

12.1 MINUTES - AUDIT RISK AND IMPROVEMENT COMMITTEE - 29 MAY 2025 - ATTACHMENTS

Attachment Titles:

1. Minutes - Audit Risk and Improvement Committee - 29 May 2025

Attachment 1 - 20250529 - Minutes - Audit Risk and Improvement Committee**Notice of Meeting**

AUDIT RISK & IMPROVEMENT COMMITTEE

Thursday, 29 May 2025 at 9:00 AM
Tumut Council Chambers / Via Video Link

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1. COMMENCING AT:

9:17AM

2. PRESENT:

Kylie McRae (Chair), Dennis Vaccher (Independent Member), Carolyn Rosetta-Walsh (Independent Member), Phil Swaffield (National Audits Group), Antony Zhou (NSW Audit Office), Cr Hugh Packard. Jessica Quilty (Acting General Manager), Nick Wilton (Acting Director Community, Corporate & Development), (Matthew Suter (Risk Management Officer), Michelle Marsh (Manager Governance), Rachel Peacock (Governance Officer)

3. ACKNOWLEDGEMENT OF COUNTRY:

An acknowledgement of the traditional custodians of the land was delivered by Kylie McRae (Chair)

4. APOLOGIES:

Nicky Rajani (NSW Audit Office), Trudy Crawford (Program Manager), Manna Doshii (Chief Financial Officer), James Butt (Manager Risk & Safety)

5. DECLARATION OF PECUNIARY INTEREST:

Nil

6. MINUTES OF PREVIOUS MEETING:

6.1. MINUTES - AUDIT, RISK AND IMPROVEMENT COMMITTEE - 19 MARCH 2025**ARI.14/25 RESOLVED:**

THAT THE COMMITTEE:

1. The Minutes of the Audit Risk & Improvement Committee meeting held on 19 March 2025 be received and noted.

Accepted and carried

7. BUSINESS ARISING:

Nil

8. AGENDA ITEMS:

8.1. ARIC - INTERIM GENERAL MANAGER'S IN CAMERA SESSION - CONFIDENTIAL**ARI.15/25 RESOLVED:**

THAT THE COMMITTEE:

1. Note the Acting General Manager's confidential report.

Minutes of the Meeting of the Audit Risk & Improvement Committee held in Tumut Council Chambers / Via Video Link on Thursday, 29 May 2025

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Summary:

The Acting General Manager provided an open report including an update on the proposed De-amalgamation and noted that Council's submission is still with the Boundaries Commission, with no estimated timeframe on when a recommendation is likely to happen.

Discussed and Noted**8.2. ARIC ACTION REPORT****ARI.16/24 RESOLVED:**

THAT THE COMMITTEE:

1. Examine and discuss the status of ARIC Actions.
2. Close out the following as complete:
 - ARI.59/22 - closed out - In reference to Audit Matrix 930 - noted in audit matrix report - committee recommended to close.
 - 23/08/2023 - General Business - SELF ASSESSMENTS - now completed
 - ARI.38/24 - Closed - Internal Audit Strategic Plan - 2025-2029 presented to ARIC in same meeting.
 - ARI.03/25 - 1. 930 - Audit Matrix item - closed as per report and 2. Revised dates included in the due date column of the Audit Matrix report
 - ARI.05/25 - Closed - Audit recommendations reviewed and updated comments/timelines/responsible person amended if needed.
 - ARI.06/25 - Closed - Audit recommendations reviewed and updated comments/timelines/responsible person amended if needed.
 - ARI.07/25 - Recommendation noted and amended and Acting GM - email was forwarded to committee members on the 11/04/2025 with scenarios of fees and charges.
 - 19/03/2025 - General Business - TorF and IAC - presented to committee formally in a report for adoption.

Summary:

The Committee discussed the Action report and noted:

- Incorrect date— amended to 29/05/2025
- 28/03/2025 – General business – Self Assessments – Committee requested that a report on the outcomes of the self-assessments be presented at the next ARIC.
- 38/24 – Internal Audit Strategic Plan – discussion held about how the decision-making was actioned and noted that the ELT met with Auditors and the Audit Universe was discussed. Further discussion was held on this matter later in the meeting when a report on the Internal Audit Strategic Plan was presented.

ACTION:

- **b. 28/03/2023 – General Business – Self Assessments – a report be presented at the next ARIC meeting of the outcomes of the completed ARIC self-assessment.**
- **38/24 – Further discussion to be held and an updated Strategic Internal Audit Plan to be presented to the ARIC at the next meeting.**

Accepted and carried

8.3. ARIC AUDIT MATRIX REPORT

9.32 Carolyn Rosetta-Walsh - left the meeting

9.33 Carolyn Rosetta-Walsh - returned to the meeting

ARI.17/25 RESOLVED:

THAT THE COMMITTEE:

1. Examine and discuss the Audit Matrix
2. Close Actions:
 - 930 - Committee recommendation - to close out Audit Matrix Item 930

Summary:

