



MINUTES OF THE ORDINARY MEETING OF THE AUDIT, RISK AND IMPROVEMENT COMMITTEE held at the Nellie Hamilton Centre 257 Crawford Street Queanbeyan on Monday, 17 March 2025 commencing at 9:30 AM.

ATTENDANCE

Members Present:

Rhonda Wheatley	(External Chairperson)
Carolyn Rosetta-Walsh	(External Deputy Chairperson) – via Teams
Diana Hamono	(External member)
Cr Morgan Broadbent	(Councillor – non-voting member) - Apology

Also Present:

Rebecca Ryan	(General Manager)
Kate Monaghan	(Director – Corporate Services)
Ben-Johan Weideman	(Audit Office of NSW Associate Director, Financial Audit) - via Teams
Furqan Yousuf	(Audit Office of NSW Director, Financial Audit) - via Teams
Judy Malpas	(O'Connor Marsden & Associates – OCM, Partner) – via Teams
Yas Wickramasekera	(O'Connor Marsden & Associates – OCM, Associate Director)
Caitlin Flint	(Manager Governance, Legal and Risk)
Anita Cakalic	(ARIC Secretary/Risk and Internal Audit Coordinator)
Haydon Murdoch	(Manager Strategic Planning) – Item 6.8
Mike Duff	(Director Infrastructure Services) – Items 6.9 & 6.1
Dion Toole	(Coordinator Buildings and Facilities) – Item 6.9
Peter John	(Chief Information Officer) – Items 6.10, 7.5 & 7.6
Penie Batman	(Manager People and Culture) Item 7.7

ARIC voting members held an in-camera session with internal and external audit at 9.30 am with the main meeting commencing at 10.00am. No minutes are taken for the in-camera session.

Main meeting opened at 10.03 am

1. APOLOGIES

Resolution

That the apology for non-attendance be received and leave of absence be granted for Cr Morgan Broadbent.

2. CONFIRMATION OF MINUTES

2.1 Minutes of the Ordinary Meeting of the QPRC ARIC held on 9 December 2024

Resolution

The Minutes of the Ordinary Meeting of the QPRC ARIC held on Monday 9 December 2024 were confirmed.

Moved: Diana Hamono
Seconded: Rhonda Wheatley

3. DECLARATIONS OF INTEREST

Resolution

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

4. GENERAL MANAGER'S UPDATE

The General Manager provided a verbal update to the ARIC on the following three matters:

1. Nellie Hamilton Centre Project
2. Bungendore High School – Deed of Settlement
3. Braidwood Heritage Museum

5. ARIC - ACTIONS ARISING FROM PREVIOUS MINUTES

Resolution

The ARIC noted that all action items have been completed, leaving no outstanding actions.

6. AUDIT REPORTS

6.1 Audit Office of NSW – March 2025

The Audit Office of NSW spoke to the following two reports presented to the ARIC:

- Final Management Letter 2024
- Annual Engagement Plan 2025

Controls to prevent the issue of purchase orders raised after invoice date were discussed. This included:

- Educating suppliers on QPRC's procurement process so that they do not commence work without a purchase order reference.
- Setting up delegations and payment system to deal with emergency situations.
- Review of the number of payments being received without purchase orders.

The following key issues in relation to the engagement plan were also discussed:

- The comprehensive revaluation of assets and ensuring early engagement with the valuer.
- Ensuring that the audit timeline allows for early identification of any issues by working with management.
- No foreseeable significant changes as a result of amendments to AASB 13 'Fair Value Measurement'.
- IT and general controls environment
- Timeline/date for the Engagement Closing Report to be provided to the ARIC, given that the proposed date for the Audit Office to issue the

clearance report is 10 October.

Resolution

1. The ARIC noted the verbal update provided by the Audit Office of NSW.
2. The Engagement Closing Report is to be circulated out-of-session when available.

Moved: Diana Hamono

Seconded: Carolyn Rosetta-Walsh

6.2 OCM Internal Audit Update – March 2025

The ARIC discussed the following in relation to the final report on records management:

- The nature of having a legacy system (as part of being an amalgamated organisation)
- The ability to meet due dates assigned to the agreed management actions. As this will be a focused project undertaken by a consultant it is likely that the timeframes can be met, however, this will be confirmed.
- The amount of documents not registered for a particular area noting that action had been taken to rectify this.
- Minor error with a due date for AMA 8 being 31 April rather than 30 April.
- Noted the comments made by the Director of Corporate Services regarding AMA 8 and acceptance of risk associated with non-compliance with the State Records Act for disposal of out-dated records held in legacy systems due to the technical difficulty and cost.

