

ANNUAL REPORT

Audit Risk and Improvement Committee
2018



INTRODUCTION

The Audit Risk and Improvement Committee (The Committee) met 5 times during 2018. Four meetings covered all aspects of the Committee's Charter and one meeting focused on the Financial Audit for 2017/18

CHARTER

The Charter for the Committee is at Attachment 1.

The Committee reviewed the Charter when deemed necessary. The Charter is used to guide the Committee's deliberations. In particular, the agenda for each meeting was structured to reflect the themes in the Charter.

COMMITTEE MEMBERS

The Committee, throughout the relevant period, has comprised the following members:

Independents:

- Dr Col Gellatly (Chairperson)
- Donna Rygate
- Mark McCoy

Councillors:

- Councillor Benjamin Barrack
- Councillor Martin Zaiter (Resigned on 12/11/2018)
- Councillor Sameer Pandey (Appointed by Council on 26/11/2018)
- Councillor Michelle Garrard (Appointed by Council as Alternate on 26/11/2018)

MEMBERS & ATTENDANCE

In 2018, the Committee held four ordinary meetings and one special meeting in September to consider Council's financial reports. Below are the dates of meetings held:

- 22 February 2018
- 31 May 2018
- 30 August 2018
- 27 September 2018
- 29 November 2018

The table below shows the number of attendance of the Committee members at the above meetings:

Member Name	Meetings eligible to Attend	Meetings Attended	Apology Received
Dr Col Gellatly	5	5	-
Donna Rygate	5	5	-
Mark McCoy	5	5	-
Clr Benjamin Barrack	5	1	-
Clr Martin Zaiter	4	2	2
Clr Sameer Pandey	1	0	1
Clr Michelle Garrard	1	1	-

FINANCIAL AUDIT 2017/2018

The financial audit was undertaken by the Audit Office of NSW. Regular updates of progress and issues were provided at each ARIC meeting. A special meeting was held on 27 September 2018 for the Committee to consider the draft audited financial reports. The Committee recommended they be adopted by Council.

INTERNAL AUDIT

The Committee considered the outputs from the 2016/17 and 2017/18 Internal Audit Programs. These are listed in Attachment 2.

A major focus of the Committee has been tracking the completion of agreed management responses to internal audit report recommendations. We are pleased to report there has been a significant improvement in the completion rate.

Another major change has been the engagement of BDO East Coast Partnership to be an external provider of internal audit services under a co-sourced model.

SHARED SERVICES INTERNAL OMBUDSMAN

Suellen Bullock is the Shared Services Internal Ombudsman for the City of Parramatta, Cumberland and Inner West Councils. The Internal Ombudsman started reporting to the ARIC at the May 31 2018 meeting, and provides an update on current activities.

OTHER MATTERS REVIEWED BY THE COMMITTEE

- James Hardie Legacy Asbestos Activities
- Parramatta Square Projects
- Integrated Planning & Report Framework
- Cyber Security Strategy
- Enterprise Risk Management
- Fraud & Corruption Awareness Training
- P3M Framework - Management of Council's Major Projects

- Service Excellence Program
- Review of Code of Conduct
- Appointment of Chief Auditor Officer
- Training Session for the Committee members by the Institute of Internal Auditors

CONCLUSION

The current ARIC completed its first full year of operation and completed activities required by its Charter in a constructive way.

ATTACHMENT

- 1 Audit Risk & Improvement Committee Charter
- 2 List of Audit Reports Provided to ARIC

Dr Col Gellatly
Chair of Audit Risk and Improvement Committee