



MINUTES OF THE ORDINARY MEETING OF THE AUDIT, RISK AND IMPROVEMENT COMMITTEE held at the Committee Room, 253 Crawford St, Queanbeyan on Wednesday, 15 March 2023. External Audit in-camera session at 9.30am. Internal Audit in-camera session at 9.45. Main meeting at 10am.

ATTENDANCE

Present:

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| Andrew Cox | (External Chairperson) |
| Carolyn-Rosetta Wash | (External member) |
| Diana Hamono | (External member) |
| Cr Michel Biscotti | (Councillor) – via zoom |

Also Present:

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| Rebecca Ryan | (General Manager) |
| Kate Monaghan | (Director Corporate Services) |
| Peter John | (Manager Digital for Items 5.5, 6.12 and 6.13) |
| Matthew Dean | (A/g Manager Workplace and Performance for Item 5.5) |
| Anita Cakalic | (ARIC Secretary/Risk and Internal Audit Coordinator) |
| Megan de Vries | (Governance and Legal Administration Officer) |
| Michael Kharzoo | (Audit Office of NSW) - via zoom |
| Hashim Ali | (Audit Office of NSW) – via Zoom |
| Yas Wickramasekera | (O'Connor Marsden and Associates - OCM) |

In-camera sessions:

External Audit: Present: ARIC Members as above in addition to Michael Kharzoo and Hashim Ali from the Audit Office of NSW (via zoom).

Internal Audit: Present: ARIC Members as above in addition to Judy Malpas Partner OCM (Zoom) and Yas Wickramasekera Principal OCM.

1. APOLOGIES

Resolved

No apologies.

2. DECLARATIONS OF INTEREST

Resolved

No disclosures were made by Committee members of any interest in the matters under consideration at this meeting.

3. CONFIRMATION OF MINUTES

3.1 Minutes of the Ordinary Meeting of the QPRC ARIC held on 29 November 2022**Resolved**

That the Minutes of the Ordinary Meeting of the QPRC Audit, Risk and Improvement Committee (ARIC) held in the Queanbeyan Council Chambers on Tuesday 29 November 2022 be confirmed.

Moved: Diana Hamono

Seconded: Cr Biscotti

4. ARIC - ACTIONS ARISING FROM PREVIOUS MINUTES**4.1 Actions Arising Report March 2023****Resolved**

1. That the report be received for information.
2. Confirmed that Lighthouse was a trial program and that monies allocated to this program will be returned to the Internal Audit budget when completed.
3. Confirmed the completion of actions arising from the following meetings:
 - 29 November 2022: 5.1, 5.4 (3), 6.1 (a)(2), 6.1(a)(3), 6.1 (a)(4), 6.1, 6.6.
 - 16 March 2022: 4.2, 6.6

5. AUDIT REPORTS**5.1 Audit Office of NSW Update March 2023****Resolved**

1. That the Audit, Risk and Improvement Committee note the verbal update provided by the Audit Office of NSW, in addition to the attached Final Management Letter 2022 and the Annual Engagement Plan 2023.
2. The ARIC requested a report on the Governance arrangements for Section 355 Committees at its next meeting.
3. A Councillor Workshop should be considered to educate new Councillors on the governance of Section 355 committees.

5.2 OCM Internal Audit Report March 2023**Resolved**

That the Audit, Risk and Improvement Committee note the status report provided by O'Connor Marsden.

5.3 Final Internal Audit Report - Disaster Recovery (Operational Technology)**Resolved**

1. That the Audit, Risk and Improvement Committee note the final internal audit report Disaster Recovery (Operational Technology).

2. The ARIC requested an update on implementation and progress of audit actions by the Manager Utilities for its next meeting.
3. The ARIC noted that the 2023-2024 QPRC Audit plan is currently being developed and will be available at its next meeting.
4. Any areas of concern that ARIC members feel they have, that may be considered to be included as an area for internal audit review, to be provided to the Risk and Internal Audit Coordinator.

