



# RISK MANAGEMENT & AUDIT COMMITTEE

## MINUTES

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### LITCHFIELD COUNCIL COMMITTEE MEETING

Council Chambers, Litchfield

Wednesday, 25 October 2023 at 9:30am

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<b>Present</b>	Iain Summers Greg Arnott Cr Mark Sidey	Chairperson Independent Member Committee Member
<b>Staff</b>	Stephen Hoyne Maxie Smith Rodney Jessup Rebecca Taylor Gayathri Sivaraj Megan Leo	Chief Executive Officer Director Corporate and Community Director Infrastructure and Operations Program Leader Policy and Governance Manager Corporate Services Executive Support
<b>Presenters</b>	Matthew Ward	Partner, KPMG

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#### 1. OPENING OF THE MEETING

The Chairperson, Iain Summers opened the meeting at 9:32am.

#### 2. APOLOGIES AND LEAVE OF ABSENCE

Cr Mathew Salter, Committee Member.  
Mayor Doug Barden, Ex-Officio.

#### 3. DISCLOSURES OF INTEREST

Independent Member, Mr Greg Arnott declared the following disclosure of interest:

- Appointed by East Arnhem Regional Council as Chair of the Audit and Risk Committee.

Chairperson, Mr Iain Summers declared the following disclosures of interest:

- Appointed by the NT Attorney-General as the member of the Prospective Groote Archipelago (formerly Warnindilyakwa) Regional Council, which, if funded, may be established as a separate Regional Council on Groote Eylandt; and
- Chair, Audit Risk and Compliance Committee of the Office of the Independent Commissioner Against Corruption in the NT.

## 10. CONFIDENTIAL ITEMS

Moved: Independent Member Greg Arnott  
Seconded: Cr Sidey

THAT pursuant to Section 93(2) of the *Local Government Act 2019* and Regulation 51(1) of the *Local Government (General) Regulations* the meeting be closed to the public to consider the following Confidential Items:

### 10.1 Annual 2022-2023 Financial Statements

*Regulation 51(1) For section 293(1) of the Act, the following information is prescribed as confidential:*

(c)(i) information that would, if publicly disclosed, be likely to cause commercial prejudice to, or confer an unfair commercial advantage on, any person.

### 10.2 Payroll Audit Report

*Regulation 51(1) For section 293(1) of the Act, the following information is prescribed as confidential:*

*(a) information about the employment of a particular individual as a member of the staff or possible member of the staff of the council that could, if publicly disclosed, cause prejudice to the individual.*

### 10.3 Local Government Compliance Review – Update

*Regulation 51(1) for Section 293(1) of the Act, the following information is prescribed as confidential:*

*(a) information about the employment of a particular individual as a member of the staff or possible member of the staff of the council that could, if publicly disclosed, cause prejudice to the individual.*

## **10.4 Appointment of External Auditor**

*Regulation 51(1) for Section 293(1) of the Act, the following information is prescribed as confidential:*

(c)(i) information that would, if publicly disclosed, be likely to cause commercial prejudice to, or confer an unfair commercial advantage on, any person.

**CARRIED (3-0)**

*The meeting moved to the Confidential Session at 9:34am.*

*Confidential items made public:*

### **10.01 Annual Financial Statements and Closing Audit Report 2022-2023**

THAT the Risk Management and Audit Committee:

1. confirms the draft Litchfield Council 2022-2023 General Purpose Financial Statements, as at Attachment A, are suitable for certification by the Chief Executive Officer for inclusion in the Annual Report and presented to Council;
2. confirms the draft Thorak Regional Cemetery Special Purpose Financial Statements 2022-2023, as at Attachment B, are suitable for certification by the Chief Executive Officer for inclusion in the Annual Report and presented to Council;
3. Confirms the Summary of Financials, as at Attachment C, are suitable for inclusion in the Annual Report and presented to Council;
4. receive and note the closing audit report from KPMG for 30 June 2023 financial year, as at Attachment D;
5. acknowledges the high quality and timeliness of the financial reporting and auditing from the Finance team and KPMG;
6. acknowledge there was no need to meet with the Auditor in the absence of the Management team;
7. include items 1, 2, 3, 5 and 6 in the Key Issues Summary to Council; and
8. makes public its resolution on this matter.

