

Notice of Meeting

Audit, Risk and Improvement Committee Meeting

An Audit, Risk and Improvement Committee Meeting of Byron Shire Council will be held as follows:

Venue	Conference Room, Station Street, Mullumbimby
Date	Thursday, 9 May 2024
Time	11.30am

Esmeralda Davis
Director Corporate and Community Services

I2024/647
Distributed 26/04/24



BYRON
SHIRE
COUNCIL

CONFLICT OF INTERESTS

What is a “Conflict of Interests” - A conflict of interests can be of two types:

Pecuniary - an interest that a person has in a matter because of a reasonable likelihood or expectation of appreciable financial gain or loss to the person or another person with whom the person is associated.

Non-pecuniary – a private or personal interest that a Council official has that does not amount to a pecuniary interest as defined in the Code of Conduct for Councillors (eg. A friendship, membership of an association, society or trade union or involvement or interest in an activity and may include an interest of a financial nature).

Remoteness – a person does not have a pecuniary interest in a matter if the interest is so remote or insignificant that it could not reasonably be regarded as likely to influence any decision the person might make in relation to a matter or if the interest is of a kind specified in the Code of Conduct for Councillors.

Who has a Pecuniary Interest? - a person has a pecuniary interest in a matter if the pecuniary interest is the interest of the person, or another person with whom the person is associated (see below).

Relatives, Partners - a person is taken to have a pecuniary interest in a matter if:

- The person’s spouse or de facto partner or a relative of the person has a pecuniary interest in the matter, or
- The person, or a nominee, partners or employer of the person, is a member of a company or other body that has a pecuniary interest in the matter.

N.B. “Relative”, in relation to a person means any of the following:

- (a) the parent, grandparent, brother, sister, uncle, aunt, nephew, niece, lineal descends or adopted child of the person or of the person’s spouse;
- (b) the spouse or de facto partners of the person or of a person referred to in paragraph (a)

No Interest in the Matter - however, a person is not taken to have a pecuniary interest in a matter:

- If the person is unaware of the relevant pecuniary interest of the spouse, de facto partner, relative or company or other body, or
- Just because the person is a member of, or is employed by, the Council.
- Just because the person is a member of, or a delegate of the Council to, a company or other body that has a pecuniary interest in the matter provided that the person has no beneficial interest in any shares of the company or body.

Disclosure and participation in meetings

- A Councillor or a member of a Council Committee who has a pecuniary interest in any matter with which the Council is concerned and who is present at a meeting of the Council or Committee at which the matter is being considered must disclose the nature of the interest to the meeting as soon as practicable.
- The Councillor or member must not be present at, or in sight of, the meeting of the Council or Committee:
 - (a) at any time during which the matter is being considered or discussed by the Council or Committee, or

- (b) at any time during which the Council or Committee is voting on any question in relation to the matter.

No Knowledge - a person does not breach this Clause if the person did not know and could not reasonably be expected to have known that the matter under consideration at the meeting was a matter in which he or she had a pecuniary interest.

Non-pecuniary Interests - Must be disclosed in meetings.

There are a broad range of options available for managing conflicts & the option chosen will depend on an assessment of the circumstances of the matter, the nature of the interest and the significance of the issue being dealt with. Non-pecuniary conflicts of interests must be dealt with in at least one of the following ways:

- It may be appropriate that no action be taken where the potential for conflict is minimal. However, Councillors should consider providing an explanation of why they consider a conflict does not exist.
- Limit involvement if practical (eg. Participate in discussion but not in decision making or vice-versa). Care needs to be taken when exercising this option.
- Remove the source of the conflict (eg. Relinquishing or divesting the personal interest that creates the conflict)
- Have no involvement by absenting yourself from and not taking part in any debate or voting on the issue as of the provisions in the Code of Conduct (particularly if you have a significant non-pecuniary interest)

Committee members are reminded that they should declare and manage all conflicts of interest in respect of any matter on this Agenda, in accordance with the [Code of Conduct](#).

RECORDING OF VOTING ON PLANNING MATTERS

Clause 375A of the Local Government Act 1993 – Recording of voting on planning matters

- (1) In this section, **planning decision** means a decision made in the exercise of a function of a council under the Environmental Planning and Assessment Act 1979:
 - (a) including a decision relating to a development application, an environmental planning instrument, a development control plan or a development contribution plan under that Act, but
 - (b) not including the making of an order under that Act.
- (2) The general manager is required to keep a register containing, for each planning decision made at a meeting of the council or a council committee, the names of the councillors who supported the decision and the names of any councillors who opposed (or are taken to have opposed) the decision.
- (3) For the purpose of maintaining the register, a division is required to be called whenever a motion for a planning decision is put at a meeting of the council or a council committee.
- (4) Each decision recorded in the register is to be described in the register or identified in a manner that enables the description to be obtained from another publicly available document and is to include the information required by the regulations.
- (5) This section extends to a meeting that is closed to the public.

OATH AND AFFIRMATION FOR COUNCILLORS

Councillors are reminded of the oath of office or affirmation of office made at or before their first meeting of the council in accordance with Clause 233A of the Local Government Act 1993. This includes undertaking the duties of the office of councillor in the best interests of the people of Byron Shire and the Byron Shire Council and faithfully and impartially carrying out the functions, powers, authorities and discretions vested under the Act or any other Act to the best of one's ability and judgment.

BYRON SHIRE COUNCIL

BUSINESS OF MEETING

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BYRON SHIRE COUNCIL

ADOPTION OF MINUTES FROM PREVIOUS MEETINGS

3.1

ADOPTION OF MINUTES FROM PREVIOUS MEETINGS

Report No. 3.1 Minutes of the Audit, Risk and Improvement Committee Meeting held 15 February 2024

5 **Directorate:** Corporate and Community Services

File No: I2024/554

10 **RECOMMENDATION:**

That the minutes of the Audit, Risk and Improvement Committee Meeting held on 15 February 2024 be confirmed.

15

BYRON SHIRE COUNCIL

ADOPTION OF MINUTES FROM PREVIOUS MEETINGS

3.1

Report

This report provides the minutes of the Audit, Risk and Improvement Committee Meeting of 15 February 2024 for confirmation. The minutes are available for viewing here:

[Minutes ARIC Meeting 15 February 2024](#)

5 **Report to Council**

The minutes were reported to [Council on 28 March 2024](#) and all Committee recommendations were adopted.

STAFF REPORTS - CORPORATE AND COMMUNITY SERVICES

Report No. 4.1 ARIC Self Assessment 2023

Directorate: Corporate and Community Services

5 **Report Author:** Mila Jones, Governance and Internal Audit Coordinator

File No: I2023/1615

Summary:

10 This report presents the outcome of the self-assessment that was completed by three members of the Audit, Risk and Improvement Committee on the performance of the Committee in 2023.

RECOMMENDATION:

15 **That the Audit, Risk and Improvement Committee notes this report and that the Chair work with the General Manager to address any issues identified in the self-assessment questionnaire shown at Attachment 1 (E2024/46668).**

Attachments:

20 1 ARIC Self Assessment Questionnaire January to December 2023 - combined, E2024/46668



Report

In order to meet its obligation under clause 11 of the [ARIC Constitution](#):

- 5 *The Chair of the Committee shall initiate a review of the performance of the Committee annually. The review shall be conducted on a self-assessment basis (unless otherwise determined by the Chair), with appropriate input from management and any other relevant stakeholders, as determined by the Chair.*

The Chair distributed a self-assessment questionnaire to all Audit, Risk and Improvement Committee members in April 2024. The questionnaire was completed by three members, Cr Hunter, Pat Grier, and Bernard Grinberg. The responses are attached.

- 10 This report recommends that the Chair work with the General Manager to address any issues identified in the attached Self-Assessment Questionnaires, as required.

