

2019.02.08 John Dick – Apologies for missing Audit Panel meeting

CORRESPONDENCE OUT:

2019.05.28 Gerald Willis – Welcome to the Panel

Correspondence noted.

BUSINESS ARISING

1 Panel Membership

Gerald Willis was welcomed as the newest member of the Panel.

2 Audit Update

Lyndal Kimpton reported that the interim audit of Council's finances in June went smoothly with nothing significant to report. Auditors will be visiting Flinders Council this week to finalise the audit. Anticipate this will occur smoothly and within required timeframes. Auditors have taken into consideration current resource constraints and factored this into methodology. Audited financials due to be finalised by 28 September.

Lyndall Kimpton and Jan Lynch left the meeting at 11.25am.

3 Investment Review

Council's Investment Portfolio with BT Investments' has been liquidated.

4 Budget Movements

As a standing item on all Panel meeting agendas, any variations to the budget and movement of money are presented for the Panel's consideration.

Heidi reported that year end is progressing well and should close within budget. Originally there was a predicted deficit of \$137K, however efficiencies have been undertaken in order to reach a better end point.

Heidi informed the Panel of issues around meeting Roads to Recovery Grant compliance requirements and a pending penalty of \$180,000 over 3 years. A proposed change to the methodology used to calculate compliance, from theoretical to actual allocation, has been presented to the Auditors. If accepted, Council will no longer be faced with the penalty.

5 Policy Review

Mark has provided a copy of Launceston City Council's Investment Policy as a model to review Council's Investment Policy.

6 Audit Panel Work Plan

The current Work Plan will be redeveloped to follow an example provided at the LGAT Audit Panel training. The plan will focus on critical issues so as not to overburden council.

Action: Mark and Vicki to redevelop Work Plan.

7 Cyber Security

This will remain a standing item on the agenda so that any breaches may be reported. No issues reported.

8 Risk Management Framework Update

After review of Council's current Risk Management Framework prepared in 2015, the Panel considered suggested the addition of a statement of Council's risk appetite.

There are many ways to approach risk appetite. Can be defined for each different area e.g. WHS – mitigate with training and PPE. Can transfer risk to insurance and mitigate through defined strategies. The Framework should result from the risk appetite. A full risk review can protect council from claims of negligence and, if submitted with insurance application, may help reduce premiums.

Action: Mark to source work done by other organisations on risk appetite.

9 Review of Land Transfers and Delegations

Staff have commenced collection of information to assist the review of land transfers. Information will be brought to the next Panel meeting.

Panel to undertake annual review of a random selection of Council delegated activities to ensure compliance with the *Local Government Act 1993*. Clarification required on review requirements.

Action: Vicki to seek clarification on requirements for review of delegated activities.

10 Audit Panel Training

Mark circulated the presentation from the LGAT Audit Panel Training Workshop to Panel members. The presentation was aimed at large councils. Need to have a flexible approach with different size councils.

AGENDA ITEMS

11 2019/20 Budget Estimates

Adopted by Council 20 August 2019.
Noted.

12 2019/20 Annual Plan

Adopted by Council 20 August 2019.
Noted.

13 Corporate Credit Card Policy & Procedure

Adopted by Council 20 August 2019.
Noted.

14 A/General Manager's Update

Immediate priorities are to complete year end and to resolve Safe Harbour and Airport issues. Council has until December to provide the Federal Government with proof of the benefit of the Safe Harbour project to the Community and that the project is tender ready. The State Government has provided Council with a loan in order to complete the runway upgrade however Council is unable to pay back the loan within the timeframe required. Negotiations continue.

OTHER BUSINESS

Diana reported that she had reviewed the General Manager's Credit Card expenses for the quarter to 31 March with no issues to report. June will be completed soon.

NEXT MEETING - late October

Meetings will be scheduled to align with the release of quarterly financial results.

AUDIT PANEL IN CAMERA**MEETING CLOSED 1.20pm****ACTION LIST**

Meeting	Action	Progress
2019.01.29	Panel recommended that Council reviews the Investment Policy in view of comments provided and adjusts investment portfolios in line with the new policy.	
	John Dick to meet with Bill Boehm to discuss additional risks for Risk Management Framework.	
	General Manager to develop a statement of Council's risk appetite for Council adoption and add it to the Framework.	
	Staff to commence land transfer audit process.	
	General Manager to provide response to the Panel on John Dick's question on airport fees.	
2019.08.26	Mark and Vicki to redevelop Work Plan.	
	Mark to source work done by other organisations on risk appetite.	
	Vicki to seek clarification on requirements for review of delegated activities.	