

Audit & Risk Committee Minutes September 2024



Minutes of an Audit & Risk Committee Meeting of Council held in the Council Chambers on Wednesday 18 September 2024 commencing at 3:15pm

1. DECLARATION OF OPENING / ANNOUNCEMENT OF VISITORS

President Grant Robins declared the meeting open at 3:15pm

2. RECORD OF ATTENDANCE/APOLOGIES/LEAVE OF ABSENCE

ATTENDANCE

G Robins	President
B Smoker	Deputy President
T Gangell (via TEAMS)	Councillor
J Noble	Councillor
R Bowey	Councillor
B Miller	Councillor
M Lucchesi	Councillor
A Leeson	Chief Executive Officer
F Murphy	Executive Manager Financial Services
N Thompson	Manager of Executive Support Services
T Scadding	Executive Manager Community Services
J Hobson	Executive Manager Works

APOLOGIES

Nil

LEAVE OF ABSENCE

Cr Mullan

REQUEST FOR ELECTRONIC ATTENDANCE

Cr Gangell requests approval to attend the meeting electronically.

AR 01/0924

Moved Cr Noble Seconded Cr Miller that authorisation be granted to Cr Gangell to attend the meeting by electronic means.

Carried 7/0

For – Cr Robins, Cr Smoker, Cr Gangell, Cr Noble, Cr Bowey, Cr Miller, Cr Lucchesi

Against - Nil

3. CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

3.1 Audit & Risk Committee Meeting Minutes – 19 June 2024

4. MATTERS REQUIRING DECISION

4.1 Letter to Department of Local Government regarding Significant Findings in 2022-23 Audit Management Letter

5. NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING

6. DATE AND TIME OF NEXT MEETING

7. CLOSURE OF MEETING

3. CONFIRMATION OF MINUTES OF PREVIOUS MEETINGS

3.1 Shire of Kulin Audit & Risk Committee Meeting – 19 June 2024

AR 02/0924

Moved Cr Smoker Seconded Cr Miller that the minutes of the Audit & Risk Committee Meeting held on 19 June 2024 be confirmed as a true and correct record.

Carried 7/0

For – Cr Robins, Cr Smoker, Cr Gangell, Cr Noble, Cr Bowey, Cr Miller, Cr Lucchesi

Against - Nil

4. MATTERS REQUIRING DECISION

4.1 Letter to Department of Local Government regarding Significant Findings in 2022- 23 Audit Management Letter

RESPONSIBLE OFFICER: CEO
FILE REFERENCE: 12.03
AUTHOR: EMFS
STRATEGIC REFERENCE/S:
DISCLOSURE OF INTEREST: Nil

SUMMARY:

Management is seeking the Audit and Risk Committee's approval to send the attached draft letter responding to the Minister for Local Government outlining the Shire's action plans in relation to significant items identified in the 2022-23 Information Systems Audit and seeking clarification regarding reporting on significant items in Audit Management letters.

BACKGROUND & COMMENT:

The Shire of Kulin had two Information Systems related significant findings in our 2022-23 Interim & Final Audit Management Letters being:

- Lack of Disposal of IT policy (Interim Management Letter only)
- Lack of Disaster Recovery Plan

Both items have since been addressed by management with the new Disposal of IT policy being adopted by Council in August 2023 and the Draft Disaster Recovery Plan received by Council and tested in April 2024.

The OAG presented a report on the *Information Systems Audit Results – Local Government 2022-23* (Report) to Parliament on 27 May 2024. The Report does not explicitly mention the Shire of Kulin or the significant findings from our Audit Management Letter listed above.

The Shire received the attached letter from the Department of Local Government on 30 August 2024 asking why the Shire has not reported to the Minister of Local Government regarding the significant items by 27 August 2024 deadline.

The Shire received and responded to a similar letter from the Department in August 2023. A response from the Minister was received on 18 October 2023 stating that the Department was "*currently engaging with the Office of the Auditor General regarding audit management letters and the requirement to report to the Minister for Local Government under section 7.12A of the Local Government Act 1995, and further guidance in this respect will be provided in due course.*" The Shire has not received further guidance on this matter.

Management has drafted the attached letter to the Minister for Local Government outlining the Shire's action plans in relation to significant items identified in the 2022-23 Information Systems Audit and seeking clarification regarding reporting on significant items in Audit Management letters. Management is seeking the Audit and Risk Committee's approval to send this letter.

STATUTORY ENVIRONMENT:

Local Government Act 1995; Local Government (Audit) Regulations 1996

POLICY IMPLICATIONS:

Nil

FINANCIAL IMPLICATIONS:

Nil

COMMUNITY CONSULTATION:

Nil

WORKFORCE IMPLICATIONS:

Nil

AUDIT & RISK COMMITTEE RECOMMENDATION:

That the Audit & Risk Committee approve the letter drafted to the Minister regarding Information Systems related findings in the 2022-23 Audit Management Letters and to seek clarification regarding future reporting on significant items in Audit Management Letters.

VOTING REQUIREMENTS:

Simple Majority.

AR 03/0924

Moved Cr Bowey Seconded Cr Lucchesi that the Audit & Risk Committee approve the letter drafted to the Minister regarding Information Systems related findings in the 2022-23 Audit Management Letters and to seek clarification regarding future reporting on significant items in Audit Management Letters.

Carried 7/0

For – Cr Robins, Cr Smoker, Cr Gangell, Cr Noble, Cr Bowey, Cr Miller, Cr Lucchesi

Against - Nil

5 NEW BUSINESS OF AN URGENT NATURE INTRODUCED BY DECISION OF MEETING

Nil

6 DATE AND TIME OF NEXT MEETING

To be confirmed.

7 CLOSURE OF MEETING

There being no further business the President declared the meeting closed at 3:20pm