Key issues

The self-assessment questionnaire covered the following areas of committee performance:

- Independent assurance
 - 15 - Promotion of governance
 - Communication
 - Meetings
 - Committee members' contribution
 - Overall contribution
- 20 The responses and feedback provided identified both areas of strength and opportunities for continuous improvement. The response evaluation used a scale from 1 (strongly disagree) to 5 (strongly agree).

In general terms, areas highlighted by members as working well include:

- 25 - Independent assurance, ie compliance, risk, fraud, financial management and governance
- Committee facilitates and promotes sound governance procedures
- Committee decisions are made after appropriate discussion/consideration
- Committee papers are generally sufficiently informative, succinct and timely
- Committee members' contribution
- 30 - Continuous improvement of cyber security risk management

BYRON SHIRE COUNCIL

STAFF REPORTS - CORPORATE AND COMMUNITY SERVICES

4.1

Areas identified for continuous improvement include:

- Service reviews
- Collection of performance measurement data by Council
- Clarity of roles/responsibilities of the ARIC in accordance with the Constitution
- 5 - Communication between stakeholders
- Time spent on non-financial risks
- Committee input into agenda items
- Greater liaison between members between the main meetings

Management Comments

- 10 The function and role of the Audit, Risk and Improvement Committee and the expertise of individual members is recognised and valued by management as an important line of defence in Council's approach to risk management. Similarly, the role of the internal audit function delivered by Grant Thornton, is also recognised as a key mechanism to identify and mitigate priority risks and deliver on improvement opportunities.
- 15 Furthermore, the release of the [OLG Guidelines for Risk Management and Internal Audit](#) supports the Committee as a robust governance mechanism for ensuring Council is doing things the best way it can for the community and is on track to delivering the community's goals and objectives. Management has continuously mapped out the implementation of the elements of the guidelines so that Council is fully compliant by end of June 2024.
- 20 The length and frequency of meetings continues to be identified as a challenge for committee members and will be reviewed in consultation with the newly established committee following the local government election in September.

- 25 Management will proactively work with the new Committee to ensure that roles/responsibilities are clear, as set out in the [OLG Guidelines for Risk Management and Internal Audit](#), and that the agenda supports the Committee in fulfilling its obligations as well as being responsive to emerging issues.

Strategic Considerations

Community Strategic Plan and Operational Plan

CSP Objective	CSP Strategy	DP Action	Code	OP Activity
1: Effective Leadership	1.2: Engage and involve community in decision making	1.2.4: Advisory Committees - Coordinate advisory committees to inform decision making on their areas of expertise	1.2.4.2	Coordinate the Audit Risk and Improvement Committee and internal audit program including reporting

Alignment with ARIC Responsibilities

This report has been prepared to support the committee in fulfilling clause 11 of the Constitution.

Financial Considerations

- 5 No financial implications.

Consultation and Engagement

The ARIC Chair distributed the self-assessment questionnaire to members in April 2024 and provided the results to staff for reporting to the ARIC.

Report No. 4.2 ARIC Term and Draft Terms of Reference - Outstanding items of the OLG Guidelines

Directorate: Corporate and Community Services

Report Author: Mila Jones, Governance and Internal Audit Coordinator

5 **File No:** I2023/1624

Summary:

10 Due to the now finalised Office of Local Government [Guidelines for Risk Management and Internal Audit for Local Government in NSW](#) and the changes to the [Local Government \(General\) Regulation 2021](#), commencing from 1 July 2024, this report proposes a transfer from the existing *Constitution of the Audit, Risk and Improvement Committee* to the *Model Terms of Reference* as set out by the Office of Local Government.



15 In light of changes that are to commence from 1 July 2024, this report also proposes the conclusion of the current Audit, Risk and Improvement Committee following the 9 May 2024 meeting since the membership of the current Committee will no longer meet the regulatory requirements post 30 June 2024.

RECOMMENDATION:

20 **That the Audit, Risk and Improvement Committee recommend to Council that:**

1. **The Audit, Risk and Improvement Committee Terms of Reference (Attachment 1 E2024/2652) be adopted and;**
2. **The Audit, Risk and Improvement Committee term conclude following the 9 May 2024 Committee meeting.**

25 **Attachments:**

- 1 DRAFT Terms of Reference: Audit, Risk and Improvement Committee 2024, E2024/20686

 - 2 Correspondence from the Office of Local Government regarding membership, E2024/20559

- 30

Report

As required under the now finalised Office of Local Government [Guidelines for Risk Management and Internal Audit for Local Government in NSW](#) and the changes to the [Local Government \(General\) Regulation 2021](#), commencing from 1 July 2024, this report
5 proposes a transfer from the existing Constitution of the Audit, Risk and Improvement Committee (ARIC) to the model Terms of Reference provided by the Office of Local Government (provided at Attachment 1).

Further, due to sections 216C of the Regulation (refer [amendment Regulation](#)), it is
10 recommended that the term of the current ARIC ends after the 9 May 2024 meeting since the ARIC will no longer conform to the Regulation. As previously reported to the ARIC, the Regulation stipulates that chairs and members meet the eligibility and independence requirements prescribed, and not exceed the term limits. This includes, if the Council chooses, a maximum of one non-voting councillor member.

The allowable membership term has been set (per s216G) so that a person must not be a
15 member of an audit, risk and improvement committee for a particular council for more than 8 years in a 10-year period. This includes any term as chairperson of the committee. Chairpersons or members who have served an eight-year term must have a two-year break from serving before being eligible to be appointed to that council's committee again.

As ARIC has one member who has served continuously for over eight years, staff sought
20 clarification from the Office of Local Government to confirm that, although the new Regulation only starts on 1 July 2024, membership prior to this date will be counted towards the maximum term. The response from the Office of Local Government (Attachment 2) states:

*As foreshadowed in 2022 in OLG's Circular 22-41, councils must comply with the
25 requirements set out in the Guidelines for Risk Management and Internal Audit for Local Government in NSW (Guidelines) from 1 July 2024. This circular was issued to enable councils the time to plan and implement any necessary changes.*

*From 1 July 2024, all councils and joint organisations are required to ensure ARIC
30 chairs and members meet the eligibility and independence requirements prescribed in the Regulation and do not exceed the term limits.*

*As you have noted, the Regulation does not permit ARIC chairs and independent
members to serve on an ARIC for more than 8 years in any 10-year period. **This includes time served on the ARIC prior to the commencement of the new requirements on 1 July 2024.***

35 Therefore, based on the matters discussed in this report, membership of Council's current ARIC past 1 July will be in contravention of the Regulation.

Dissolving the ARIC prior to 1 July will also enable staff to undertake the recruitment and
40 selection process for new members between July and September, ensuring that a recommendation can be made to Council for appointment of the new committee in October, and the first ARIC meeting to occur in November 2024.

BYRON SHIRE COUNCIL

STAFF REPORTS - CORPORATE AND COMMUNITY SERVICES

4.2

On 18 May 2023, staff alerted the ARIC to the status of Council’s implementation of the core requirements of the OLG’s Guidelines. This report refers specifically to the matter of membership in the table below which is an excerpt from the 18 May report.

