

MINUTES OF MEETING



AUDIT, RISK AND IMPROVEMENT COMMITTEE MEETING

Venue	Conference Room, Station Street, Mullumbimby
Date	Thursday, 19 August 2021
Time	11.30am

*I2021/1313
Distributed 12/08/21*

BYRON SHIRE COUNCIL

AUDIT, RISK AND IMPROVEMENT COMMITTEE MEETING MINUTES 19 AUGUST 2021

Minutes of the Audit, Risk and Improvement Committee Meeting held on Thursday, 19 August 2021

File No: I2020/1313

PRESENT: Cr A Hunter

Staff: Mark Arnold (General Manager)
James Brickley (A/Director Corporate and Community Services)
Esmeralda Davis (Manager Corporate Services)
Colin Baker (Manager, Business Systems and Technology)
Alexandra Keen (Audit, Risk and Improvement Coordinator)

Community: Michael Georghiou (Chairperson), Brian Wilkinson, Rae Wills

Others: Judy Malpa (O'Connor Marsden) present for item 5.1 only
Adam Kim and Jarrod Lean (Grant Thornton)
Gearoid Fitzgerald (NSW Audit Office)

Michael Georghiou (Chair) opened the meeting at 11:34AM and acknowledged that the meeting was being held on Bundjalung Country.

APOLOGIES:

Cr M Lyon
Cr B Cameron
Vanessa Adams (Director, Corporate and Community Services)
Pamela Robertson-Gregg (O'Connor Marsden)
Mila Jones (Governance Coordinator)

ABSENT:

Adam Bradfield (TNR)

DECLARATIONS OF INTEREST – PECUNIARY AND NON-PECUNIARY

There were no declarations of interest.

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ADOPTION OF MINUTES FROM PREVIOUS MEETINGS

Report No. 3.1 **Adoption of Minutes from Audit, Risk and Improvement
Committee Meeting 20 May 2021**

File No: I2021/1158

Committee Recommendation:

That the minutes of the Audit, Risk and Improvement Committee Meeting held on 20 May 2021 be confirmed.

(Georghiou/Wilkinson)

The recommendation was put to the vote and declared carried.

Note: The minutes of the meeting held on 20 May 2021 were noted, and the Committee Recommendations adopted by Council, at the Ordinary Meeting held on 24 June 2021.

BUSINESS ARISING FROM PREVIOUS MINUTES

There was no business arising from previous minutes.

PROCEDURAL MOTION

Committee Recommendation:

That Council change the order of business to deal with Report 5.1 next on the Agenda.

(Georghiou/Hunter)

The recommendation was put to the vote and declared carried.

PROCEDURAL MOTION

Committee Recommendation:

1. That pursuant to Section 10A(2)(d)i of the Local Government Act, 1993, Council resolve to move into Confidential Session to discuss the following reports:
2. That the reasons for closing the meeting to the public to consider this item be that the report contains:
 - a) commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it
3. That on balance it is considered that receipt and discussion of the matter in open

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Council would be contrary to the public interest, as:

nature and content of internal audit report is for operational purposes only

(Georghiou/Wilkinson)

The recommendation was put to the vote and declared carried.

Report No. 5.1 CONFIDENTIAL - Internal Audit Report - June 2020-21
File No: I2021/1192

Committee Recommendation:

That the Audit, Risk and Improvement Committee:

- 1. Notes the Internal Audit Status Report – June 2021 (Attachment 1 - E2021/95033)**
- 2. Endorses the recommendations from the Executive Team to close off 10 recommendations in Appendices A and B of the Internal Audit Status Report (Attachment 1 - E2021/95033)**
- 3. Requests management to implement the recommendations made in the Internal Audit of Procurement (Tendering) – June 2021 (E2021/76376)**

(Georghiou/Wilkinson)

The recommendation was put to the vote and declared carried.

PROCEDURAL MOTION

Committee Recommendation:

That the meeting move out of confidential session.

(Georghiou/Wilkinson)

The recommendation was put to the vote and declared carried.

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STAFF REPORTS - CORPORATE AND COMMUNITY SERVICES

Report No. 4.1 **Audit, Risk and Improvement Committee Performance
Assessment**

File No: I2021/1297

Committee Recommendation:

That ARIC members consider its performance in accordance with the requirements of the ARIC constitution (Attachment 1) and prepare a report for the next ARIC meeting.

(Georghiou/Hunter)

The recommendation was put to the vote and declared carried.

