

**LATE ITEM**

**ORDINARY COUNCIL MEETING**

**TUESDAY, 2 NOVEMBER 2021**

## COUNCIL REPORT

1st Ordinary Council Meeting

<b>AGENDA ITEM:</b>	17.1
<b>REPORT TITLE:</b>	Risk Management Audit Committee Unconfirmed Minutes - 20 October 2021
<b>MEETING DATE:</b>	2 November 2021
<b>AUTHOR:</b>	Governance and Strategy Manager, Manu Pillai
<b>APPROVER:</b>	Chief Executive Officer, Luccio Cercarelli

### COMMUNITY PLAN

Governance: Council is trusted by the community and invests in things that the public value.

### PURPOSE

This report seeks Council approval of the recommendations from the Risk Management and Audit Committee meeting held on Wednesday 20 October 2021.

### KEY MESSAGES

- The Risk Management and Audit Committee (RMAC) met on Wednesday 20 October 2021.
- The RMAC agenda and unconfirmed minutes from this meeting are available for viewing on Council's website.
- The unconfirmed minutes from the RMAC meeting (**Attachment 13.2.3.1**) is attached for noting.
- There was one confidential recommendation on Annual Financial Statements 2020/21 which the committee resolved to move to the open minutes.
- Council approval is sought to endorse the recommendations from the RMAC meeting on 20 October 2021.

### RECOMMENDATION

1. THAT Report entitled Risk Management Audit Committee Unconfirmed Minutes - 20 October 2021 be received and noted.
2. THAT the unconfirmed Risk Management Audit Committee minutes provided as **Attachment 13.2.3.1** to Report entitled Risk Management and Audit Committee Meeting Minutes – 20 October 2021 be received and noted.
3. THAT Council endorse the recommendations from the Risk Management and Audit Committee meeting held on 20 October 2021:
  - a) THAT the Risk Management and Audit Committee deems the draft financial statements for the year ended 30 June 2021 as presented as Attachment 16.1.1.1 and the accompanying financial review presented as Attachment 16.1.1.2 to Report entitled Draft Annual Financial Statements 2020/21 suitable for consideration by the Chief Executive Officer for certification and inclusion in the 2020/2021 Annual Report.

- b) THAT the Risk Management and Audit Committee adopts the proposed 2022 Committee Meeting schedule being:
  - Tuesday 22 February 2022
  - Tuesday 24 May 2022
  - Tuesday 26 July 2022
  - Tuesday 25 October 2022
- c) THAT the completed control improvement actions are noted and be removed from the Control Improvement Plan presented as Attachment 9.1.2.2 to Report entitled Strategic Risk Assessment including future reports reviewing completion dates and improved linkages to Council's strategic risk assessment.
- d) THAT the updated Control Improvement Plan as presented as Attachment 9.1.2.2 to Report entitled Strategic Risk Assessment be presented to Council for adoption and that Council's Strategic Risk Assessment as presented as Attachment 9.1.2.1 to Report entitled Strategic Risk Assessment be updated with the adopted Control Improvement Plan including improvements identified by the Committee for future reporting including clarity around target risk levels, weaknesses identified and any future actions.
- e) THAT a further report be prepared detailing the process for the management of risks when internal audits are rescheduled or replaced, and the reporting of progress against internal audit recommendations by the February 2022 Committee Meeting.

### BACKGROUND

The Risk Management and Audit (RMAC) Committee is responsible for overseeing the responsibilities of corporate governance, particularly maintaining adequate internal controls over the revenue, expenditure, and assets control of the Council.

As per the *Northern Territory Local Government Act 2019 (the Act)* and the *Local Government (Accounting) Regulations*, the Risk Management and Audit (RMAC) Committee make recommendations to the council about any matters as a result of the committee's functions to monitor and review the integrity of the council's financial management and to monitor and review internal controls.

As per the Terms of Reference of the Risk Management and Audit (RMAC) Committee, the Committee is advisory by nature and can only recommend matters, falling within its function and role, to the Council.

### DISCUSSION

The RMAC meeting was held on Wednesday 20 October 2021 with the unconfirmed minutes provided at Attachment 13.1.5.1. The meeting was chaired by the independent chair Ms Claire Milikins and all the other four members were in attendance. During this meeting, the RMAC made recommendations to Council on the following reports:

- Risk Management and Audit Committee Schedule 2022 (Report 9.1.1)
- Strategic Risk Assessment (Report 9.1.2)
- Internal Audit Plan 2021-2023 (Report 9.2.3)

In addition, a confidential action item on Draft Annual Financial Statements 2020/21 was also presented as Report 16.1.1 in the agenda. RMAC Committee resolved that the Committee's resolutions and Attachment 16.1.1.1 and Attachment 16.1.1.2 relating to Report entitled Draft Annual Financial Statements 2020/21 be moved to the open minutes of the 20 October 2021 meeting.

Recommendations from the RMAC meeting on 20 October 2021 are presented to Council for endorsement. The agenda and unconfirmed minutes from this meeting are available for viewing on Council's website.

### **CONSULTATION PROCESS**

There was no consultation required during the preparation of this report.

