

**Minutes of Audit, Risk and Improvement Committee Meeting held on 26 February 2020
at Ashfield Service Centre**

Meeting commenced at 5.32pm

PRESENT

Audit Risk & Improvement Committee Members	
Independent Member - Chair	John Gordon
Independent Member	Emily Hodgson
Independent Member	Heather Smith
Councillor	Clr Louise Steer
Councillor	Clr Lucille McKenna
Other attendees	
Chief Operating Officer, Director Development and Recreation	Elizabeth Richardson
Director Corporate	Melodie Whiting
Director City Living	Erla Ronan
Director Infrastructure	Cathy Edwards-Davis
Chief Financial Officer	Daryl Jackson
Group Manager Information and Communications Technology	Harin Perera
Senior Manager Business Excellence, Risk, WHS and Customer Service	Peter Livanes
Coordinator Internal Audit and Business Continuity Management	Elvira Musolino
Policy and Risk Services Manager	Charmian King
Governance Coordinator - Minute Taker	Katherine Paixao
Manager Environmental Health and Building Regulation	Peter O'Connor
ICT Infrastructure Manager	Sasha Sutarov
Engagement Partner, EY	Melissa Broadhead
Engagement Manager, EY	Paulette Pang
Audit Office	Michael Kharzoo
Audit Office	Mauran Thirunavukarasu
Internal Ombudsman	Suellen Bullock
Assistant Internal Ombudsman	Elizabeth Renneberg

ACKNOWLEDGMENT OF COUNTRY

The chairperson acknowledged the traditional owners of the Land on which the meeting took place and paid his respects to elders past and present.

APOLOGIES: Apologies were received from Michael Deegan, Chief Executive Officer and Caroline Karakatsanis from the Audit Office.

DISCLOSURES OF INTERESTS: Nil

CONFIRMATION OF MINUTES:

(Clr Steer/ Heather Smith)

THAT the Minutes of the Audit, Risk and Improvement Committee Meeting held on Wednesday, 20 November 2019 be confirmed, subject to the following amendments:

- Elizabeth Richardson's title be amended to Chief Operating Officer; and
- Removing service review of child care in Item 8.

Carried unanimously

The Chair welcomed Elizabeth Renneberg, Assistant Internal Ombudsman to the ARIC meeting and welcomed Elvira Musolino back from extended leave.

CHIEF EXECUTIVE OFFICER'S REPORTS

ITEM	PERSON RESPONSIBLE	DEADLINE
<p>RIS0220 Item 1 Management of External Combustible Cladding in the Inner West</p> <p>RECOMMENDATION (Clr McKenna OAM/ Emily Hodgson)</p> <p>THAT:</p> <ol style="list-style-type: none"> 1. The Audit Risk and Improvement Committee receive and note the report and presentation; 2. A further report come back to the ARIC in September 2020 with an update on the outstanding properties having potential cladding issues; and 3. Confirmation that Council's insurer is aware of the liability regarding cladding. <p>Carried unanimously</p>	<p>Manager Environmental Health and Building Regulation</p>	<p>2 September 2020</p>
<p>RIS0220 Item 9 External Audit Quarterly Report</p> <p>Council has brought forward reporting on the Financial Statements.</p> <p>RECOMMENDATION (Emily Hodgson/Clr McKenna OAM)</p> <p>THAT:</p> <ol style="list-style-type: none"> 1. The Audit Risk and Improvement Committee receive and note the External Audit Quarterly Report; and 2. A report on issues raised to come to the next ARIC 	<p>Executive</p>	<p>27 May 2020</p>

<p>meeting.</p> <p>Carried unanimously</p>	<p style="text-align: center;">Team</p>	
<p>RIS0220 Item 2 Progress Update on Motor Vehicle Incidents - Risk Strategies from RIS1119 Item 9</p> <p>RECOMMENDATION (Heather Smith/Emily Hodgson)</p> <p>THAT the Audit Risk and Improvement Committee:</p> <ol style="list-style-type: none"> 1. Receive and note the report; and 2. Receive a final report on this matter at the November 2020 ARIC. <p>Carried unanimously</p>	<p style="text-align: center;">Senior Manager Operations</p>	<p style="text-align: center;">18 November 2020</p>
<p>RIS0220 Item 3 Update on Technology One Project RIS0220 Item 4 TechnologyOne SOC report RIS0220 Item 5 ICT - Progress update on FY19 External Audit Action items</p> <p>Release 4 of TechOne ECM went live in October 2019 and Property and Rating went live in February 2020.</p> <p>RECOMMENDATION (Heather Smith/Clr McKenna OAM)</p> <p>THAT the Audit Risk and Improvement Committee receive and note the three (3) reports.</p> <p>Carried unanimously</p>		
<p>RIS0220 Item 6 ICT – Security Assessment</p> <p>Elcom have committed to notify clients within 72 hours of medium and high risks occurring.</p> <p>RECOMMENDATION (Heather Smith/Clr McKenna OAM)</p> <p>THAT the Audit Risk and Improvement Committee:</p> <ol style="list-style-type: none"> 1. Receive and note the report; and 2. Request regular updates on ICT Security posture, including remediation of current security vulnerabilities and reporting of security incidents. <p>Carried unanimously</p>	<p style="text-align: center;">Chief Information Officer</p>	<p style="text-align: center;">On-going</p>