**CARRIED (3-0)**

## **10.02 Payroll Audit Report**

THAT the Risk Management and Audit Committee:

1. receive and note the UHY Haines Norton Audit and Realignment of Council's Payroll Audit Report, dated March 2023, as at Attachment A; and managements reporting on the completion of the recommendations; and
2. make public its resolution on this matter.

**CARRIED (3-0)**

## **10.03 Local Government Compliance Review 2022 – Corrective Actions Closure Correspondence**

THAT the Risk Management and Audit Committee:

1. note the correspondence received from the Local Government Division, Department of the Chief Minister and Cabinet dated 4 September 2023 as at Attachment A; and
2. note the correspondence sent to the Local Government Division, Department of the Chief Minister and Cabinet dated 12 October 2023 as at Attachment B;
3. note Council's position that corrective actions required to address the Issues raised in the Compliance Review 2022 are complete;
4. request Management provide to the Risk Management and Audit Committee, at the meeting closest to its receipt, correspondence from the Local Government Division, Department of the Chief Minister and Cabinet advising their agreement that all Issues identified in the Compliance Review 2022 Final Report have been addressed and are considered complete; and
5. make public its resolution on this matter.

**CARRIED (3-0)**

Moved: Independent Member Greg Arnott  
Seconded: Cr Sidey

THAT pursuant to Section 93(2) of the *Local Government Act 2019* and Regulation 51(1) of the *Local Government (General) Regulations* the meeting be re-opened to the public.

**CARRIED (3-0)**

*The meeting was moved to Open Session at 11:06am.*

#### **4. CONFIRMATION OF MINUTES**

##### **4.01 Confirmation of Minutes**

Moved: Independent Member Greg Arnott  
Seconded: Cr Sidey

THAT the full minutes of the Risk Management Audit Committee Meeting held Wednesday 6 September 2023, 6 pages, be confirmed.

**CARRIED (3-0)**

##### **4.02 Key Issues Summary**

Moved: Cr Sidey  
Seconded: Independent Member Greg Arnott

THAT the Risk Management and Audit Committee receive and note the Key Issues Summary presented to Council at the Ordinary Council Meeting of 19 September 2023.

**CARRIED (3-0)**

#### **5. BUSINESS ARISING FROM THE MINUTES**

Moved: Independent Member Greg Arnott  
Seconded: Cr Sidey

THAT the Risk Management and Audit Committee receive and note the Action Sheet, with the amendment to the status for the Local Government Compliance Review 2022 item being to await the final clearance from the Local Government Division.

**CARRIED (3-0)**

## 6. PRESENTATIONS

Presentation delivered at item 10.01 by KPMG Representative.

## 7. ACCEPTING OR DECLINING LATE ITEMS

Nil.

## 8. OFFICERS REPORTS

### 8.01 2022-2023 Key Performance Indicators Summary

Moved: Cr Sidey

Seconded: Chairperson Iain Summers

THAT the Risk Management and Audit Committee:

1. note the Key Performance Indicators, at Attachment A, for inclusion into the 2022-2023 Annual Report and request Status Commentary updates for the following KPI's:
  - a. Front Counter Customer Experience;
  - b. Financial (four items);
  - c. Local Government Act Compliance;
2. Recommends a review of the relevance and measurability of the KPI's for the 2024-2025 Municipal Plan; and
3. Include these matters in the Key Issues Summary to Council.

**CARRIED (3-0)**

## 9. OTHER BUSINESS

1. Chair Iain Summers identified that this would be his last meeting. Councillor Sidey informed that current Independent Member Greg Arnott would be offered a three-year term as the Independent Chair.
2. Councillor Sidey thanked Chair Iain Summers for his service to the Risk Management and Audit Committee throughout the duration of his tenure.
3. Meeting dates for 2024 to be negotiated with Committee members.

**11. CLOSE OF MEETING**

The Chair closed the meeting at 12:03pm.

**12. NEXT COMMITTEE MEETING**

Meeting dates for 2024 to be negotiated with Committee members.

**MINUTES TO BE CONFIRMED**

Date to be advised.



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**Greg Arnott**  
**Chairperson**