Report No. 4.2 **NSW Auditor-General Annual Work Program 2021-2024**

File No: I2021/1292

Committee Recommendation:

That ARIC note the NSW Auditor-General's Annual Work Program for 2021-2024 at Attachment 1.

(Georghiou/Hunter)

The recommendation was put to the vote and declared carried.

Report No. 4.3 **Annual Legislative Compliance Status Report 2020-2021**

File No: I2021/1127

Committee Recommendation:

That the Audit, Risk and Improvement Committee notes Council's compliance with legislative reporting requirements as of 30 June 2021.

(Georghiou/Wilkinson)

The recommendation was put to the vote and declared carried.

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Report No. 4.4 **Delivery Program 6-monthly Report and 2020/21 Operational Q4 Report - to 20 June 2021**

File No: I2021/1234

Committee Recommendation:

That the Audit, Risk, and Improvement Committee notes the Delivery Program 6-monthly Report and 2020/21 Operational Plan Fourth Quarter Report for the period ending 30 June 2021 (Attachment 1 #E2021/97874).

(Georghiou/Hunter)

The recommendation was put to the vote and declared carried.

Report No. 4.5 **AASB1059 - Service Concession Arrangements: Grantors**

File No: I2021/1241

Committee Recommendation:

That the Audit, Risk and Improvement Committee consider the requirements of AASB1059 Service Concession Arrangements: Grantors and confer with the view that the requirements of AASB 1059 have no application to Byron Shire Council and therefore no disclosure obligations in the financial statements.

(Georghiou/Wilkinson)

The recommendation was put to the vote and declared carried

CONFIDENTIAL REPORTS - CORPORATE AND COMMUNITY SERVICES

PROCEDURAL MOTION

Committee Recommendation:

1. That pursuant to Section 10A(2)(d)i of the Local Government Act, 1993, Council resolve to move into Confidential Session to discuss the following reports:
2. That the reasons for closing the meeting to the public to consider this item be that the report contains:
 - a) commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it

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3. That on balance it is considered that receipt and discussion of the matter in open Council would be contrary to the public interest, as:

nature and content of internal audit report is for operational purposes only.

(Georghiou/Wilkinson)

The recommendation was put to the vote and declared carried.

Report No. 5.2 **CONFIDENTIAL - Internal Audit Plan 2021-2024**
File No: I2021/1096

Committee Recommendation:

That the Committee endorses the Internal Audit Plan for 2021 - 2024 (Attachment 1 E2021/97611) for approval by Council.

(Georghiou/Wilkinson)

The recommendation was put to the vote and declared carried.

Report No. 5.3 **CONFIDENTIAL - Risk Management Update**
File No: I2021/1097

Committee Recommendation:

That the Audit, Risk and Improvement Committee notes the strategic and operational risk reports for the quarter ending 30 June 2021 (E2021/88532).

(Georghiou/Wilkinson)

The recommendation was put to the vote and declared carried.

Report No. 5.4 **CONFIDENTIAL - 2020-2021 Continuous Improvement Pathway Program**
File No: I2021/1106

Committee Recommendation:

That Audit Risk and Improvement Committee notes the results of the CIP 2020-2021 workbook in Attachment 1 (E2021/86609).

(Georghiou/Wilkinson)

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The recommendation was put to the vote and declared carried.

Report No. 5.5 **CONFIDENTIAL - Cyber Security and System Outages Quarterly Update**
File No: I2021/1196

Committee Recommendation:

That the Audit Risk and Improvement Committee:

- 1. Notes the report and attached security reports;**
 - a) ARIC Security Incident Report 2021 Q2. Attachment 1 (E2021/95614)**
 - b) ARIC Incident Outage Report 2021 Q2. Attachment 2 (E2021/95613)**
- 2. Receives ongoing cyber security and system outage status reports.**

(Georghiou/Wilkinson)

The recommendation was put to the vote and declared carried.

Report No. 5.6 **CONFIDENTIAL - External Audit Actions Quarter 4 2020-2021 Update**
File No: I2021/1246

Committee Recommendation:

That the Audit, Risk and Improvement Committee notes the external audit update (including the closure of four issues) for the quarter ending 30 June 2021 as outlined in Confidential Attachment 1 (#E2021/100193).

(Georghiou/Wilkinson)

The recommendation was put to the vote and declared carried.

PROCEDURAL MOTION

Committee Recommendation:

That the meeting move out of confidential session.

(Georghiou/Wilkinson)

The recommendation was put to the vote and declared carried.

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There being no further business the meeting concluded at 1.06PM.