Excerpt from 18 May 2023 ARIC Report

Core Requirement	Date for compliance	Achieved?	Plan to Achieve
<ul style="list-style-type: none"> • Council’s will have until 1 July 2024 to ensure the membership and operations of their committees comply with the requirements of the Guidelines. • Committee required to operate in accordance with terms of reference adopted by Council, based on the approved Model Terms of Reference contained in the Guidelines • Membership requirements: <ul style="list-style-type: none"> - One independent chair, and at least two or more other persons as voting members of the Committee, who must meet the independence and eligibility criteria specified in the Guidelines. - Optional one non-voting Councillor as a member, who satisfies the eligibility criteria for Councillor members specified in the Guidelines 	1 July 2024	Partly	<ul style="list-style-type: none"> • Minor amendments to the ARIC constitution to align with the Model Terms of Reference – 1 July 2024 for new term of Council • Reduce current membership by one Councillor and remove voting rights from that remaining Councillor and ensure eligibility criteria is met – 1 July 2024 for new term of Council • When advertising for a new Chair and independent members, ensure expression of interest includes the independence and eligibility requirements as provided in the Guidelines – 1 July 2024 for new term of Council

5 Next Steps

- Revised Terms of Reference endorsed by ARIC in May 2024, in order to meet 1 July 2024 deadline
- Terms of Reference adopted by Council in June 2024
- Following adoption of the Terms of Reference, a recruitment process for new members to be undertaken from 15 July to 9 August 2024
- New Committee established by mid to late October 2024

Strategic Considerations

Community Strategic Plan and Operational Plan

CSP Objective	CSP Strategy	DP Action	Code	OP Activity
1: Effective Leadership	1.2: Engage and involve community in decision making	1.2.4: Advisory Committees - Coordinate advisory committees to inform decision making on their areas of expertise	1.2.4.2	Coordinate the Audit Risk and Improvement Committee and internal audit program including reporting

Recent Resolutions

- [22-537 Ordinary Meeting held 29 September 2022](#)

5 **Legal/Statutory/Policy Considerations**

[section 428A of the Local Government Act 1993](#)

[section 216 of the Local Government \(General\) Regulation 2021 \(in effect from 1 July 2024 – refer to amendment regulation\)](#)

[Guidelines for Risk Management and Internal Audit for Local Government in NSW](#)

10 **Alignment with ARIC Responsibilities**

This report has been prepared to support the ARIC in fulfilling clause 12 of the current Constitution.

Financial Considerations

Nil for this report

15 **Consultation and Engagement**

Consultation on the current Constitution was via a Council report on 29 September 2022. Consultation with the ARIC on the Terms of Reference (to replace the Constitution post 1 July) is via this report.

Advice was also sought from the Office of Local Government as noted in this report.

Report No. 4.3 Key Performance Indicators (KPIs) through the Outcomes Measurement Framework

Directorate: Corporate and Community Services

Report Author: Heather Sills, Manager Corporate Services

5 **File No:** I2024/578

Summary:

10 In partnership with the Centre for Social Impact, UNSW (CSI) Council developed an outcomes measurement framework to embed meaningful, robust measurement practices, as is now required of local government through IP&R legislation (Local Government Act s406).

The *Outcomes Measurement Framework* was endorsed by ARIC on 18 May 2023, to support ARIC in carrying out its duties and responsibilities, in relation to section 5.8 of its Constitution:

5.8. Collection of Performance Measurement Data by Council

15 a) *Review whether management has adequate performance indicators and data to measure performance.*

This report provides an update on the key performance indicators (KPIs) which have been embedded into Council's Delivery Program.

20 The *Outcomes Measurement Framework* provided in Attachment 1 is the supporting documentation which outlines the purpose, process, and application of the framework, as a way of evaluating success against the priorities for Council between 2022-26.

25 **RECOMMENDATION:**

That the Audit, Risk, and Improvement Committee notes the Outcomes Measurement Framework provided in Attachment 1 (E2022/126119) and the update on progress toward the key performance indicators as outlined in the report.

Attachments:

30 1 Corporate Performance Measures - Outcomes Measurement Framework - Final, E2022/126119 

Report

5 The Centre for Social Impact, UNSW (CSI) was contracted in 2021/22 to work in partnership with the Byron Shire Council to develop an outcomes framework that reports the success of the Council in achieving its objectives. The project was initiated to develop a robust performance measurement framework that can be used to The framework was endorsed by ARIC on 18 May 2023.

10 A NSW Audit Office report [Council Reporting on Service Delivery](#) (2018) demonstrated that the methodology of a performance measurement framework needs to be robust, with clearly defined measures, data sources, baselines, targets and above all, consistency. The measures and results should be publicly available to enhance accountability and designed in such a way that both inform decision-making and help communities understand how efficiently and effectively services are being delivered.

These principles guided the development of the *Outcomes Measurement Framework*.

15 Existing data sources and performance measures were embedded in the Outcomes Measurement Framework including:

- Community Satisfaction Survey
- Local Government Performance Excellence Framework
- Mandatory reporting requirements
- 20 • Other sources

Monitoring and Reporting on the Outcomes Measurement Framework

25 The General Manager is required to provide six monthly progress reports to the Council on the progress toward the Delivery Program, in accordance with clause 4.9 of the Integrated Planning and Reporting Guidelines: *“The general manager must ensure that progress reports are provided to the council, with respect to the principal activities detailed in the Delivery Program, at least every 6 months.”*

Reporting on the Outcome Measurement Framework is included in the 6-monthly Delivery Program Report. ARIC had previously received this report at the 15 February meeting. Components and definitions of the Delivery Program Report is given in the table below:

Definition	Target	Baseline Result	Result
Description of the indicator and how it is measured	The desired trend or specific 'ideal outcome' ↓ Indicator decreases over the Council term ↑ Indicator increases over the Council term ✓ Indicator target is reached over the Council term or remains stable	The most recent measurement at or before the beginning of the Delivery Program period (July 2022).	Most recent result for the reporting period

30 NB. Where Community Survey is used as an indicator, satisfaction is measured on a 1-5 scale (where 1=not at all satisfied, 5=very satisfied), and reported as an average of scores.

For ease of reference, Council’s current KPIs have been extracted and are presented in the following section of this report.

BYRON SHIRE COUNCIL

STAFF REPORTS - CORPORATE AND COMMUNITY SERVICES

4.3

Community Objective 1: Effective Leadership

We have effective decision making and community leadership that is open and informed

DP Ref	Definition	Target	Baseline Result	Jan - June 2023	July - Dec 2023
1.1.1	Number of finalised code of conduct complaints where there was found to be a breach	0	0	0	0
1.1.1	% of female councillors; % of Indigenous councillors; % of NESB councillors; % of elected age <30 councillors; % of elected age >60 councillors	✓ or ↑	Data not yet available	Data not yet available	Data not yet available
1.1.2	Proportion of Audit plans completed in specified timeframe	✓	4	4	4
1.1.2	Number of recommended Audit plan and report actions completed in specified timeframe	✓	Based on the number of audit actions in the period.	10	25
1.2.1	Residents' level of satisfaction with community consultation/ engagement	✓	3.06	2.85	2.85
1.2.1	Residents' level of satisfaction with opportunities to participate in Council decision making	↑	2.86	2.65	2.65
1.2.2	Number of visits to Byron Shire Council website	✓	257,569	266,150	323,453
1.2.2	Number of visits to Your Say Byron Shire platform	✓	8,657	7,362	7,580
1.2.3	Residents' level of satisfaction with the way their contact with Council was handled	↑	3.52	3.27	3.27
1.3.1	Calculated by total continuing operating revenue (excluding capital grants and contributions, gain on sale of assets and joint ventures), less operating expenses (excluding loss on sale of assets and joint ventures) divided by total continuing operating revenue (excluding capital grants and contributions, gain on sale of assets and joint ventures). Benchmark is 0% or greater.	>0%	-5.41%	4.37%	4.37%
1.3.1	Calculated by current assets less all external restrictions divided by current liabilities less specific purpose liabilities. Benchmark is greater than 1.5.	>1.5x	3.52x	2.51x	2.51x
1.3.1	Measures the availability of operating cash to service debt	>2x	2.44x	3.81x	3.81x

