

Minutes of Meeting

Audit, Risk and Improvement Committee Meeting

Venue	Cavanbah Centre, 249 Ewingsdale Road, Byron Bay
Date	Tuesday, 18 February 2025
Time	9:30 AM

BYRON SHIRE COUNCIL

AUDIT, RISK AND IMPROVEMENT COMMITTEE MEETING MINUTES 18 FEBRUARY 2025

Minutes of the Audit, Risk and Improvement Committee Meeting held on Tuesday, 18 February 2025

File No: I2025/183

PRESENT:

Councillors:	Cr E Hauge	Present
Independent Members:	Peter Sheville (Chairperson)	Present
	Melissa Jacobs	Present
	Alan Pigott	Present
Staff:	Mark Arnold (General Manager)	Present
	Esmeralda Davis (Director Corporate and Community Services)	Present
	Phil Holloway (Director Infrastructure Services)	Present
	Heather Sills (Manager Corporate Services)	Present
	James Brickley (Manager Finance)	Present
	Colin Baker (Manager Business Systems and Technology)	Present
	Amber Watt (Strategic Risk Coordinator)	Present
	Cameron Clarke (Manager Utilities)	Present
	Geeta Cheema (Manager Social and Cultural Planning)	Present
	Chris Soulsby (Manager Assets and Major Projects)	Present
	Storm Townsend (Minute taker)	Present
Other Attendees:	Adam Bradfield (HLB Mann Judd)	Present
	Eleanor McLeod (HLB Mann Judd)	Present
	Quentin Wong (NSW Audit Office)	Present
	Susan Leahy (Centium)	Audio-visual

Esmeralda Davis acknowledged that the meeting was being held on Bundjalung Country.

Peter Sheville (Chair) opened the meeting at 9.25am.

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ATTENDANCE VIA AUDIO-VISUAL LINK:

Susan Leahy attended the meeting via audio-visual link.

APOLOGIES:

There were no apologies.

DECLARATIONS OF INTEREST – PECUNIARY AND NON-PECUNIARY

There were no declarations of interest tabled.

MINUTES FROM PREVIOUS MEETINGS

Report No. 3.1 **Minutes of the Audit, Risk and Improvement Committee Meeting held 25 November 2024**

File No: I2024/1668

Committee Recommendation:

That the minutes of the Audit, Risk and Improvement Committee Meeting held on 25 November 2024 be confirmed. (Pigott/Jacobs)

The recommendation was put to the vote and declared carried.

BUSINESS ARISING FROM PREVIOUS MINUTES

Report No. 3.2 **Business Arising from meeting held on 25 November 2024**

File No: I2025/13

STAFF REPORTS - CORPORATE AND COMMUNITY SERVICES

Report No. 4.1 **Risk Management Improvement Plan 2025 - 2026 & Quarter 2 Risk Report 2024-2025**

File No: I2025/69

Committee Recommendation:

That the Audit Risk and Improvement Committee:

- 1. Endorsed the Risk Management and Improvement Plan 2025 – 2026; and**
- 2. Noted the updates to the status of Strategic and Operational risks.**

(Jacobs/Pigott)

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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 or 10A(2)(f), as indicated, of the Local Government Act, 1993, Council resolve into Confidential Session to discuss the following reports:
 - a) Report 5.1 - Internal Audit Report Quarter 2 2024-2025 (Section 10A(2)(d)i)
 - b) Report 5.2 - 2024 Year End Management Letter (Section 10A(2)(f))
 - c) Report 5.3 - Section 355 Strategic Change Project (Section 10A(2)(f))
 - d) Report 7.1 - Cyber Security and System Outages Quarterly Update (Section 10A(2)(f))
2. That the reasons for closing the meeting to the public to consider this item be that the reports contain either:
 - a) commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it; or
 - b) 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, respectively, as
 - a) The nature and content of internal audit is for operational purposes;
 - b) Nature and content of audit reports is for operational purposes and report details information about Council systems, controls and processes;
 - c) The report contains information about risks and risk management of a council service; and
 - d) Exposes information security risks and vulnerabilities that could assist malicious threats to Council's information assets. (Sheville)

The recommendation was put to the vote and declared carried.

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Report No. 5.1 **CONFIDENTIAL - Internal Audit Report Quarter 2 2024-2025 including Water and Sewer Utilities Management Review**
File No: I2025/53

Committee Recommendation:

That the Audit, Risk and Improvement Committee:

- 1. Noted the Internal Audit Recommendations Status Report for Quarter 2 2024-2025;**
- 2. Recommended that Council endorses the closure of the 24 completed internal audit recommendations from Quarter 2 2024-2025, as listed in Table 1 of this report (a summary from Attachment 1);**
- 3. Endorsed that management implement the recommendations made in the internal audit of Water and Sewer Utilities Management (Attachment 2 E2025/6832); and**
- 4. Discussed suggestions from Centium regarding future reporting of quarterly internal audit recommendations.** (Pigott/Jacobs)

The recommendation was put to the vote and declared carried.

Cameron Clarke left the meeting at 10.11am and did not return.

Report No. 5.2 **CONFIDENTIAL - 2024 Year End Management Letter**
File No: I2025/93

Committee Recommendation:

That the comments provided by Management in response to issues raised in the 2024 Year End Audit Management Letter (#E2025/12451) were noted by Council and the Audit, Risk and Improvement Committee. (Jacobs/Pigott)

The recommendation was put to the vote and declared carried.

Cr Hauge left the meeting at 10.41pm and did not return.

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Report No. 5.3 **CONFIDENTIAL - Section 355 Strategic Change Project**
File No: I2025/9

Committee Recommendation:

That the Audit Risk and Improvement Committee noted the Current State Analysis report and the proposed next steps for Council decision making about the Section 355 model. (Jacobs/Pigott)

The recommendation was put to the vote and declared carried.

Geeta Cheema left the meeting at 10.46am and did not return.

FOR INFORMATION ONLY

Report No. 7.1 **CONFIDENTIAL - Cyber Security and System Outages Quarterly Update**
File No: I2025/8

Committee Recommendation:

That the Audit Risk and Improvement Committee noted the report. (Sheville/Jacobs)

The recommendation was put to the vote and declared carried.

Quentin Wong left the meeting at 10.57am and did not return.

PROCEDURAL MOTION

Committee Recommendation: that the meeting move out of confidential session. (Sheville)

The recommendation was put to the vote and declared carried.

Report No. 6.1 **Operational Plan 2024/25 Quarter 2 Report - to 1 October to 31 December 2024**
File No: I2024/1709

The meeting adjourned at 10.59am for a recess break and reconvened at 11.15am.

Heather Sills, Amber Watt, Colin Baker, Eleanor McLeod and Adam Bradfield left the meeting at 10.59am and did not return.

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Report No. 7.2 **Presentation and tour of Byron Bay projects**
File No: I2025/10

There being no further business the meeting concluded at 11.26am with the members attending an onsite tour.