

ITEM 17

ANNUAL INTERNAL AUDIT AND RISK MANAGEMENT ATTESTATION STATEMENT FOR 2023-2024

On 1 July 2024, provisions within the *Local Government (General) Regulation 2021* came into force to require all councils and joint organisations to have a risk management framework and an internal audit function and to prescribe membership requirements for audit risk and improvement committees.

Councils and joint organisations are required to comply with these requirements from 1 July 2024 and, commencing with the 2024/25 annual report, to attest to their compliance with the requirements in their annual reports.

Whilst the framework is not mandatory for the 2023-2024 Financial Year, Wollongong City Council provides the following voluntary attestation in relation to elements of the draft framework that are applicable at this time.

RECOMMENDATION

Council endorse the Internal Audit and Risk Management Attestation Statement to be signed by the General Manager.

REPORT AUTHORISATIONS

Report of: Todd Hopwood, Manager Customer and Business Integrity
Authorised by: Renee Campbell, Director Corporate Services - Connected + Engaged City

ATTACHMENTS

- 1 Draft Internal Audit and Risk Management Attestation Statement 2023 - 2024

BACKGROUND

The Governance and Risk Manager has prepared the responses to the 2023-24 Internal Audit and Risk Management attestation. This attestation was then provided to the independent Audit, Risk and Improvement Committee (ARIC) members for consideration.

On recommendation by the ARIC, this statement has been presented to Council for endorsement which will be signed by the General Manager and included in the 2023-24 Council Annual Report.

CONSULTATION AND COMMUNICATION

The Attestation has been completed with consultation across the Governance and Risk Team. The independent ARIC members were also consulted during the process.

PLANNING AND POLICY IMPACT

This report contributes to the delivery of Our Wollongong 2032 goal "We are a connected and engaged community". It specifically delivers on core business activities as detailed in the Customer and Business Integrity Service Plan 2023-24.

CONCLUSION

The Attestation Statement provides assurance that the Council is implementing an appropriate audit and risk management framework.

Internal Audit and Risk Management Attestation Statement for the 2023- 2024 financial year for Wollongong City Council

I am of the opinion that Council has an audit, risk and improvement committee, risk management framework and internal audit function that operate in compliance with the following requirements except as may be otherwise provided below:

Audit, Risk and Improvement Committee

	Requirement	Compliance
1.	Council has appointed an Audit, Risk and Improvement Committee that comprises of an independent chairperson and at least two independent members (section 428A of the <i>Local Government Act 1993</i> , section 216C of the <i>Local Government (General) Regulation 2021</i>).	Compliant
2.	The chairperson and all members of Council's Audit, Risk and Improvement Committee meet the relevant independence and eligibility criteria prescribed under the <i>Local Government (General) Regulation 2021</i> and have not exceeded the membership term limits prescribed under the Regulation (sections 216D, 216E, 216F, 216G of the <i>Local Government (General) Regulation 2021</i>).	Compliant
3.	Council has adopted terms of reference for its audit, risk and improvement committee that are informed by the model terms of reference approved by the Departmental Chief Executive of the Office of Local Government and the committee operates in accordance with the terms of reference (section 216K of the <i>Local Government (General) Regulation 2021</i>).	Compliant
4.	Council provides the Audit, Risk and Improvement Committee with direct and unrestricted access to the General Manager and other senior management and the information and resources necessary to exercise its functions (section 216L of the <i>Local Government (General) Regulation 2021</i>).	Compliant
5.	Council's Audit, Risk and Improvement Committee exercises its functions in accordance with a four-year strategic work plan that has been endorsed by the governing body and an annual work plan that has been developed in consultation with the governing body and senior management (Core requirement 1 of the Office of Local Government's <i>Guidelines for Risk Management and Internal Audit for Local Government in NSW</i>).	Compliant
6.	Council's Audit, Risk and Improvement Committee provides the governing body with an annual assessment each year, and a strategic assessment each council term of the matters listed in section 428A of the <i>Local Government Act 1993</i> reviewed during that term (Core requirement 1 of the Office of Local Government's <i>Guidelines for Risk Management and Internal Audit for Local Government in NSW</i>).	Compliant – Annual Report on ARIC provided each year to Council. Strategic Assessment to occur for the next