BYRON SHIRE COUNCIL

STAFF REPORTS - CORPORATE AND COMMUNITY SERVICES

4.3

DP Ref	Definition	Target	Baseline Result	Jan - June 2023	July - Dec 2023
	including interest, principal and lease payments. Benchmark greater than 2.				
1.3.1	Calculated by rates and annual charges outstanding divided by rates and annual charges collectible.	<10%	9.60%	11.94%	11.94%
	This liquidity ratio indicates the number of months a council can continue paying for its immediate expenses without additional cash flow. Benchmark is greater than 3 months.	>3 months	8.89 months	8.03 months	8.03 months
1.3.2	This benchmark measures the total operating revenue received by council compared to the total operating revenue (including capital grants and contributions).	>60%	65.79%	62.73%	62.73%
1.3.3	Compares actual versus required annual maintenance.	>100%	78.53%	63.80%	63.80%
1.4.2	Resident satisfaction with the performance of Council over the past 12 months	✓	3.09	2.98	2.98
1.4.4	Organisational Culture Inventory (OCI) motivation and satisfaction scores	↑	Motivation 3.89 Satisfaction 3.93	Motivation 3.89 Satisfaction 3.93	Motivation 3.89 Satisfaction 3.93
1.4.4	Lost time injury rates	↓	36 days per 100 employees	44 days per 100 employees	92 days per 100 employees
1.5.1	Value of grants and subsidies awarded by Council	✓	\$590,823.66	\$594,046.00	\$594,046.00
1.5.4	Residents' level of satisfaction with support for volunteers	↑	3.49	3.2	3.2

Community Objective 2: Inclusive Community

We have an inclusive and active community where diversity is embraced and everyone is valued

DP Ref	Definition	Target	Baseline Result	Jan - June 2023	July - Dec 2023
2.1.1	Residents' level of satisfaction with public art	↑	2.9	2.97	2.97
2.1.3	Residents' level of satisfaction with festival and event management	↑	3.32	2.98	2.98
2.2.1	Domestic violence	↓	357.8	329.9	335.4

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STAFF REPORTS - CORPORATE AND COMMUNITY SERVICES

4.3

DP Ref	Definition	Target	Baseline Result	Jan - June 2023	July - Dec 2023
	related assault per 100K population				
2.2.1	Non-domestic violence related assault per 100K population	↓	556.3	587.6	609.4
2.2.1	Malicious damage to property per 100K population	↓	858.2	858.2	710
2.2.2	Residents' level of satisfaction with public health and safety management	Target to be specified once baseline is established	New question to be added to the next Community Survey.	-	-
2.2.4	Residents' level of satisfaction with companion animal management	Target to be specified once baseline is established	New question to be added to the next Community Survey.	3.05	3.05
2.4.1	Residents' level of satisfaction with libraries	✓	4.18	4.04	4.04
2.4.1	Library circulation per capita	✓	9.92	7.7	7.7
2.4.2	% of population who are 15-24 years and younger	✓	8.80%	8.80%	8.80%
2.4.2	Children developmentally on track across all 5 AEDC domains	✓	Physical – 85.9 Social - 87.5 Emotional - 84.0 Language - 91.1 Communication - 92.9	Physical – 85.9 Social - 87.5 Emotional - 84.0 Language - 91.1 Communication - 92.9	Physical – 85.9 Social - 87.5 Emotional - 84.0 Language - 91.1 Communication - 92.9
2.4.3	Residents' level of satisfaction with childcare services	↑	3.72	3.52	3.52
2.4.3	Proportion of children aged 4-5 enrolled in a preschool or other preschool program	✓	55.85%	55.85%	55.85%
2.4.5	% of population aged 15-24 who are in any combination of employment, education and training (partially or fully engaged)	✓	56.8% fully engaged 22.3% partially engaged 10.2% disengaged 10.8% not stated	56.8% fully engaged 22.3% partially engaged 10.2% disengaged 10.8% not stated	56.8% fully engaged 22.3% partially engaged 10.2% disengaged 10.8% not stated
2.4.5	Annual	Target to be	-	-	-

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STAFF REPORTS - CORPORATE AND COMMUNITY SERVICES

4.3

DP Ref	Definition	Target	Baseline Result	Jan - June 2023	July - Dec 2023
	apprenticeships & traineeships completions trend	specified once baseline is established			
2.5.1	Access and Inclusion Index score	Target to be specified once baseline is established	-	-	-
2.5.3	Estimated number of people experiencing homeless	↓	327	327	246

Community Objective 3: Nurtured Environment We protect and enhance the natural environment

DP Ref	Definition	Target	Baseline Result	Jan - June 2023	July - Dec 2023
3.1.2	Number of new pests	Target to be specified once baseline is established	-		
3.1.3	Hectares of bush/natural areas regenerated per annum (ha) on Council land	✓	Total bushland reserves owned or managed: 634 Ha Maintenance level: 114Ha Sites In Progress: 225Ha	Total bushland reserves owned or managed: 634 Ha Maintenance level: 114Ha Sites In Progress: 255Ha	Total bushland reserves owned or managed: 643 Ha Maintenance level: 148Ha Sites In Progress: 287 Ha
3.2.2	Number of participants involved in the various environmental education programs run by Council	Target to be specified once baseline is established	-	-	
3.2.4	The number of volunteers involved in Landcare activities	Target to be specified once baseline is established	-	-	
3.3.1	Residents' level of satisfaction with coastline management	↑	3.05	3.02	3.02
3.3.1	Beachwatch program monitors	<41 = Good rating	Regular results posted online	Regular results posted	Regular results posted

BYRON SHIRE COUNCIL

STAFF REPORTS - CORPORATE AND COMMUNITY SERVICES

4.3

DP Ref	Definition	Target	Baseline Result	Jan - June 2023	July - Dec 2023
	and reports on recreational water quality at seven swim sites, testing for Enterococci bacteria (colony forming units per 100ml)			online	online
3.4.1	Proportion of Council's energy needs sourced through renewable energy per annum	✓	100%	100%	100%
3.4.4	The National Greenhouse and Energy Reporting (NGER) methodology is being used to monitor and report on Council's emissions.	✓	14,190 net emissions (offset) (tCO ₂ e)	14,190 net emissions (offset) (tCO ₂ e)	14,190 net emissions (offset) (tCO ₂ e)
3.5.1	% of total waste diverted from landfill (tonnes)	↑	63.51%	Annual report data not yet available	63.01%
3.5.2	% of total recyclable waste collected that is recycled (tonnes)	Target to be specified once baseline is established	Baseline data being established to distinguish between business and tourism sector (currently included in overall diversion)	-	-
3.5.4	Number of illegal dumping incidents recorded	↓	450 illegal dumping incidents for 2021-22	Annual report data not yet available	357 incidents reported. 34.61 tonne of material collected
3.5.5	Annual returns for NSW EPA Licenses are submitted on time with any non-conformances actioned.	✓	EPL 6057 and 13127 Annual Returns	✓	✓

Community Objective 4: Ethical Growth We manage growth and change responsibly

DP Ref	Definition	Target	Baseline Result	Jan - June 2023	July - Dec 2023
4.1.1	Number of development	✓	795	Annual report data not yet	635

BYRON SHIRE COUNCIL

STAFF REPORTS - CORPORATE AND COMMUNITY SERVICES

4.3

DP Ref	Definition	Target	Baseline Result	Jan - June 2023	July - Dec 2023
	applications per annum			available	
4.1.1	Residents' level of satisfaction of development application processing	✓	2.55	2.12	2.12
4.2.1	Number of approvals for residential development and types of dwellings	↑	197 Data for dwelling types being collated.	Annual report data not yet available	Annual report data not yet available
4.2.2	Percent of housing owned, rented, or social housing in the Shire	✓	60% purchasing or fully owned their home 26.2% renting privately 1.7% social housing	60% purchasing or fully owned their home 26.2% renting privately 1.7% social housing	60% purchasing or fully owned their home 26.2% renting privately 1.7% social housing
4.3.1	Gross regional product	✓	\$1.88 billion;	\$2.38 billion	\$2.38 billion
4.3.3	Residents' level of satisfaction of Council's support for local businesses	Target to be specified once baseline is established	-	-	-
4.3.4	Unemployment rate	✓	4.40%	3.10%	2.40%
4.4.1	Value added (\$) by visitor-related industries: retail trade; accommodation and food services; arts and recreation services	✓ or ↑	Retail trade: \$106.7m Accommodation/food services: \$149.7m Arts and recreation: \$12.2m	Retail trade: \$157.9m Accommodation/food services: \$185.2m Arts and recreation: \$23.6m	Retail trade: \$157.9m Accommodation/food services: \$185.2m Arts and recreation: \$23.6m
4.5.2	Recovery Action Plan completion progression	✓	Newly adopted plan. Reporting not yet required.	✓	✓
4.5.3	Australian Disaster Resilience Index	↑	Moderate. Bangalow: 0.5872 Brunswick Heads - Ocean Shores: 0.5774 Byron Bay: 0.5557 Mullumbimby: 0.5150	Moderate. Bangalow: 0.5872 Brunswick Heads - Ocean Shores: 0.5774 Byron Bay: 0.5557 Mullumbimby: 0.5150	Moderate. Bangalow: 0.5872 Brunswick Heads - Ocean Shores: 0.5774 Byron Bay: 0.5557 Mullumbimby: 0.5150