### **POLICY IMPLICATIONS**

Strategic Risk Register and its review is in accordance with the recent adopted Council Policy Risk Management & Audit Committee.

### **BUDGET AND RESOURCE IMPLICATIONS**

There are no budget or resource implications relating to this report.

### **RISK, LEGAL AND LEGISLATIVE IMPLICATIONS**

This report addresses the following City of Palmerston Strategic Risks:

- 4 Fails to effectively design and implement contemporary governance practices  
Context: Strong foundations to hold the City and Administration to account.

### **ENVIRONMENT SUSTAINABILITY IMPLICATIONS**

There are no environment sustainability implications for this report.

### **COUNCIL OFFICER CONFLICT OF INTEREST DECLARATION**

We the author and approving officer declare that we do not have a conflict of interest in relation to this matter.

### **ATTACHMENTS**

1. Risk Management Audit Committee Minutes - 20 October 2021 [**13.2.3.1** - 8 pages]



## MINUTES

### **Risk Management and Audit Committee** **Wednesday 20 October 2021**

The Committee Meeting of the City of Palmerston held in the Council Chambers, Civic Plaza, 1 Chung Wah Terrace, Palmerston, NT 0830.

*'A Place for People'*



*A Place for People*

# COUNCIL AGENDA Attachment 13.2.3.1

## COMMITTEE MINUTES

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Minutes of Council Meeting  
held in Council Chambers  
Civic Plaza, 1 Chung Wah Terrace, Palmerston  
on Wednesday 20 October 2021 at 5:00pm.

### PRESENT

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#### COMMITTEE MEMBERS

Clare Milikins, Independent Chair  
Steve Bartlett, Independent Member  
Mayor Athina Pascoe-Bell  
Councillor Sarah Henderson  
Councillor Amber Garden

#### STAFF

Chief Executive Officer, Luccio Cercarelli  
Director City Growth and Operations, Nadine Nilon  
Director Organisational Services, Silke Maynard  
Governance and Strategy Manager, Manu Pillai  
Finance Manager, Gayu Sivaraj  
Minute Secretary, Chloe Hayes

#### GALLERY

Abraham Apit, Manager, Merit Partners  
MunLi Chee, Director, Merit Partners



A Place for People

# COUNCIL AGENDA Attachment 13.2.3.1

## COMMITTEE MINUTES

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### 1 ACKNOWLEDGEMENT OF COUNTRY

*I respectfully acknowledge the traditional owners of the land on which we are meeting – the Larrakia People – and pay my respects to their elders, past, present and future.*

### 2 OPENING OF MEETING

The Chair declared the meeting open at 5:07pm.

### 3 APOLOGIES AND LEAVE OF ABSENCE

#### 3.1 Apologies

Nil

#### 3.2 Leave of Absence Previously Granted

Nil

#### 3.3 Leave of Absence Request

Nil

### 4 REQUEST FOR AUDIO/AUDIOVISUAL CONFERENCING

Nil

### 5 DECLARATION OF INTEREST

#### 5.1 Committee Members

Nil

#### 5.2 Staff

Nil

### 6 CONFIRMATION OF MINUTES

#### 6.1 Confirmation of Minutes

Moved: Councillor Garden

Seconded: Mayor Pascoe-Bell

THAT the Minutes of the Committee Meeting held on Tuesday 10 August 2021 pages 169 to 175 be confirmed.

CARRIED RMA10/1 – 20/10/2021

#### 6.2 Business Arising from Previous Meeting

Nil

### 7 DEPUTATIONS AND PRESENTATIONS

Nil



## COMMITTEE MINUTES

### 8 CONFIDENTIAL ITEMS

#### 8.1 Moving Confidential Items into Open

##### 16.1.1 Draft Annual Financial Statements 2020/21

Moved: Steve Bartlett  
Seconded: Mayor Pascoe-Bell

1. THAT Report entitled Draft Annual Financial Statements 2020/21 be received and noted.
2. THAT the Risk Management and Audit Committee receive and note the external auditor's Audit Closing Report for the 2020/21 financial year as presented as **Attachment 16.1.1.3** to Report entitled Draft Annual Financial Statements 2020/21.

**CARRIED RMA10/11- 20/10/2021**

Moved: Steve Bartlett  
Seconded: Councillor Garden

3. THAT the Risk Management and Audit Committee recommend to the Council:
  - a) THAT the Risk Management and Audit Committee deems the draft financial statements for the year ended 30 June 2021 as presented as **Attachment 16.1.1.1** and the accompanying financial review presented as **Attachment 16.1.1.2** to Report entitled Draft Annual Financial Statements 2020/21 suitable for consideration by the Chief Executive Officer for certification and inclusion in the 2020/2021 Annual Report.
4. THAT the Risk Management and Audit Committee resolves that the Committee's resolutions and **Attachment 16.1.1.1** and **Attachment 16.1.1.2** relating to Report entitled Draft Annual Financial Statements 2020/21 be moved to the open minutes of the 20 October 2021 meeting.