The ARIC discussed the following in relation to the final report on asset management:

- That the office and fleet assets are not overseen by the asset management team which creates inconsistency from a whole of organisation perspective.
- That asset management/maintenance is being done relatively reactively and that there needs to be a more proactive and planned approach.
- The importance of determining the criticality of assets which underpins the understanding of asset risks.
- Expressed concern over the deficiency of controls for significant assets.
- Acknowledged the creation of a new role (Manager Asset Strategic Planning) and the recent appointment made to this role.
- Noted that the review and completion of asset management plans will be completed by December 2026. Given this timeframe there is an opportunity for the ARIC to be presented with the project plan and to receive quarterly progress updates.

Resolution

1. The ARIC noted the information provided by OCM on the progress of internal audits for 2024-2025, with the tabling of three finalised internal audit reports presented as part of the meeting agenda.
2. Agreed that the consultant engaged would revise the timeframe for the project and confirm due dates for meeting the agreed actions contained in

- the records management internal audit report.
3. That the Director of Corporate Services formally write to the ARIC and the General Manager with regard to accepting the risks associated with legislative non-compliance for disposal of out-dated records held in legacy systems.
 4. That the Manager Strategic Asset Planning provide a progress report against a project plan to the ARIC each quarter due the criticality of addressing the agreed management actions within the Asset Management internal audit report.

Moved: Diana Hamono

Seconded: Carolyn Rosetta-Walsh

6.3 Final internal audit report – Waste Management Facilities

Resolution

The ARIC received the final internal audit report on Waste Management Facilities noting the satisfactory results and the following improvement opportunities identified:

1. Two major improvement opportunities around environmental compliance and waste facilities operational management; and
2. Some improvement opportunities around monitoring and reporting.

6.4 Final internal audit report - Records Management

Resolution

The ARIC received the final internal audit report on Records Management noting the positive findings and following improvement opportunities identified:

1. One high rated improvement opportunity related to policies and procedures; and
2. Four medium improvement opportunities around controls over records and access, storage and control over archives.

6.4 Final internal audit report - Asset Management

Resolution

The ARIC received the final internal audit report on Asset Management noting the positive findings and following improvement opportunities identified:

1. Two high rated improvement findings regarding strengthening of the asset management framework and comprehensive identification and management of asset related risks; and
2. Two moderate improvement findings around consistent management of asset classes and pro-active asset maintenance planning.

6.6 Restart NSW Fund: RNSW1934 - South Jerrabomberra Innovation Precinct

This confidential agenda item was discussed under closed session.

Resolution

The ARIC noted, for information, the update on the internal audit of the Restart NSW Fund: RNSW 1934.

6.7 Status of Agreed Management Actions – as at February 2025

Resolution

The ARIC noted the status of overdue and completed agreed management actions as provided in the report for information, with extensions for overdue items presented in agenda items 6.8, 6.9, 6.10 and 7.1.

6.8 Presentation on overdue agreed management actions – Development and Environment

The ARIC thanked the Manager Strategic Planning on his presentation and the detailed analysis that has been undertaken. This provided assurance that there is a clear understanding of what is required of the outstanding actions and that the work to achieve improvements has been well planned out.

Resolution

The ARIC agreed to the extensions requested for outstanding action items within the Development and Environment Directorate.

Moved: Diana Hamono

Seconded: Carolyn Rosetta-Walsh

6.9 Presentation on overdue agreed management actions – Infrastructure Services

The ARIC:

- Thanked the Director Infrastructure Services and the Coordinator Building and Facilities on the verbal update provided regarding outstanding action items.
- Noted the apology provided for the Manager Transport and Facilities.
- Noted that the final artifact is a risk-based security plan.
- Would like to see a one page document that draws all the elements discussed together, to provide assurance to the ARIC that the agreed actions are not lost, but have been incorporated into the strategy and framework going forward.