BYRON SHIRE COUNCIL

STAFF REPORTS - CORPORATE AND COMMUNITY SERVICES

4.3

Community Objective 5: Connected Infrastructure

We have connected infrastructure, transport, and facilities that are safe, accessible, and reliable

DP Ref	Definition	Target	Baseline Result	Jan - June 2023	July - Dec 2023
5.1.1	% of sealed and unsealed roads in 'Fair' condition or above (1=excellent, 2=good, 3=fair, 4=poor, 5=very poor)	↑	Sealed: 88.1% Unsealed: 54.30%	Sealed: 93% Unsealed: 82.8% (FY23)	Sealed: 93% Unsealed: 82.8% (FY23)
5.1.1	Residents' satisfaction with local roads	↑	1.69	1.88	1.88
5.1.3	Residents' level of satisfaction with bikeways and bicycle facilities	↑	2.61	2.72	2.72
5.1.3	% PAMP completed works	Target to be specified once baseline is established	Baseline data to be established	-	-
5.2.2	Residents' level of satisfaction with public transport	↑	2.08	1.87	1.87
5.2.3	Residents' level of satisfaction with traffic planning and management	↑	2.36	2.4	2.4
5.2.4	Residents' level of satisfaction with parking	↑	2.62	2.34	2.34
5.4.1	Residents' level of satisfaction with community halls	↑	3.88	3.73	3.73
5.4.2	Residents' level of satisfaction with parks and playgrounds	↑	3.89	3.15	3.15
5.4.3	Satisfaction with quality of town centres and public spaces		3.23	3.08	3.08
5.4.3	Residents' level of satisfaction with public toilets	↑	2.49	2.56	2.56
5.4.4	Residents' level of satisfaction with sporting facilities	↑	3.59	3.34	3.34
5.5.1	Residents' level of satisfaction with water supply	✓	4.14	3.95	3.95
5.5.1	Proportion of water used for urban purposes that is recycled	↑	10%	10%	
5.5.2	Residents' level of satisfaction with sewerage management	↑	3.78	3.69	3.69

BYRON SHIRE COUNCIL

STAFF REPORTS - CORPORATE AND COMMUNITY SERVICES

4.3

DP Ref	Definition	Target	Baseline Result	Jan - June 2023	July - Dec 2023
	services				
5.5.2	Breaks and chokes per 100km	↓	50	Annual report data not yet available	

Strategic Considerations

Community Strategic Plan and Operational Plan

CSP Objective	CSP Strategy	DP Action	Code	OP Activity
1: Effective Leadership We have effective decision making and community leadership that is open and informed	1.1: Enhance trust and accountability through open and transparent leadership	1.1.4: Performance Measurement and Reporting - Embed a robust performance management system through the development of an outcomes measurement framework	1.1.4.1	Use the outcomes measurement framework to strengthen the Delivery Program reporting

Recent Resolutions

- **22-332** – adoption of the Delivery Program 2022-26
- 5 • **22-335** - adoption of the [Byron Shire Community Strategic Plan 2032](#)
- **23-389** - Council endorsed the revised [Delivery Program 2022-26](#) noting the inclusion of indicators from the Outcomes Measurement Framework

Legal/Statutory/Policy Considerations

10 The requirements for Integrated Planning and Reporting are governed by [Sections 402-406](#) of the Local Government Act 1993.

[Section 403](#) requires that a council must have a long-term resourcing strategy for the provision of the resources required to perform its functions. The resourcing strategy includes the long term financial plan, asset management strategy, and workforce management strategy.

15 [Section 404](#) requires that a council must have a 4-year delivery program detailing the principal activities to be undertaken within available resources.

BYRON SHIRE COUNCIL

STAFF REPORTS - CORPORATE AND COMMUNITY SERVICES

4.3

[Section 405](#) outlines the Operational Plan requirements including public exhibition and timeframes.

Detailed requirements are outlined in the Integrated Planning and Reporting [Guidelines](#) and [Handbook](#).

5 **Alignment with ARIC Responsibilities**

This report has been prepared to support the committee in fulfilling the following responsibilities as set out in the ARIC Constitution:

5.8. Collection of Performance Measurement Data by Council

- 10 a) Review whether management has adequate performance indicators and data to measure performance.

Report No. 4.4 Project Management and Pulse – linking to business case template

Directorate: Corporate and Community Services

Report Author: Heather Sills, Manager Corporate Services

5 **File No:** I2024/581

Summary:

10 The report provides an outline of the project management procedures to provide assurance to ARIC of the systems and processes in place to ensure capital projects are planned and delivered in a consistent way, following a robust methodology in line with industry standards.


A business case template provided by ARIC members has been mapped against the existing project management tools extracted from the software (Pulse) Council uses. This comparison is provided in Attachment 1. The highlighted parts show the overlap between the existing process and the template.

15 This report seeks ARIC's endorsement of the business case methodology used by Council.

20 **RECOMMENDATION:**

1. **That the Audit, Risk, and Improvement Committee endorses the business case methodology managed in Council's project management software.**
- 25 2. **That management continue to work with ARIC to develop an appropriate decision-making mechanism for identifying projects that require ARIC to be included in the 'Stage Gate' methodology.**

Attachments:

- 30 1 Project Delivery Template - Mapped with Business Case - ARIC, E2024/40098 

Report

5 Council's Project Management Office (PMO) provides oversight of both Pulse and Council's project management process framework. The PMO collaboratively developed and continue to refine the *Project Delivery Procedures* to support a consistent approach for the delivery of projects across the organisation.

The project planning and development process follows a 'Stage Gate' methodology. The Stage Gate Diagram provides a framework to ensure key project criteria are met at each phase before progressing to the next phase. Completion of all gates is mandatory prior to advancing to the next gate.

10 The 'Stage Gate' process does not currently include review by ARIC, however it is acknowledged that in some circumstances it may be appropriate ARIC may have a role in providing assurance to the Council prior to decision on some major projects.

15 Council's project management procedures are designed to ensure consistency and adherence to robust methodologies in line with industry standards. These procedures encompass a robust business case, project planning, execution, monitoring, and control, with a focus on achieving project objectives efficiently and effectively.

20 The existing methodology within Council's project management software, Pulse, has been compared with the business case template provided by ARIC members. The comparison, detailed in Attachment 1, highlights the overlap between the ARIC template and our current processes. Key areas of alignment include:

Project Planning: Both the ARIC template and our existing process emphasise comprehensive project planning, including scope definition, resource allocation, desired outcomes / deliverables, and timeline development.

25 **Cost Benefit Analysis:** the significance of conducting cost-benefit analyses to assess the financial viability and potential return on investment (where appropriate) is captured in the *Finance* section of the template. The existing software allows for financial monitoring throughout the project delivery phase, through live integration with Council's financial system (Authority). This ensures informed decision-making and optimal resource allocation.

30 **Risk Management:** The importance of risk identification, assessment, and mitigation is recognised in both the ARIC template and the current methodology, ensuring proactive management of project risks.

35 **Project Management:** Council's existing methodology, underscores the importance of robust project management practices, including project monitoring, communication, and stakeholder engagement. This ensures effective coordination and oversight throughout the project lifecycle.