5.4 Status of Audit Recommendations March 2023

Resolved

1. That the Audit, Risk and Improvement Committee note the report.
2. It was noted that the status of audit recommendations report is reviewed by the Executive prior to items being approved for completion. Any items that are considered not to be completed remain open for the next quarter's reporting period.
3. The ARIC requested presentations on major projects for future meetings.

5.5 Presentation - Director Corporate Services update on outstanding audit actions

Resolved

1. That the ARIC note the verbal update provided by the Director Corporate Services, Manager Digital and A/g Manager Workplace and Performance.
2. A formal risk assessment identifying key data and information that QPRC logs and monitors across its ICT environment to be provided to the ARIC at its December meeting.
3. That QPRC includes a review of audit action implementation in next year's internal audit plan.

6. REPORTS TO ARIC - ITEMS FOR INFORMATION

6.1 CFO Quarterly Report

Resolved

1. That December 2022 Quarterly Budget Review Statement report be received for information.
2. Noted the verbal update from Director Corporate Services.

6.2 HSEQ maturity report

Resolved

1. That the report be received for information.
2. That a maturity assessment showing HSEQ progression of maturity over time be provided at the next ARIC meeting.

6.3 Review of Council's grants and donations administrative

processes

Resolved

That the Audit, Risk and Improvement Committee note the report.

6.4 Complaint management

Resolved

That the report be received for information.

6.5 Service Reviews

Resolved

That the report be received for information.

6.6 QPRC Business Continuity Plan

Resolved

That the report be received for information.

6.7 2022 Statewide CIP Benchmarking Report

Resolved

1. That the report be received for information.
2. The ARIC requested that the Statewide Mutual Regional Risk Manager to present the outcomes of the Benchmarking report at the next ARIC meeting.

6.8 IA Quality Assurance and Improvement Program

Resolved

That the Audit, Risk and Improvement Committee:

1. Note the report.
2. Endorse the adoption of the attached QPRC Internal Audit Quality Assurance and Improvement Program.

Moved: Diana Hamono

Seconded: Carolyn-Rosetta Wash

6.9 QPRC Internal Audit Manual

Resolved

1. That the report be received for information.
2. That the ARIC endorse the adoption of the QPRC Internal Audit Manual.

6.10 Internal Audit Charter - annual review 2023

Resolved

That the Audit, Risk and Improvement Committee endorse the Internal Audit Charter for adoption by Council.

Moved: Diana Hamono
Seconded: Cr Biscotti

6.11 ARIC Meeting Planner - annual review 2023**Resolved**

1. That the report be received for information and that the updated plan be adopted.
2. That major projects and associated risks be reported on at every meeting as a standard agenda item.

Moved: Cr Biscotti
Seconded: Carolyn-Rosetta Wash

6.12 ICT Report to ARIC - March 2023**Resolved**

1. That the report be received for information.

6.13 QPRC External penetration testing report 2022**Resolved**

1. That the report be received for information.
2. The ARIC requested that summary reports be provided in future due to the sensitive content.

6.14 NSW OLG Circular 22-39 Release of Cyber Security Guidelines for NSW Local Government**Resolved**

That the report be received for information.

6.15 NSW OLG Circular 22-41 Update on the Guidelines for Risk Management and Internal Audit for Local Government in NSW**Resolved**

That the report be received for information.

6.16 NSW OLG Circular 22-42 Credit Card Management**Resolved**

1. That the report be received for information.
2. The ARIC noted the requirement contained in the guidelines for internal audit to review the use of credit cards every one to four

years.

6.17 External Reports of Interest - NSW Auditor-General's Report - Planning and managing bushfire equipment

Resolved

That the report be received for information.

6.18 Update on Special Rate Variation

Resolved

That the report be received for information.

7. REPORTS FOR CLOSED SESSION

7.1 Public Interest Disclosures and Code of Conduct matters

An update was provided by the General Manager. No staff were present during the presentation.

8. GENERAL BUSINESS

No items considered under general business.

9. NEXT MEETING

21 June 2023 – 9.30am

There being no further business the meeting closed at 12.27pm.