Resolution

1. The ARIC agreed to the extensions requested for outstanding action items within the Infrastructure Services Directorate.
2. One page document to be provided the ARIC at its next meeting to show how the agreed actions have been incorporated into the Physical Security Strategy and Framework going forward.
3. Determine who has care and control of the crown land which is the site of

the Braidwood stock pile/pipe yard.

Moved: Diana Hamono

Seconded: Carolyn Rosetta-Walsh

6.10 Report on overdue agreed management actions – Digital

The ARIC thanked the CIO for his update and noted that the results of the disaster recovery desktop review would be reported back to the ARIC when completed.

Resolution

The ARIC agreed to the extensions requested by the CIO.

Moved: Diana Hamono

Seconded: Carolyn Rosetta-Walsh

7. REPORTS TO ARIC - ITEMS FOR INFORMATION

7.1 CFO Status Report – March 2025

Noted that the report contained information on a number of items and actions being taken. This included:

1. Financial sustainability risk
2. Budget management controls
3. Finance branch resourcing and capacity
4. Revenue
5. Financial Statements and audit
6. Overdue Agreed Management Actions

The ARIC noted the verbal update provided by the Director of Corporate Services and how the Finance workplace restructure has assisted with progressing agreed management actions. The ARIC acknowledged that there has been much work done and thanked the Director for providing further clarity on progressing overdue items.

The ARIC noted that the draft financial statements are expected to be presented to the 15 September ARIC meeting and that any further documents, including the engagement closing report be circulated out-of-session.

Resolution

1. The ARIC noted the report for information and agreed to the request for extension for overdue agreed management actions.
2. That preliminary results of the audit would be discussed at the September ARIC meeting, on the premise that pending any changes, the draft financial statements would be recommended for Council approval. Any further documents after this date to be circulated out-of-session.

Moved: Diana Hamono

Seconded: Carolyn Rosetta-Walsh

7.2 Quarterly Budget Review Statement for the Quarter Ending 31 December 2024.

Resolution

The ARIC:

1. Received the copy of the December 2024 Quarterly Budget Review Statement for information.
2. Endorsed the future process of the quarterly budget review statement to be sent to ARIC out of session and before the council meeting, so feedback can be obtained from ARIC and included in the council report.

Moved: Diana Hamono

Seconded: Carolyn Rosetta-Walsh

7.3 OLG Council Circular 25-04 Draft Quarterly Budget Review Statement Guidelines**Resolution**

1. The ARIC received the report for information.
2. Requested a one page document on the OLG circular and QPRC alignment with the requirements for the next meeting.

7.4 Procurement Integrity Report – March 2025

The ARIC noted the major improvement on information being provided to Managers.

Resolution

The ARIC received the report for information.

7.5 2024 JLT Cyber Risk Report**Resolution**

The ARIC received the report for information.

7.6 ICT Report to ARIC**Resolution**

The ARIC received the report for information.

7.7 HR Report

The ARIC noted and thanked the Manager Workplace and Culture for the verbal update on the reports provided.

The ARIC particularly noted the work done to develop the Organisational Strategic Plan and commended the General Manager, the Workplace and Culture Team and the rest of the organisation in their participation in developing the plan.

Resolution

1. The ARIC received the following reports for information:

- End of year workforce report
 - HSEQ Quarterly Report October to December 2024
 - Statecover Report 23-24
 - Organisational Strategic Plan
2. The ARIC commended the Organisational Strategic Plan as a great initiative for people management in QPRC.

7.8 Internal Audit Charter – annual review 2025

Resolution

Item to be considered out-of-session and deferred to June ARIC meeting.

7.9 ARIC Meeting Planner – annual review 2025

Resolution

Item to be considered out-of-session and deferred to June ARIC meeting.

7.10 External Report of Interest – ICAC Operation Mantis

Resolution

The ARIC received the report for information.

7.11 Bi-Annual Compliance Report

Resolution

The ARIC received the report for information.

8. REPORTS FOR CLOSED SESSION (INCLUDING ITEM 6.6)

8.1 Bi-Annual Legal Report

Resolution

The ARIC received the report for information.

9. GENERAL BUSINESS

No general business

There being no further business the meeting concluded at 1.45pm

Next Meeting:

Monday 16 June at 9.30am

Monday 15 September at 9.30am

Monday 8 December at 9.30am