40 In addition to the template provided by ARIC members, Council's methodology recognises other key elements of project planning and delivery important in Local Government including grant funding, community/stakeholder communication, procurement planning, links to asset management, design and construction elements, and various approval 'gateways'.

5 Based on the comparison presented, we recommend the endorsement of the business case methodology utilised by Council through the Pulse software system. The comparison demonstrates significant alignment between our existing processes and the expectations outlined in the ARIC business case template, affirming the effectiveness of our approach in managing capital projects.

Strategic Considerations

Community Strategic Plan and Operational Plan

CSP Objective	CSP Strategy	DP Action
1: Effective Leadership We have effective decision making and community leadership that is open and informed	1.1: Enhance trust and accountability through open and transparent leadership	1.1.1: Leadership - Enhance leadership effectiveness, capacity, and ethical behaviour

Legal/Statutory/Policy Considerations

10 [Integrated Planning and Reporting Guidelines](#)
[Integrated Planning and Reporting Handbook](#)

Alignment with ARIC Responsibilities

This report has been prepared to support the committee in fulfilling the following responsibilities as set out in the ARIC Constitution:

- 15 **5.1. Compliance**
 - a) Review whether management has in place relevant policies and procedures, and these are periodically reviewed and updated.
- 20 **5.2. Risk Management**
 - c) Review whether management has integrated risk management into decision making processes and operations.
- 25 **5.4. Financial Management**
 Review and advise Council:
 - g) if Council’s financial management processes are adequate
- 30 **5.5. Governance**
 - b) Review whether appropriate processes and systems are in place to govern day to day activities and decision making.
- 5.6. Implementation of the Strategic Plan, Delivery Program and Strategies**
 - a) Review whether Council is achieving the objectives and goals it set out in its Community Strategic Plan and successfully implementing its Delivery Program, Operational Plan and other strategies.

CONFIDENTIAL REPORTS - CORPORATE AND COMMUNITY SERVICES

Report No. 5.1 CONFIDENTIAL - 2023-2024 External Audit Engagement Plan

5 **Directorate:** Corporate and Community Services
Report Author: James Brickley, Manager Finance
File No: I2024/201

Summary:

10 This report presents the 2023-2024 External Audit Engagement Plan for Council to the Audit, Risk and Improvement Committee for noting.

RECOMMENDATION:

- 15 1. That pursuant to Section 10A(2)(f) of the Local Government Act, 1993, Council resolves to move into Confidential Session to discuss the report 2023-2024 External Audit Engagement Plan.
2. That the reasons for closing the meeting to the public to consider this item be that the report contains:
- 20 a) matters affecting the security of the council, councillors, council staff or council property
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:

The report contains details of systems and/or arrangements that have been implemented to protect Council, Councillors, Staff and Council property.

25

Attachments:

- 1 Confidential - 2023-2024 External Audit Engagement Plan, E2024/12864

30

**Report No. 5.2 CONFIDENTIAL - Internal Audit Report Quarter 3
2023-2024**

Directorate: Corporate and Community Services

Report Author: Mila Jones, Governance and Internal Audit Coordinator

5 **File No:** I2024/553

Summary:

This report presents:

- 10 • The Internal Audit Recommendations Summary Report for Quarter 3 2023-2024 prepared by the Internal Auditor, Grant Thornton.
 - The full internal audit status report for Quarter 3
 - The Waste Management Internal Audit Review undertaken in March 2024 completed by Grant Thornton. The audit received a review rating of Needs Improvement and it identified four moderate and five low risk rated areas.
 - 15 • The Work Health and Safety Internal Audit Review undertaken in April 2024 completed by Grant Thornton. The audit received a review rating of Needs Improvement and it identified three high, three moderate and two low risk rated areas.
 - 20 • Outcome of the deferred management comments and actions relating to the recommendations of the Internal Audit of Property Services (Community Buildings) undertaken in June and July 2023
 - An Internal Audit Status Update from Grant Thornton for May 2024
-

RECOMMENDATION:

- 25 1. That pursuant to Section 10A(2)(d)i of the Local Government Act, 1993, The Audit, Risk and Improvement Committee moves into Confidential Session to discuss the report Internal Audit Report Quarter 3 2023-2024.
- 2. That the reasons for closing the meeting to the public to consider this item be that the report contains:
 - 30 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 Council would be contrary to the public interest, as the nature and content of internal audit reports is for operational purposes.

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CONFIDENTIAL REPORTS - CORPORATE AND COMMUNITY SERVICES

5.2

Attachments:

- 1 Confidential - Internal Audit Recommendations Action Status Quarter 3 2023-2024 and Grant
5 Thornton Summary, E2024/46545
- 2 Internal Audit Status Update - May 2024, E2024/46558
- 3 Confidential - Waste Management Internal Audit Review March 2024, E2024/36640
- 4 Confidential - Work Health Safety Review - Internal Audit Report April 2024, E2024/46592
- 5 Confidential - Internal Audit Property Services (Community Buildings) July 2023 - Updated
10 management actions, E2024/40570

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Report No. 7.1 CONFIDENTIAL - Cyber Security and System Outages Quarterly Update

5 **Directorate:** Corporate and Community Services

Report Author: Colin Baker, Manager Business Systems and Technology

File No: I2024/443

Summary:

10 This report provides a summary of cyber security activities and IT service outages for the reporting period 1 January 2024 to 31 March 2024.

 There were no cyber incidents recorded in the past quarter. Many persistent unauthorised access attempts were detected by known threat actors. Existing controls blocked these access attempts.

15 Cyber improvement activities and regular testing/assessment reviews of both Council systems and key vendors are ongoing.

 The Audit Office of NSW released an updated report on cyber security risk management in the local government sector. Significant gaps were identified for many councils in applying basic cyber security measures. Council compared favourably to the overall assessment of the sector.

20

 One service outage was recorded for the Cavanbah Centre for approximately 2 hours due to a power failure.

RECOMMENDATION:

- 25 1. **That pursuant to Section 10A(2)(f) of the Local Government Act, 1993, Council resolves to move into Confidential Session to discuss the report Cyber Security Quarterly Update.**
2. **That the reasons for closing the meeting to the public to consider this item be that the report contains:**
- 30 a) **matters affecting the security of the council, councillors, council staff or council property**
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:**

35 **Exposes information security risks and vulnerabilities that could assist unauthorised threats to Council's information and systems.**

Report No. 7.2 Quarter 3 Risk Report

Directorate: Corporate and Community Services

Report Author: Amber Watt, Strategic Risk Coordinator

File No: I2024/570

5 Summary:

10 In December 2022, the OLG Guidelines for Risk Management and Internal Audit for Local Government in NSW were approved. Core requirement 2 states that each Council must manage its strategic and operational risks and implement a risk management framework that is consistent with the current Australian risk management standard, and appropriate for the council's risks.

Councils and joint organisations must comply with the guidelines by 1 July 2024.

The following report is provided for information and includes an overview of key activities Council has undertaken to assist in meeting these requirements. These activities include:

- Review of strategic documents: Risk Management Policy & Strategy
- 15 - Training and education for staff
- Review of Council's strategic and operational risks and the inclusion of newly identified risks in the register
- The establishment of a new risk internal working group

20

Report

Risk Management Policy and Strategy

Initial reviews of the OLG Guidelines and Risk Management Policy and Strategy identified that improvements were required to capture the key elements, principles and processes of AS ISO 31000:2018. As a result:

- A revised Risk Management Policy was developed and endorsed by the Executive Team April 5 2023 and adopted by Council in June.
- A revised Risk Management Strategy was developed and endorsed by the Executive Team April 5 which included:
 - New Risk Appetite and format, appetite ratings and risk tolerances.
 - The addition of Business Systems and Technology as a category of risk.
 - Adjustment to the financial parameters in the consequence table.
- Both documents were endorsed by ARIC in May 2023

Training and Resources

In March 2023 Craig Hutley, Principal of Strategic Risk at Marsh Advisory, facilitated two workshops on Enterprise Risk Management for the Executive Team, all Managers and selected staff across various areas within Council. These sessions were supported by 1:1 training as requested.