<p>RIS0220 Item 7 Internal Audit Quarterly Report</p> <p>RECOMMENDATION (Clr Steer/Emily Hodgson)</p> <p>THAT the Audit Risk and Improvement Committee:</p> <ol style="list-style-type: none"> 1. Receive and note the Internal Audit Quarterly Report; 2. Receive a revised Internal Audit plan at the next ARIC meeting; 3. Be provided out of session with the Children’s services finalised Internal Audit report as soon as it is signed off; 4. Receive the Fraud and Corruption plan at the May 2020 ARIC meeting; and 5. Receive a report at the May 2020 ARIC meeting on all Major Capital Works projects Council has. <p>Carried unanimously</p>	<p style="text-align: center;">Director Corporate and Senior Manager Business Excellence, Risk, WHS and Customer Service</p> <p style="text-align: center;">Senior Manager Business Excellence, Risk, WHS and Customer Service</p> <p style="text-align: center;">Senior Manager Business Excellence, Risk, WHS and Customer Service</p> <p style="text-align: center;">Director Infrastructure</p>	<p style="text-align: center;">27 May 2020</p> <p style="text-align: center;">27 May 2020</p> <p style="text-align: center;">27 May 2020</p> <p style="text-align: center;">27 May 2020</p>
<p>RIS0220 Item 8 Internal Audit Recommendations Update</p> <p>Council is working through a process of reviewing/updating the list of open Audit Recommendations.</p> <p>RECOMMENDATION (Heather Smith/Emily Hodgson)</p> <p>THAT: the Audit Risk and Improvement Committee:</p> <ol style="list-style-type: none"> 1. The Audit Risk and Improvement Committee note the report; 2. The Audit Risk and Improvement Committee receive a report with a list of all open Internal Audit Recommendations including risk rating; and 	<p style="text-align: center;">Senior Manager Business Excellence, Risk, WHS and Customer Service</p>	<p style="text-align: center;">27 May 2020</p>

<p>3. Where the due date of open Internal Audit Recommendations has been extended, the ARIC would like to see some evidence of rigor applied to the granting of this extension.</p> <p>Carried unanimously</p>	<p>Senior Manager Business Excellence, Risk, WHS and Customer Service</p>	<p>27 May 2020</p>
<p>RIS0220 Item 10 Internal Ombudsman Shared Service Quarterly Report</p> <p>Elizabeth Renneberg, Assistant Internal Ombudsman provided an overview on her previous experience.</p> <p>Code of Conduct complaints have reduced since the rollout of Code of Conduct training in late 2019.</p> <p>RECOMMENDATION (Heather Smith/Clr McKenna OAM)</p> <p>THAT the Audit Risk and Improvement Committee:</p> <ol style="list-style-type: none"> 1. Receive and note the report from the Internal Ombudsman Shared Service; and 2. Receive the Independent review of the Internal Ombudsman Shared Service processes at the May 2020 ARIC meeting. <p>Carried unanimously</p>	<p>Internal Ombudsman</p>	<p>27 May 2020</p>
<p>HR Update</p> <p>Council has a dedicated role to increase diversity and inclusion plans in the workforce. A Cultural Advisor has been appointment and reports to the CEO.</p> <p>The next staff survey is due October 2020. Last survey occurred in 2018.</p> <p>Hiring of replacements for existing positions now goes to the Executive team to be approved.</p> <p>Council is currently managing staff excess annual leave.</p> <p>Service reviews are completed for Parks and Streetscape, Operations and Resource Recovery where conditions and pay were harmonised.</p> <p>Staff survey about to go out which is 12 months after the CEO started. Flu vaccine will be available for all staff in the coming weeks.</p> <p>Mental health training for managers is being rolled out.</p> <p>RECOMMENDATION (Clr McKenna OAM/ Heather Smith)</p> <p>THAT the Audit, Risk and Improvement Committee:</p>		

<p>1. Receive and note the verbal report; and</p> <p>2. Receive a further HR Verbal report in February 2021.</p>	Director Corporate	February 2021
<p>General Business</p> <p>The ARIC Chair acknowledged that Council is progressing a wide range of issues and as it finishes the integration process. If IWC believed that there were any issues that the ARIC could add value on (either as a Committee or individually), the ARIC are happy to provide any assistance required.</p> <p><u>Actions</u></p> <p>ARIC Annual report to be sent out to the ARIC prior to the May 2020 ARIC meeting. The committee will need to do a self-assessment and give constructive feedback. Self-assessment forms to be sent to ARIC committee members. The results of the self-assessment are to be added to the Annual report.</p> <p>The organisational chart to be sent to ARIC members.</p>	<p style="text-align: center;">Coordinator Internal Audit and Business Continuity Management</p> <p style="text-align: center;">Director Corporate</p>	<p style="text-align: center;">26 May 2020</p> <p style="text-align: center;">26 May 2020</p>

Meeting closed at 7.49 pm.

CHAIRPERSON – John Gordon