

# MINUTES OF MEETING



## AUDIT, RISK AND IMPROVEMENT COMMITTEE MEETING

Venue	Conference Room, Station Street, Mullumbimby
Date	Thursday, 14 February 2019
Time	11.30am



# BYRON SHIRE COUNCIL

AUDIT, RISK AND IMPROVEMENT COMMITTEE MEETING MINUTES 14 FEBRUARY 2019

## **Minutes of the Audit, Risk and Improvement Committee Meeting held on Thursday, 14 February 2019**

**File No:** I2019/172

PRESENT: Cr M Lyon, Cr B Cameron

Staff: Mark Arnold (General Manager)  
Vanessa Adams (Director Corporate and Community Services)  
Anna Vinfield (Manager Corporate)  
James Brickley (Manager Finance)

Community: Rae Wills (Chairperson)  
Kevin Franey (TNR External Auditor)  
Reiky Jiang (NSW Audit Office)

*Rae Wills (Chair) opened the meeting at 11.30am and acknowledged that the meeting was being held on Bundjalung Country.*

### APOLOGIES:

Cr A Hunter, Michael Georghiou (Chairperson), Brian Wilkinson, Jess Orr (Strategic Risk and Improvement Coordinator)

The Committee met however quorum was not achieved. Those committee members present informally discussed the following reports which will be circulated to Council at 28 March 2019 meeting for decision.

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## STAFF REPORTS - GENERAL MANAGER

**Report No. 4.1**            **2018 Community Survey**  
**File No:**                I2019/106

### RECOMMENDATION:

That the Committee notes the 2018 Community Survey Report.

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## STAFF REPORTS - CORPORATE AND COMMUNITY SERVICES

**Report No. 4.2**            **Credit Card audit**  
**File No:**                I2019/138

### RECOMMENDATION:

That the Audit, Risk and Improvement Committee:

1. Notes the status of the Credit Card reforms as announced by the NSW Government in November 2018
  2. Notes that the NSW Auditor General will undertake an audit of Council's Credit Card processes (as outlined in their external audit plan)
  3. Receives further updates as the audit progresses
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## CONFIDENTIAL REPORTS - CORPORATE AND COMMUNITY SERVICES

**Report No. 5.1**            **CONFIDENTIAL - Update on IT actions**  
**File No:**                I2019/27

### RECOMMENDATION:

1. That pursuant to Section 10A(2)(f) of the Local Government Act, 1993, Council resolve to move into Confidential Session to discuss the report Update on IT actions.
2. That the reasons for closing the meeting to the public to consider this item be that the report contains:
  - a) details of systems and/or arrangements that have been implemented to protect council, councillors, staff and Council property
3. That on balance it is considered that receipt and discussion of the matter in open Council would be contrary to the public interest, as:

Exposes information security risks and vulnerabilities that could assist threats in the environment to expose Council data and systems to those without authorisation.

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## RECOMMENDATION:

That the Audit Risk and Improvement Committee:

- a) notes the update provided in the report on IT risk related activities.
- b) records actions as 'closed' where management has addressed the issue.

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**Report No. 5.2**                      **CONFIDENTIAL - 2018 End of Year Audit Management Letter**  
**File No:**                              I2019/139

## RECOMMENDATION:

1. That pursuant to Section 10A(2)(f) of the Local Government Act, 1993, Council resolve to move into Confidential Session to discuss the report 2018 End of Year Audit Management Letter.
2. That the reasons for closing the meeting to the public to consider this item be that the report contains:
  - a) details of systems and/or arrangements that have been implemented to protect council, councillors, staff and Council property
3. That on balance it is considered that receipt and discussion of the matter in open Council would be contrary to the public interest, as:

as the report contains details of systems and/or arrangements that have been implemented to protect Council, Councillors, Staff and Council Property

## RECOMMENDATION:

That the comments provided by Management in response to matters raised in the 2018 End of Year Audit Management Letter be noted by Council.

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**Report No. 5.3**                      **CONFIDENTIAL - Audit progress report - January 2019**  
**File No:**                              I2019/141

## RECOMMENDATION:

1. That pursuant to Section 10A(2)(f) of the Local Government Act, 1993, Council resolve into Confidential Session to discuss the report Internal Activity & Progress Report - November 2018.
2. That the reasons for closing the meeting to the public to consider this item be that the report contains:
  - a) details of systems and/or arrangements that have been implemented to protect council, councillors, staff and Council property
3. That on balance it is considered that receipt and discussion of the matter in open Council would be contrary to the public interest, as:

details of systems and/or arrangements that have been implemented to protect council,

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councillors, staff and Council property.

## RECOMMENDATION:

That the Audit, Risk and Improvement Advisory Committee:

1. Notes the Internal Audit Activity Report – February 2019
2. Endorses the completion of recommendations as per Table 1 and Table 2

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**Report No. 5.4**                      **CONFIDENTIAL - 2018/2019 External Audit Engagement Plan**  
**File No:**                              I2019/152

## RECOMMENDATION:

1. That pursuant to Section 10A(2)(d)i of the Local Government Act, 1993, Council resolve to move into Confidential Session to discuss the report 2018/2019 External Audit Engagement Plan.
2. That the reasons for closing the meeting to the public to consider this item be that the report contains:
  - a) commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it
3. That on balance it is considered that receipt and discussion of the matter in open Council would be contrary to the public interest, as:

Potential to prejudice the commercial position of the contracted Auditor Thomas Noble and Russell undertaking the audit on behalf of the Audit Office of New South Wales and disclosure request by the Audit Office of New South Wales

## RECOMMENDATION:

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1. That Council notes the External Audit Engagement Plan prepared by the Audit Office of New South Wales for the year ended 30 June 2019 as outlined in Attachment 1 (#E2019/9292).
2. That the report and Attachment 1 of the closed part of the meeting remain confidential.

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**Report No. 5.5**                      **CONFIDENTIAL - Internal Audit Plan update - Cash Management Audit**  
**File No:**                              I2019/137

## RECOMMENDATION:

1. That pursuant to Section 10A(2)(f) of the Local Government Act, 1993, Council resolve to move into Confidential Session to discuss the report Internal Audit Plan update - Cash Management Audit.
2. That the reasons for closing the meeting to the public to consider this item be that the report contains:
  - a) details of systems and/or arrangements that have been implemented to protect council,

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councillors, staff and Council property

3. That on balance it is considered that receipt and discussion of the matter in open Council would be contrary to the public interest, as:

details of systems and/or arrangements that have been implemented to protect council, councillors, staff and council property.

## **RECOMMENDATION:**

That the Audit, Risk and Improvement Committee notes the report and attached Terms of Reference (E2019/8478).

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*There being no further business the meeting concluded at 1.30pm.*