In September 2023, documents included in the risk management framework were uploaded to Council's Intranet along with links to Statewide Mutual's resource videos, Best Practice Manuals and guidance notes, training modules, fact sheets and case summaries to further strengthen staff awareness and knowledge.

Strategic and Operational Risk Registers

The OLG Guidelines state that Council's risk registers and risk profile must be current and appropriate. It was evident at the time of review, that the risk environment shifted due to significant events, many weather related, and the long-lasting impacts these events have on Council and the community.

The strategic risks were reviewed, revised and simplified to communicate the risks more clearly and effectively. The following four (4) new risks have been added to the register.

1. Emergency preparedness, response and recovery activities are inadequate.
2. Council experiences exposure, loss, or a disruption to operations from a cyber-attack or data breach.
3. Lack of modern, integrated technology hinders efficiency and service quality.
4. Community needs and expectations are unclear or unmet.

Refinement of Council's strategic risks is ongoing, with a future focus on establishing an agreed Target Risk Rating. There are currently 16x strategic risks.

A similar process is being applied to Council's operational risks. Existing risks are being revised and new risks will be considered by the Executive Team at a future meeting. Examples include:

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Corporate and Community Services

1. Missed or unsuccessful grant opportunities.
2. Lack of governance and oversight of s355 committees.

5

General Manager's Office

1. Poor organisational culture.
2. Skills shortages impact service provision.

10

Infrastructure Services

1. Major fire at waste facility.
2. Failure to adequately identify and prioritise defects in accordance with available resources.

15

Sustainable Environment and Economy

1. Asset condition and lifecycle is affected by the impacts of climate change.
2. Compliance inspections not in-line with current legislation.

Operational risks for inclusion that were previously endorsed are:

20

1. Council does not appropriately manage modern slavery risks and reporting.
2. Potential for disturbances or disruptive behaviour during Council meetings.

There are currently 24x operational risks.

25

Internal Risk Working Group

Around 15 staff attended the first internal risk working group meeting in January 2024 with the aim to utilise the insights and expertise of staff across various departments and to raise awareness and collaboratively identify risks and areas of improvement within Council.

30

A second meeting will be scheduled in May and will focus on ways to improve the risk culture within Council.

Continuous Improvement Pathway (CIP)

35

During April, Byron Shire Council will be one of seven (7) councils in NSW to complete a self-assessment of its Enterprise Risk Management Framework against AS ISO 31000:2018. From the 2024/2025 FY, the General Manager is required to complete an annual attestation confirming that:

40

Byron Shire Council has adopted a risk management framework that is consistent with the current Australian risk management standard and that is appropriate for council's risks (section 216S of the Local Government (General) Regulation 2021).

45

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 Local Government (General) Regulation 2021).

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7.2

5 To aid councils in meeting these requirements, Statewide Mutual made the decision to draft an assessment which directly aligns to the Standard and incorporates the types of documentation and practices local government entities could have in place to evidence their compliance. For familiarity and ease of use, Statewide Mutual have used a slightly modified CIP format.

Strategic Risk Coordinator has agreed to trial and provide feedback on the self-assessment by 30 April.

10 Strategic Considerations

Community Strategic Plan and Operational Plan

CSP Objective	CSP Strategy	DP Action	Code	OP Activity
1: Effective Leadership We have effective decision making and community leadership that is open and informed	1.1: Enhance trust and accountability through open and transparent leadership	1.1.5: Risk Management - Recognise risks and manage them proactively	1.1.5.1	Review, improve and embed Council's Risk Management Framework to proactively identify and manage risks to support effective decision making

Alignment with ARIC Responsibilities

This report has been prepared to support the committee in fulfilling the following responsibilities as set out in the ARIC Constitution:

- 15
- #### 5.2. Risk Management
- 20
- 25
- 30
- a) Review whether management has in place a risk management framework that complies with current Australian risk management standards.
 - b) Review whether the risk management framework operates effectively and supports the achievement of Council's strategic goals and objectives.
 - c) Review whether management has integrated risk management into decision making processes and operations.
 - d) Review whether management has taken steps to embed a positive risk management culture.
 - e) Consider the adequacy of resources provided for risk management and whether employees are able to carry out their risk management responsibilities.
 - j) if policies and procedures for management review and consideration of the financial position and performance of Council are adequate
 - k) if Council's grants and tied funding policies and procedures are sound
 - d) Review and advise Council:
 - on whether the Council is providing the resources necessary to successfully deliver the internal audit function
 - if Council is complying with internal audit requirements, including conformance with the International Professional Practices Framework

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7.2

- if Council's Internal Audit Charter is appropriate and whether the internal audit policies and procedures and audit/risk methodologies used by Council are suitable
- 5 • of the strategic four-year plan and annual work plan of internal audits to be undertaken by Council's internal audit function
- if Council's internal audit activities are effective, including the performance of the head of the internal audit function and internal audit function
- of the findings and recommendations of internal audits conducted, and corrective actions needed to address issues raised
- 10 • of the implementation by Council of these corrective actions
- on the appointment of the head of the internal audit function and external providers, and
- if the internal audit function is structured appropriately and has sufficient skills and expertise to meet its responsibilities
- 15

Report No. 7.3 Draft Operational Plan 2024/25

Directorate: Corporate and Community Services

Report Author: Amber Evans Crane, Corporate Planning and Improvement Coordinator

5 **File No:** I2024/584

Report:

10 All Councils in NSW use the IP&R framework to guide their planning and reporting activities. The Operational Plan, Budget, and Statement of Revenue Policy form part of the Integrated Planning and Reporting Framework which is a requirement under the *Local Government Act 1993*.

15 Council's Operational Plan articulates the key activities to be delivered in a financial year based on the community objectives in the [Byron Shire Community Strategic Plan 2023](#) and the priorities in the 4-year Delivery Program. 2024/25 will be the final year of the [Delivery Program 2022-26](#), which will be reviewed with the newly elected Council on their commencement.

20 The draft documents were endorsed for public exhibition at the 18 April Ordinary Meeting of Council. The annual Operational Plan details the individual projects and activities that will be undertaken each year to achieve the commitments of the delivery program. The Operational Plan must include the Council's annual budget, along with Council's Statement of Revenue Policy, which sets the proposed rates, fees and charges for that financial year.

The Draft 2024/25 Operational Plan, Budget, and Statement of Revenue Policy were endorsed for public exhibition at the 18 April Ordinary Meeting of Council and are currently on public exhibition for 28 days.

25 Documents are available for download below:

- [Draft Operational Plan 2024 to 2025](#)
- [Draft Detailed Budget Estimates 2024 to 2025\)](#)
- [Draft Statement of Revenue Policy Including Fees and Charges 2024 to 2025\)](#)

Strategic Considerations

Community Strategic Plan and Operational Plan

CSP Objective	CSP Strategy	DP Action	Code	OP Activity
1: Effective Leadership We have effective decision making and community leadership that is open and informed	1.1: Enhance trust and accountability through open and transparent leadership	1.1.1: Leadership - Enhance leadership effectiveness, capacity, and ethical behaviour	1.1.1.3	Develop 2023/24 Operational Plan

Recent Resolutions

- 5 • **22-335** – adoption of the *Byron Shire Community Strategic Plan 2023*
- **22-332** – adoption of the *Delivery Program 2022-26*
- **24-177** - endorsement of draft Operational Plan 2024/25 and associated documents for public exhibition

Legal/Statutory/Policy Considerations

- 10 The requirements for Integrated Planning and Reporting are governed by [Sections 402-406](#) of the Local Government Act 1993. [Section 405](#) outlines the Operational Plan requirements including public exhibition and timeframes.

The specific statements required by Council to be disclosed as part of its Revenue Policy are determined by [Clause 201 of the Local Government \(General\) Regulation 2005](#).

