

FLINDERS COUNCIL AUDIT PANEL UNCONFIRMED MINUTES

DATE: Wednesday 4 July 2018
VENUE: Rose Garden Room, FAEC, Whitemark
COMMENCING: 10.04am

PRESENT

Mark Scanlon	Chair
John Dick	Member
Diana Droog	Member (via phone)

IN ATTENDANCE

Bill Boehm	General Manager
Megan Boyes	Corporate Services Officer (Minute Taker)
Heidi Marshall	Accountant

Note:

Lyndal Kimpton (Auditor)	Standing invitation to attend but not available
Council Elected Members	Standing invitation as observers but no attendees

APOLOGIES

Deputy Mayor Marc Cobham
 Cr Ken Stockton

DECLARATION OF INTERESTS

Audit panel members must declare any interests.

Note: Mark has advised that the Tasmanian Health Service no longer needs to be listed as he no longer is on this panel/committee.

Name	Appointment Date	Rotation Date	Person and/or Organisations with Interest	Nature of Conflict of Interest	Perceived / Potential / Actual	Date of Declaration	Action Taken
Mark Scanlon	13 Dec 2017	30 June 2019	Launceston City Council	Independent Chair of Audit Panel	Potential	18 Dec 2017	
	13 Dec 2017		Public Trustee Tasmania	Chairman	Potential	18 Dec 2017	
Diana Droog	Annual Membership	Sept	Flinders Island Tourism & Business Inc (FITB)	Treasurer (& member)	Potential	7 Feb 2018	
	Annual Membership	July	Furneaux Historical Research Association Inc	Member & Membership of Museum's IT Group	Potential	7 Feb 2018	
	Annual Membership		Landcare		Potential	4 June 2018	

CONFIRMATION OF PREVIOUS MINUTES

That the minutes from the meeting held on the 4 June 2018 are a true record.

Attachment 1: Unconfirmed Minutes of the 4 June 2018

CARRIED

CORRESPONDENCE IN:

2018.04.09 Lyndal Kimpton – Flinders Council 2018 Audit Strategy
2018.05.01 Mark Scanlon – Approval of Flinders Council 2018 Audit Strategy
2018.05.01 John Dick – Concerns re Flinders Council 2018 Audit Strategy
2018.05.03 Dianna Droog – Points to consider re Flinders Council 2018 Audit Strategy
2018.07.02 Lyndall Kimpton – Email regarding Audit Panel Queries

CORRESPONDENCE OUT:

2018.04.30 Committee Members - Approval of Flinders Council 2018 Audit Strategy
2018.04.11 Cr Gerald Willis – Response re conflict of interest/pecuniary interest

BUSINESS ARISING

1 Auditor's Work Plan

Points for consideration raised by panel members on the Flinders Council 2018 Audit Strategy were forwarded to the Auditor. An email from the Auditor was received on 20 June to say that the Auditor's response is currently with the Tasmanian Audit Office for review.

Lyndall further responded to Mark's email (included in Correspondence In), Audit Panel to consider internal audit function (this is to be added to the next agenda).

Mark spoke on the points that Lyndall raised in the email.

Lyndall Kimpton to be advised that the Audit Panel is happy with the plan.

2 Investment Review

The Panel's concerns regarding BT Investments' management of Council's Investment Portfolio and the Panel's recommendation to obtain independent assistance to review these matters were taken to the June Council Meeting for consideration. Council resolved to 'request that the Audit Panel revisit this matter with Councillors at their next meeting on 4 July 2018 and that the Mayor be invited to attend.'

Carry this agenda item to next meeting, subject to getting some councillors at the next meeting to comment on the 'risk appetite' for investments.

Mayor to be invited to the next Audit Panel Meeting to discuss this item.

3 Audit Panel Work Plan

Bill Boehm and Mark Scanlon have populated the content of the draft work plan based on the latest version of the Local Government Audit Panel Guidelines.

Still work to be done to populate the work plan, structure is fine. Audit Panel members to be sent electronic copy of work plan.

4 Audit Trail of Budget Movements

The Panel's comments on the progress that has been made in establishing an audit trail process for tracking reallocation of funds internally within the budget were taken to the June Council Meeting for consideration where they were received and noted.

It was discussed that the quarterly report or review of the adopted budget would come to audit panel for review and comment on the reasons for any variance and movement of money within the budget. Any amendment of the overall budget would remain a decision of Council.

5 Policy Review

The Panel's recommendation that Council engages an independent person to review all Council's policies in their entirety was taken to the June Council Meeting for consideration. Council resolved to 'accept the Audit Panel's recommendations in relation to Council engaging an independent person to assist in the review of all the policies in their entirety.'

AGENDA ITEMS

1 Consideration of BT Investment Strategy

This item was already discussed with the Mayor also invited to next meeting to discuss this matter.

2 General Manager's Update

Flinders Business Economic Social and Structural Review Project

The public consultation has started. General Manager has spoken with stakeholders (Hydro, Taswater and TasPorts) regarding their business here on Flinders Island to move forward on this project.

Although not likely to be required, Bill has requested and obtained an extension from the Building Better Regions Program to the end of the calendar year so as to provide an opportunity for any further queries within the project scope to be followed.

Budget

Heidi has been working very hard to produce the 18/19 Budget, she has further restructured the way the budget is presented into projects and chart of accounts to provide more clarity for staff and elected members. One workshop has been conducted with Councillors and staff members with others to follow. It is expected that the Budget will be presented to Council to formally adopt at the August Council Meeting.

OTHER BUSINESS

Mark Scanlon

The Chairs of the audit panels in the NW & NE of Tasmania meet to discuss various topics. At the last meeting the issue of cyber security was raised including approaches on how various Councils handle this. Question was raised concerning whether there is a

process/policy around cyber security breach. There are some guidelines out regarding this (Mark to circulate around the Committee).

This aspect to be raised at next meeting along with a Risk Management Framework Update

Audit Panel to review the Cultural/Ethical standards in the Council Organisation

Bill advised that he doesn't have any issue with Audit Panel members meeting with staff members concerning this aspect with this issue potentially being raised at next meeting

NEXT MEETING

25 September 2018 at 10am

MEETING CLOSED

Meeting closed at 11.54am

ACTION LIST

DATE	ITEM	ACTION TAKEN
2018.06.04	Vicki to follow up with the Auditor on a response re the Auditor's Work Plan.	Email sent 4 June, email from the Auditor was received on 20 June to say that the Auditor's response is currently with the Tasmanian Audit Office for review.
2018.06.04	Mark to provide Bill with the latest version of the Local Government Audit Panel Guidelines. Mark and Bill to complete and populate the Audit Panel workplan.	
2018.06.04	Diana to complete the quarterly Credit Card Check.	