		Council term commencing October 2024
7.	The governing body of Council reviews the effectiveness of the audit, risk and improvement committee at least once each council term (Core requirement 1 of the Office of Local Government's <i>Guidelines for Risk Management and Internal Audit for Local Government in NSW</i>).	To occur for the next Council term commencing October 2024

Membership

The chairperson and membership of the audit, risk and improvement committee are:

Chair	Donna Rygate	30 October 2020	31 October 2027
Independent member	Robert Lagaida	1 November 2022	31 October 2026
Independent member	Carl Murphy	1 November 2022	31 October 2025
Councillor Representative	Cr Tania Brown	21 February 2022	13 September 2024
Councillor Representative	Cr Dom Figliomeni	31 August 2020	30 June 2024

Risk Management

	Requirement	Compliance
8.	Council has adopted a risk management framework that is consistent with current Australian risk management standard and that is appropriate for the Council's risks (section 216S of the <i>Local Government (General) Regulation 2021</i>).	Compliant
9.	Council's Audit, Risk and Improvement Committee reviews the implementation of its risk management framework and provides a strategic assessment of its effectiveness to the governing body each council term (section 216S of the <i>Local Government (General) Regulation 2021</i>).	To occur for the next Council term commencing October 2024

Internal Audit

	Requirement	Compliance
10.	Council has an internal audit function that reviews the Council's operations and risk management and control activities (section 216O of the <i>Local Government (General) Regulation 2021</i>).	Compliant
11.	Council's internal audit function reports to the audit, risk and improvement committee on internal audit matters (sections 216M, 216P and 216R of the <i>Local Government (General) Regulation 2021</i>).	Compliant

	Requirement	Compliance
12.	Council's internal audit function is independent and internal audit activities are not subject to direction by the Council (section 216P of the <i>Local Government (General) Regulation 2021</i>).	Compliant
13.	Council has adopted an internal audit charter that is informed by the model internal audit charter approved by the Departmental Chief Executive of the Office of Local Government and the internal audit function operates in accordance with the charter (section 216O of the <i>Local Government (General) Regulation 2021</i>).	Compliant
14.	Council has appointed a member of staff to direct and coordinate internal audit activities (section 216P of the <i>Local Government (General) Regulation 2021</i>).	Compliant
15.	Internal audit activities are conducted in accordance with the International Professional Practices Framework (Core requirement 3 of the Office of Local Government's <i>Guidelines for Risk Management and Internal Audit for Local Government in NSW</i>).	Compliant
16.	Council provides the internal audit function with direct and unrestricted access to staff, the audit, risk and improvement committee, and the information and resources necessary to undertake internal audit activities (section 216P of the <i>Local Government (General) Regulation 2021</i>).	Compliant
17.	Council's internal audit function undertakes internal audit activities in accordance with a four-year strategic work plan that has been endorsed by the governing body and an annual work plan that has been developed in consultation with the governing body and senior management (Core requirement 3 of the Office of Local Government's <i>Guidelines for Risk Management and Internal Audit for Local Government in NSW</i>).	Compliant
18.	Council's Audit, Risk and Improvement Committee reviews the effectiveness of the internal audit function and reports the outcome of the review to the governing body each council term (section 216R of the <i>Local Government (General) Regulation 2021</i>).	To occur for the next Council term commencing October 2024

Non-compliance with the *Local Government (General) Regulation 2021*

At 30 June 2024, no item has been documented as a non-compliance on the Council.

This is due to the amendments made to the *Local Government (General) Regulation 2021* and the Office of Local Government "*Guidelines for Risk Management and Internal Audit*" only coming into effect from 1 July 2024. Councils and joint organisations are required to comply with these requirements from 1 July 2024 and, commencing with the 2024/25 annual report, to attest to their compliance with the requirements in their annual reports. Wollongong Council has early adopted this approach to ensure accountability and transparency.

Greg Doyle
General Manager
XX August 2024

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