**CARRIED RMA10/12 - 20/10/2021**

#### 8.2 Moving Open Items into Confidential

Nil

#### 8.3 Confidential Items

Moved: Councillor Garden  
Seconded: Mayor Pascoe-Bell

THAT pursuant to Section 99(2) and 293(1) of the *Local Government Act 2019* and section 51(1) of the *Local Government (General) Regulations 2021* the meeting be closed to the public to consider the following confidential items:



### COMMITTEE MINUTES

Item	Confidential Category	Confidential Clause
16.1.1	Council Performance, Service Delivery and Budget Review	This item is considered 'Confidential' pursuant to section 99(2) and 293(1) of the <i>Local Government Act 2019</i> and section 51(1)(e) of the <i>Local Government (General) Regulations 2021</i> , which states a council may close to the public only so much of its meeting as comprises the receipt or discussion of, or a motion or both relating to information provided to the council on condition that it be kept confidential and would, if publicly disclosed, be likely to be contrary to the public interest.

CARRIED RMA10/2 – 20/10/2021

#### 9 OFFICER REPORTS

##### 9.1 Action Reports

##### 9.1.1 Risk Management and Audit Committee Schedule 2022

Moved: Deputy Mayor Henderson  
Seconded: Steve Bartlett

1. THAT Report entitled Risk Management and Audit Committee Schedule 2022 be received and noted.
2. THAT the Risk Management and Audit Committee recommend to the Council:
  - (a) THAT the Risk Management and Audit Committee adopts the proposed 2022 Committee Meeting schedule being:
    - Tuesday 22 February 2022
    - Tuesday 24 May 2022
    - Tuesday 26 July 2022
    - Tuesday 25 October 2022

CARRIED RMA10/3– 20/10/2021

##### 9.1.2 Strategic Risk Assessment

Moved: Steve Bartlett  
Seconded: Mayor Pascoe-Bell

1. THAT Report entitled Strategic Risk Register Update October 2021 be received and noted.

CARRIED RMA10/4 – 20/10/2021

## COMMITTEE MINUTES

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Moved: Deputy Mayor Henderson  
Seconded: Councillor Garden

2. THAT the Risk Management and Audit Committee recommend to the Council:

- (a) THAT the completed control improvement actions are noted and be removed from the Control Improvement Plan presented as **Attachment 9.1.2.2** to Report entitled Strategic Risk Assessment including future reports reviewing completion dates and improved linkages to Council's strategic risk assessment.
- (b) THAT the updated Control Improvement Plan as presented as **Attachment 9.1.2.2** to Report entitled Strategic Risk Assessment be presented to Council for adoption and that Council's Strategic Risk Assessment as presented as **Attachment 9.1.2.1** to Report entitled Strategic Risk Assessment be updated with the adopted Control Improvement Plan including improvements identified by the Committee for future reporting including clarity around target risk levels, weaknesses identified and any future actions.

CARRIED RMA10/5 – 20/10/2021

### 9.2 Receive and Note Reports

#### 9.2.1 Action Report – October 2021

Moved: Steve Bartlett  
Seconded: Councillor Garden

THAT Report entitled Action Report - October 2021 be received and noted.

CARRIED RMA10/6 – 20/10/2021

#### 9.2.2 Annual Report 2020/21

Moved: Steve Bartlett  
Seconded: Mayor Pascoe-Bell

THAT Report entitled Annual Report 2020/21 be received and noted.

CARRIED RMA10/7 – 20/10/2021

#### 9.2.3 Internal Audit Plan 2021-2023

Moved: Councillor Garden  
Seconded: Mayor Pascoe-Bell

1. THAT Report entitled Internal Audit Plan 2021-2023 be received and noted.
2. THAT the Risk Management and Audit Committee recommended to the Council:

## COMMITTEE MINUTES

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- a) THAT a further report be prepared detailing the process for the management of risks when internal audits are rescheduled or replaced, and the reporting of progress against internal audit recommendations by the February 2022 Committee Meeting

CARRIED RMA10/8- 20/10/2021

### 10 INFORMATION AND CORRESPONDENCE

#### 10.1 Information

Nil

#### 10.2 Correspondence

Nil

### 11 GENERAL BUSINESS

Nil

### 12 NEXT COMMITTEE MEETING

Moved: Steve Bartlett  
Seconded: Councillor Garden

THAT the next Risk Management and Audit Committee Meeting be held on Tuesday, 22 February 2022 at 5:00pm in the Council Chambers, Civic Plaza, 1 Chung Wah Terrace, Palmerston.

CARRIED RMA10/9- 20/10/2021

### 13 CLOSURE OF MEETING TO PUBLIC

Moved: Deputy Mayor Henderson  
Seconded: Steve Bartlett

THAT pursuant to section 99(2) and 293(1) of the *Local Government Act 2019* and section 51(1)(a) of the *Local Government (General) Regulations 2021* the meeting be closed to the public to consider the Confidential items of the Agenda.

CARRIED RMA10/10- 20/10/2021

The open section of this meeting closed at 6:05pm for the discussion of confidential matters.

The Chair declared the meeting closed at 6:57pm.



COMMITTEE MINUTES

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\_\_\_\_\_  
Chair

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Date

UNCONFIRMED