



## CENTRAL TABLELANDS ALLIANCE (CTA) AUDIT AND RISK IMPROVEMENT COMMITTEE (ARIC)

# MINUTES

**Tuesday 9 June 2020**

**Joint Meeting 10.00am – 10.30am**

### 1. Welcome and Acknowledgement of Country

We acknowledge the traditional custodians of the land on which we live and work - the Wiradjuri and Gundungurra Nations of people and we pay our respects to the Elders past, present and emerging.

### 2. Attendees

<b>Voting</b>	
Neil Maltby	Independent Member (Chair)
Phillip Burgett	Independent Member
Phil Ross	Independent Member
Ray Thompson, Mayor	Lithgow City Council
Steve Ring, Deputy Mayor	Lithgow City Council
Mark Kellam, Deputy Mayor	Oberon Council
<b>Non-Voting</b>	
Gary Wallace, General Manager	Oberon Council
Craig Butler, General Manager	Lithgow City Council
Lynette Safranek, Corporate Services Director	Oberon Council
Ross Gurney, Chief Financial and Information Officer	Lithgow City Council
Rhiannan Whiteley, Secretariat	Lithgow City Council
Chariee Bultitude, Director	Audit Office

- Chariee Bultitude joined the meeting at 10.10am
- Welcome to Phil Ross (independent member) and Craig Butler (new Lithgow City Council General Manager)



### 3. Apologies

Kathy Sajowitz, Mayor	Oberon Council
John O'Malley, Intensus	Oberon Council – External Auditor
Gabriel Fanople, Crowe	Lithgow City Council – External Auditor
Karen Taylor, Director	Audit Office

### 4. Declarations of Interest

Nil

### 5. Confirmation of Minutes of Meeting held on 17 March 2020

The Minutes of the CTA Audit Committee Joint Councils Meeting held on 17 March 2020 were confirmed with the following amendments:

- **Page 4 - audit office report be included on the next Joint Councils committee meeting agenda.**
- Item 5 – Correction of date
- Item 8 - doesn't read well - suggest that maybe worded 'Ross confirms that LCC did put in a submission...'
- Item 9 – Add the surnames of the Committee members to the mover and seconder
- Item 10 - spelling error – should be COVID

**Moved:** Phil Burgett

**Seconded:** Clr Ray Thompson

### 6. Business Arising

NIL

### 7. Confirmation of appointment of Phil Ross, independent member, by both Councils

Both Oberon and Lithgow Council confirmed the appointment of independent member Phil Ross at recent Council meetings. The Committee welcomed Phil.

### RECOMMENDATION

**THAT** the Committee note the Councils' appointment confirmation of Phil Ross to the Committee as an independent member.



**Moved:** Neil Maltby

**Seconded:** Phil Burgett

## **8. Adoption of amended CTA ARIC Charter**

The CTA ARIC Charter was adopted by both Oberon Council and Lithgow City Council on 5/5/20 and 25/5/20.

### **RECOMMENDATION**

**THAT** the Committee note the Councils' adoption of the ARIC Charter

**Moved:** Phil Burgett

**Seconded:** Neal Maltby

## **9. CTA ARIC Annual Report - Framework**

Committee Member Phil Ross enquired as to who was responsible for compiling the Committee Annual Report and will provide examples to the Committee members of Annual Reports that he has obtained from other Council committees including tables and the format in which information is presented.

Discussions to occur in 2-3 weeks between Neil, Lynette and Ross. Neil will develop first draft prior to the next meeting.

### **RECOMMENDATION**

**THAT** the Committee note the report and endorsed the proposed actions

**Moved:** Neal Maltby

**Seconded:** Phil Ross

## **10. 3 Year Internal Audit Plans**

Lithgow's CFIO has developed a plan for the Lithgow City Council internal audit. Reference was made to the Risk Register as well as the 2015 Audit Strategy and Plan.

Oberon Council is currently putting together their plan and updating the risk register to finalise an internal audit plan.

The Committee were advised that the proposed audits from Lithgow City Council for 2020/21 are Records Management and Plant & Fleet Management. Oberon Council will advise their proposed internal audit plan at the next meeting.

Moving forward, the internal audit plans can be put onto the individual Council ARIC meeting agendas. The Committee agreed that setting priorities needs to be done on the individual requirements of each



Council. Where possible, audits should be scheduled around similar times and the Councils will continue to work together to gain the benefits of joint procurement where practicable.

Committee member Phil Ross asked whether the areas of focus relating to the Records Management review referred to more efficient ways of operating. Ross Gurney advised that the purpose of the Records Management Review was, in part, to ensure that Lithgow Council were capturing all Council records and ensuring completeness as well as efficiency.

Committee member Phil Burgett commented that across all suggested reviews it would be good to make sure the scope covers the existing control frameworks that are in place and that the review assesses them in terms of being fit for purpose. It is important that there is assurance that the processes and controls in place are being followed consistently and continuously.

Lithgow City Council's Audit Plan at this stage is for noting and providing the Committee with an update of Lithgow's progress as the Council has an external audit action to prepare a 3 year internal audit plans.

General Manager Oberon, Gary Wallace noted Lithgow's continual improvement process for risk management and asked about the status of risk management at Lithgow City Council and whether the possibility of a collaboration with Oberon in terms of the risk register and risk management framework could be considered.

Lithgow City Council has a Risk Management Framework in place which was adopted in the last 12 months, hence the review in the following financial year. Ross advised he would be happy to provide copies of Lithgow's framework documents to Oberon if needed.

Gary indicated that he was looking to take up risk management with Statewide and would be looking to collaboratively work with Lithgow. Oberon may also consider a joint approach to a risk management internal audit.

The Committee agreed that the framework around risk management was essential and its effectiveness was dependent on how frequently it is reviewed. Phil Ross suggested that as a minimum, at the start of each term of Council, the risk management framework should be reviewed due to the potential for changes in risk appetite and should also be considered when senior management changes.

General Manager, Craig Butler (Lithgow City Council) concurred with the above statement and suggested that collaboration with Oberon would be beneficial.

## **RECOMMENDATION**

### **THAT:**

1. The tabled Internal Audit Plan for Lithgow City Council be noted.
2. Future reporting of the internal audit plans should be made to the respective individual Council Committee.
3. The internal audit programs be co-ordinated by the management of each Council with a view to joint procurement of internal audit projects where practicable.



**Moved:** Phil Burgett

**Seconded:** Phil Ross

## **11. General Business**

NIL

## **12. Next Meeting Date**

Tuesday 8<sup>th</sup> September 2020 at Oberon Council.

**There being no further business the Meeting closed at 10.28am**