

PRESENT: Graham Marchant (Chair), Paul Nankivell (by video link), Cr Ambrose Doolan

IN ATTENDANCE: General Manager, Director Technical Services, Chief Financial Officer, Manager Corporate Services (minutes), Luke Malone (External Auditor – Prosperity Advisers; by teleconference)

APOLOGIES: Nil

DECLARATIONS OF INTEREST: Nil

CONFIRMATION OF MINUTES

THE COMMITTEE RESOLVED that the minutes of the Internal Audit Committee meeting held on 18 March 2021 are confirmed.

Nankivell/Doolan

BUSINESS ARISING FROM MINUTES: The item on Fraud and Corruption Control is to be added to the task register for the Committee to receive updates on the implementation plan.

ITEM 6.1 – TASK REGISTER

The Committee noted the information contained in the task register.

ITEM 6.2 – EXTERNAL AUDIT UPDATE

Luke Malone, of Prosperity Advisers, addressed the meeting:

- Thanked CFO, Ann Newsome, and GM Roger Bailey for their assistance with the interim audit process.
- Discussed the interim Management Letter:
 - 16 prior year matters carried over
 - Timeframes are in place to deal with outstanding items, particularly in IT
 - Current year contains 6 matters – acknowledge that management is undertaking to resolve all matters

The Committee:

1. Notes the External Audit update.
2. Endorses management responses to Interim Management Letter.
3. Notes that management is responding positively to the issues, and commends the actions being taken.

ITEM 6.3 – AUDIT ARRANGEMENTS

The Committee noted the information contained in the Audit Arrangements item.

Luke Malone left the meeting.

ITEM 6.4 – DEVELOPMENT OF INTERNAL AUDIT FUNCTION

The Committee recommended that:

1. Council further explores options to secure professional services to provide an internal audit function, beginning with the production of an audit strategy.

2. An appropriate amount be budgeted for an internal audit function.

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ITEM 6.5 – RECORDS MANAGEMENT UPDATE

The Committee noted the information contained in the Implementation of Records Strategy report.

ITEM 6.6 – RFS ASSET ACCOUNTING

The Committee:

1. Notes the information contained in the RFS Asset Accounting item.
2. Recommends that Council endorse and support the position taken by Leeton Shire Council ARIC.

ITEM 6.7 – HIGH VALUE HIGH RISK PROJECTS

The Committee noted the information contained in the High Value High Risk Projects report.

3:30pm

Stephen Maher, Chartered Accountant, joined the meeting by video link to discuss the Committee's recommendations on developing a strategy for an internal audit function.

ITEM 6.8 – COMMITTEE REVIEW

The Committee recommended that Council:

1. Seek to appoint an Audit, Risk and Improvement Committee (ARIC) at the first meeting held following the local government elections of 4 December 2021.
2. Consider including roles and responsibilities in the ARIC Terms of Reference.

Nankivell/Doolan

GENERAL BUSINESS

Manager Corporate Services thanked Paul Nankivell for forwarding a link to 1WordFlow, a digital solution for documents; Mr Nankivell suggested it could have application in structuring and managing policies and procedures. A request for further information has been submitted to the company. Preliminary investigation is that there could be interest and that it would complement the direction we are looking at going with a new website design, especially looking at accessibility.

The next meeting will be held on Tuesday 16 November 2021 commencing at 1:00pm.

There being no further business the meeting closed at 3:56pm.