5.	10 mins	T Wickham	<ul style="list-style-type: none"> • That the Internal audit actions for July 2024 be received and noted. • The internal audit register action will be updated to include ‘open by audit’. • ARIC were advised new Volunteer Officer has commenced, which will progress the internal audit actions for volunteer management. <p>ARIC were advised that Emergency Services has been relocated to report to the Facilities and Infrastructure Director. Items relating to the Emergency Services function will be progressed following consideration by the Director and a separate report by Facilities and Infrastructure Director will be included in the next ARIC agenda.</p>	
4.2	EXTERNAL AUDIT				

Item	Topic	Time Required	Responsible Officer	Action	Decision
4.2.1	Receive presentations and reports from external auditors – Prosperity Advisors Group	5 mins	Prosperity Advisors	<p>That the verbal report be noted.</p> <p>The external auditors advised the ARIC that is no interim management letter, noting nothing has been identified at this stage of the audit.</p> <ul style="list-style-type: none"> The external auditor advised that a letter has been issued to PWC concerning Newcastle Airport audit. <p>Valuations in relation to Newcastle Airport indicate there has been an uplift. Further information is to be received to understand any adjustment and prior valuations.</p> <ul style="list-style-type: none"> The draft Financial Statement are to be referred to the ARIC for review (out of session) at the time they are referred to audit. <p>Questions concerning the draft Financial Statements can be referred to the Financial Services Section Manager.</p>	
4.2.2	External Audit update – attachment 6.	10 mins	G Peterkin	The external audit update was received and noted.	Noted.
4.2.3	Review external audit register actions and implementation – there are no external audit actions.	2 mins	G Peterkin	There were no external audit actions.	Nil.
4.3	RISK MANAGEMENT				

Item	Topic	Time Required	Responsible Officer	Action	Decision
4.3.1	Enterprise Risk Report – attachment 7.	10 mins	C Hilkemeijer	The Enterprise Risk Report for July 2024 was received and noted.	Noted.
4.4	FINANCE				
4.4.1	Payroll review – attachment 8.	15 mins	G Peterkin	The Payroll review was received and noted. The ARIC requested that management present findings by exception from the ongoing monitoring.	Noted.
4.5	LEGAL				
4.5.1	Receive presentations and reports on current legal matters – attachment 9.	10 mins	T Wickham	The current legal matters report was received and noted. The ARIC requested that only material risk issues from legal processes be reported to the ARIC.	Noted.
4.5.2	Received the report on governance matters – attachment 10.	5 mins	T Wickham	The governance matters report was received and noted. The ARIC requested that management include all policies and policy framework on the next ARIC agenda, and a future meeting include process mapping.	Noted.
4.5.3	Receive the report on the annual Governance Health Check – attachment 11.	10 mins	T Wickham	The Governance Health Check was received and noted.	Noted.

Item	Topic	Time Required	Responsible Officer	Action	Decision
4.6	STRATEGY				
4.7	GENERAL BUSINESS				
4.7.1	External Quality Assessment (EQA)			<p>The Chairperson noted the EQA has been completed by the Institute of Internal Auditors.</p> <p>Governance Section Manager informed the ARIC that a meeting was planned next week to discuss some aspects of the EQA. The ARIC were also advised that a Roadmap is being prepared on the EQA report implementation.</p> <p>The General Manager outlined that further discussion / decisions will be completed on the objective of improvements identified in the EQA, resource requirements and timeframes.</p>	
5.0	FUTURE MEETING DATES				
5.0.1	Current meeting schedule	5 mins	Members	<p>The Committee noted the meeting schedule for the following meetings and that the meetings will commence at 4pm.</p> <ul style="list-style-type: none"> Thursday 10 October 2024. Thursday 27 February 2025. Thursday 29 May 2025. 	Noted.
6.0	KEY MESSAGES				

Item	Topic	Time Required	Responsible Officer	Action	Decision
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MEETING CLOSED AT 6.20pm

NEXT MEETING

Date: Thursday, 10 October 2024 **Time:** 4 – 6pm **Venue:** Committee room

MEETING CODE OF COOPERATION

We start on time and finish on time.

We all participate and contribute – everyone is given opportunity to voice their opinions.

We use improvement tools that enhance meeting efficiency and effectiveness.

We actively listen to what others have to say, seeking first to understand then to be understood.

We follow up on the actions we are assigned responsibility for and complete them on time.

We give and receive open and honest feedback in a constructive manner.

We use data to make decisions (whenever possible).

We strive to continually improve our meeting process and build time into each agenda for reflection.

We will promote best practice, keeping open minds, combining our experiences and shared learnings to inform our deliberations.