- 15 Detailed requirements are outlined in the Integrated Planning and Reporting [Guidelines](#) and [Handbook](#).

Financial Considerations

A detailed budget and Statement of Revenue Policy has been prepared and is on exhibition with the draft Operational Plan.

20 Consultation and Engagement

In accordance with the Local Government Act, the draft Operational Plan (including the annual budget, revenue policy, and fees and charges) is currently being exhibited for 28 days. Prior to the adoption the Operational Plan, Council must consider any submissions received during the exhibition period.

Alignment with ARIC Responsibilities

This report has been prepared to support the committee in fulfilling the following responsibilities as set out in the ARIC Constitution:

5.6 Implementation of the Strategic Plan, Delivery Program and Strategies

- 5 a) Review whether Council is achieving the objectives and goals it set out in its Community Strategic Plan and successfully implementing its Delivery Program, Operational Plan and other strategies.

**Report No. 7.4 Operational Plan 2023/24 Quarter 3 Report -
to 1 January to 31 March 2024**

Directorate: Corporate and Community Services

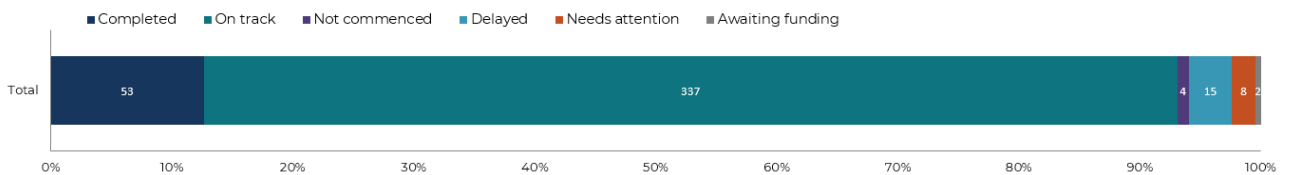
5 **Report Author:** Amber Evans Crane, Corporate Planning and Improvement
Coordinator

File No: I2024/585

Summary:


10 Council's Operational Plan outlines its projects and activities to achieve the commitments
in its four-year Delivery Program. In accordance with the *Local Government Act 1993*
progress reports must be provided at least every six months.

This report represents the progress toward the activities in the 2023/24 Operational Plan at
the end of the third quarter for the information of the Audit, Risk and Improvement
Committee. A summary of the status is provided in the graph below:



15

Attachments:

1 Operational Plan 2023/24 - Quarterly Report - Q3 - 1 January to 31 March 2024,
20 E2024/35184 

Report

The Delivery Program (DP) and Operational Plan (OP) are two key corporate documents that establish Council’s goals and priorities for the term and the current financial year.

5 The Delivery Program (4-year) outlines the principal activities to be undertaken to implement the strategies established by the Community Strategic Plan (10-year), within the resources available under the Resourcing Strategy. All plans, projects, activities, and funding allocations must be directly linked to this program.

10 While the requirement is six monthly reporting, the Council is provided with a Quarterly Report on the activities in the Operational Plan, to promote effective and efficient reporting and decision making.

The quarter 3 report will be provided to Council at the 23 May 2024 Ordinary Council Meeting along with any proposed amendments to the OP.

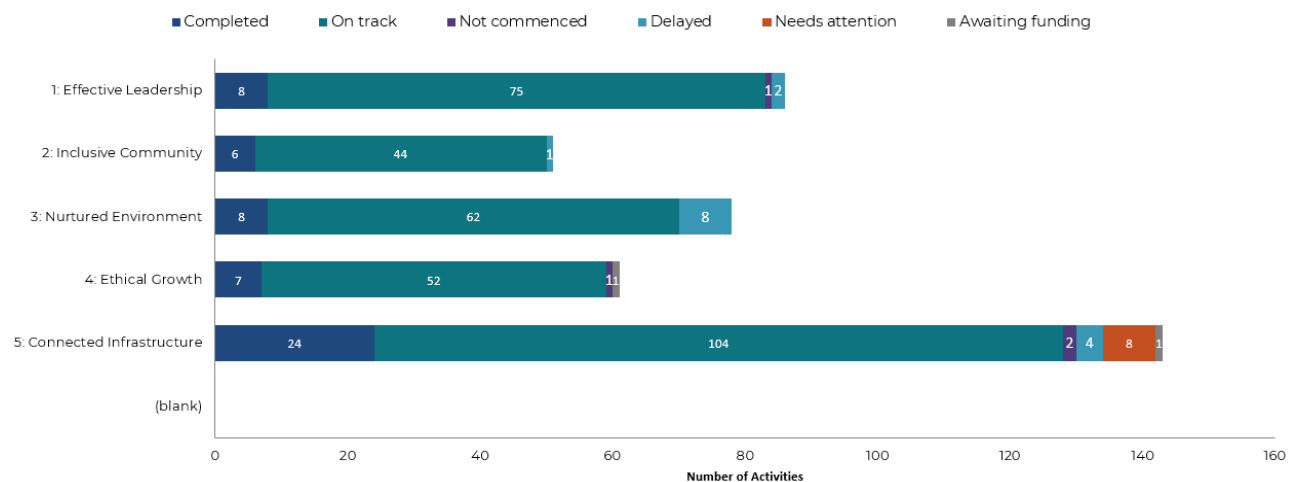
Community Objectives

15 The OP Report is structured by the five Community Objectives in the Byron Shire Community Strategic Plan:

- Effective Leadership: We have effective decision making and community leadership that is open and informed
- Inclusive Community: We have an inclusive and active community where diversity is embraced and everyone is valued
- Nurtured Environment: We nurture and enhance the natural environment
- Ethical Growth: We manage growth and change responsibly
- Connected Infrastructure: We have connected infrastructure, transport, and facilities that are safe, accessible, and reliable

25

Q3 Status by Community Objective:



How to read the Report:

The Report (#E2024/35184) details Council’s progress toward the activities in the 2023/24 Operational Plan. It includes a status update on progress and commentary on the activities undertaken during the reporting period.

5 Each section notes the progress against the activities including:

- Activity
- Measure
- Timeframe
- Comments
- Status

- 10
- ✓ **Completed:** the activity has been completed in accordance with the prescribed measures
 - ▶ **On Track:** progressing and on track, in accordance with the timeframe, measures, and budget
 - 15 ○ **Needs Attention:** indicates that the scope of the activity may need to be reviewed in line with constraints such as timeframe/budget
 - || **Delayed** - progressing but not currently on track with the timeframe, measures, or budget
 - 20 – **Not Commenced** – not yet commenced or due to commence

Strategic Considerations

Community Strategic Plan and Operational Plan

CSP Objective	CSP Strategy	DP Action
1: Effective Leadership	1.1: Enhance trust and accountability through open and transparent leadership	1.1.4: Performance Measurement and Reporting - Embed a robust performance management system through the development of an outcomes measurement framework

Legal/Statutory/Policy Considerations

25 The General Manager is required under Section 404 (5) of the *Local Government Act 1993* to provide regular progress reports as to the Council’s progress with respect to the principal activities detailed in the Delivery Program/Operational Plan.

Financial Considerations

Council’s financial performance for the reporting period is addressed in the Quarterly Budget Review.

Consultation and Engagement

The progress reports on the Operational Plan are published on Council's website as a way of ensuring transparency around how Council is progressing activities and actions.

Alignment with ARIC Responsibilities

- 5 This report has been prepared to support the committee in fulfilling the following responsibilities as set out in the ARIC Constitution:

5.5. Governance

- b) Review whether appropriate processes and systems are in place to govern day to day activities and decision making.

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5.6. Implementation of the Strategic Plan, Delivery Program and Strategies

- a) Review whether Council is achieving the objectives and goals it set out in its Community Strategic Plan and successfully implementing its Delivery Program, Operational Plan and other strategies.

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5.8. Collection of Performance Measurement Data by Council

- a) Review whether management has adequate performance indicators and data to measure performance.