1. Chair – noted – thanks to the managers on more focused actions
2. 930 – Committee agreed to close AM 930
3. Incorrect date on report reference – amended to 19/03/2025
4. Total summary line incorrect total recorded
5. Committee – asked about timelines and discussion was held around staff resourcing.
6. 3484 - Committee – Task 5 – Grants register – discussion held and noted that the grants register is up to date – it is only the policy that needs to be updated – and this should be done by the next ARIC meeting
7. 3474 – Committee – Asset Management Plans (AMPs) – discussion held and noted – new staff member has been employed, and 7 AMPs have been completed in draft and the remaining 7 will be completed – no estimated timeframe – full completion by the January 2026.
8. 3476 – Committee – noted the action item updates – Task 1, Task 2 and Task 4 – update does not relate to Audit recommendation – 'What is the link' – Committee requested an update
9. 01/2025 – Task 3 – Discussion held around Developer Services Plans – will have effect on Tumbarumba – Noted – 'is there an option for this to be pushed forward' before the possible demerge?
10. 04/2025 – Task 4 – Committee requested to have the value of the Tender evaluations amount of \$5mil be reviewed and consideration given as to whether this is an appropriate benchmark.
11. 11/2025 – IT cyber security – discussion held and noted that testing with staff members has already been undergoing and is mandatory. Any failure of tests requires mandatory re-training.
12. 13/2025 – Non-Rateable properties – Committee requested to have more details in the Action item – What they have done, what actions are in place.

ACTION:

- **Feedback from Chair –Thanked the managers for their updated actions**
- **Grants policy – arrange report for presentation to the committee at the next ARIC meeting**
- **AM 3476 – Task 1,2 and 4 – Manager Governance to send update to Committee via email with updated comments**
- **DSP – Ask MUWB – if option to have these completed earlier**
- **04/2025 – Task 4 – Check with DIWD – for the valuation of the Tenders and provide feedback to the Committee as to how frequently this threshold is being reached.**

- **13/2025 – Update action item comments from the Senior Rates Officer with the actions they have undertaken and next steps.**

Accepted and Carried

8.4. DRAFT AUDIT RISK AND IMPROVEMENT COMMITTEE TERMS OF REFERENCE AND INTERNAL AUDIT CHARTER

ARI.18/25 RESOLVED:

THAT THE COMMITTEE:

1. Adopt the Audit Risk and Improvement Committee Terms of Reference SVC-TofR-006-007; and
2. Adopt the Internal Audit Charter SVC-GOV-PR-058-03.

Summary:

Discussion held with Committee members noting that there was discussion around schedule 1 and the task list.

ACTION:

1. **Adopt the Audit Risk and Improvement Committee Terms of Reference SVC-TofR-006-007 pending further discussion of Schedule 1 with Committee members - out of session; and**
2. **Adopt the Internal Audit Charter SVC-GOV-PR-058-03 pending further discussion with committee members - out of session.**
3. **Committee to advise Manager Governance of outcome**

Accepted and Carried

8.5. INTERNAL AUDIT PLAN 2025 - 2029

ARI.19/25 RESOLVED

THAT THE COMMITTEE:

1. Receive and discuss the report on options for the Internal Audit Plan for the 2025-2029 period.

Summary:

- Discussion held around the decision-making process.
- List of 8 Audits for the next 4 years:
 - Records Management
 - Fraud and Corruption Control
 - Community Services – Aged Care, Disability, Home Care and Transport
 - Operations and Management of Landfills &Transfers Stations (waste management)
 - Fleet/Plant Management
 - Payroll Cost Allocations
 - Sundry Debtors
 - Cash Handling and Collection

Action:

- **Updated audit universe to be sent to Committee members for review**

- **Final draft allocations to be sent to the Committee members – out of session**

Accepted and Carried

10.00 am – Matthew Suter joined the meeting

8.6. RISK & SAFETY QUARTERLY UPDATE**ARI.20/25 RESOLVED:**

THAT THE COMMITTEE:

1. Receive and note the Risk & Safety Quarterly Update report.

Summary:

Risk and Safety report was discussed and noted.

No Action**Accepted and Carried****8.7. FOR YOUR INFORMATION - INTEGRATED PLANNING & REPORTING (IP&R) UPDATE****ARI.21/25 RESOLVED:**

THAT THE COMMITTEE:

1. Note and discuss quarter 3 (January to March 2025) performance progress updates that are mark as 'Off Track', 'Delayed/Impacted' or 'Not Achieved'
2. Note the update on the 2025-2029 Integrated Planning and Reporting Suite.

Summary:

- Report was discussed and noted
- Services Reviews were discussed – noting they are still being undertaken, and staff resourcing has been an issue
- Selected service reviews for FY2025/2026: Drinking Water and Project Management
- GIS services – action was to be undertaken in Quarter 4 – Council to confirm

ACTION:

- **Council to present to next ARIC an overview of the CSP and DPOP**
- **Confirm recruitment for GIS staff – if this has been undertaken and provide confirmation to the Committee**

Accepted and Carried**8.8. FOR YOUR INFORMATION - QUARTERLY BUDGET REVIEW AS OF 31 MARCH 2025****ARI.22/25 RESOLVED:**

THAT THE COMMITTEE:

1. Note the information presented in the Quarterly Budget Review as of 31 March 2025.

Summary:

Discussion held around the Quarterly Budget and noted.

No Action

Accepted and Carried

9. GENERAL BUSINESS:

1. Shell Accounts - Chief Financial Officer

Summary:

Acting General Manager gave a brief update on the Shell Accounts and noted that new regulations were introduced in April 2025.

Noted – Council to present Shell Accounts at the next ARIC meeting.

ACTION:

- **Council to present Shell Accounts to ARIC at the next meeting.**

10. NEXT MEETING

The next meeting will be held on the 27 August 2025 commencing at 9.00am in the Tumut Council Chambers and/or via video link].

There being no further business to discuss, the meeting closed at 10.53am