Minutes of Meeting

Audit, Risk and Improvement Committee Meeting

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

BYRON SHIRE COUNCIL

Minutes of the Audit, Risk and Improvement Committee Meeting held on Thursday, 9 May 2024

File No: I2024/651

PRESENT:

Councillors:	Cr M Swivel	Present
	Cr A Hunter	Present
Independent Members:	Patrick Grier (Chairperson)	Present
	Michael Georghiou	Present
	Bernard Grinberg	Present
Staff:	Mark Arnold (General Manager)	Apology
	Esmeralda Davis (Director Corporate and Community Services)	Present
	Heather Sills (Manager Corporate Services)	Present
	James Brickley (Manager Finance)	Present
	Colin Baker (Manager Business Systems and Technology)	Audio-Visual
	Amber Watt (Strategic Risk Coordinator)	Present
	Mila Jones (Governance and Internal Audit Coordinator)	Present
	Patrick Vandak (Worth Health and Safety Officer)	Present
	Danielle Hanigan (Manager Resource Recovery)	Present
	Vicki Lawrence (Manager People and Culture)	Present
	Storm Townsend (Minute taker)	Present
Other Attendees:	Adam Bradfield (Thomas, Noble & Russell)	Apology
	Renee Moloney (Thomas, Noble & Russell)	Audio-Visual
	Gearoid Fitzgerald (NSW Audit Office)	Apology
	Jarrod Lean (Grant Thornton)	Audio-Visual

Pat Grier (Chair) opened the meeting at 11:32am and acknowledged that the meeting was being held on Bundjalung Country.

ATTENDANCE VIA AUDIO-VISUAL LINK:

Colin Baker, Jarrod Lean, and Renee Moloney attended via audio visual link.

APOLOGIES:

That the apologies from Mark Arnold, Adam Bradfield and Gearoid Fitzgerald be accepted.

DECLARATIONS OF INTEREST – PECUNIARY AND NON-PECUNIARY

There were no declarations of interest.

ADOPTION OF MINUTES FROM PREVIOUS MEETINGS

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

File No: l2024/554

Committee Recommendation:

That the minutes of the Audit, Risk and Improvement Committee Meeting held on 15 February 2024 be confirmed.   (Hunter/Georghiou)

The recommendation was put to the vote and declared carried
Cr Swivel was not present for the vote.

BUSINESS ARISING FROM PREVIOUS MINUTES

There was no business arising from previous minutes.

PROCEDURAL MOTION

Committee Recommendation:

That the Committee change the order of business to deal with Reports 5.1, 5.2 and 7.1 next then the remaining Reports in order on the Agenda.   (Grier/Hunter)

The recommendation was put to the vote and declared carried
Cr Swivel was not present for the vote.

CONFIDENTIAL REPORTS - CORPORATE AND COMMUNITY SERVICES

PROCEDURAL MOTION

Committee Recommendation:

1.   That pursuant to Section 10A(2)(f) and 10A(2)(d)i of the Local Government Act, 1993, the Committee move into Confidential Session to discuss the following reports:
      a)   5.1 2023-2024 External Audit Engagement Plan;
      b)   5.2 Internal Audit Report Quarter 3 2023-2024; and
      c)   7.1 Cyber Security and System Outages Quarterly Update..

2.   That the reasons for closing the meeting to the public to consider these items be that this report contains either:
      a)   matters affecting the security of the council, councillors, council staff or council property; or
      b)   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:
      a)   The '2023-2024 External Audit Engagement Plan' report contains details of systems and/or arrangements that have been implemented to protect Council, Councillors, Staff and Council property;
      b)   The nature and content of the 'Internal Audit Report Quarter 3 2023-2024' report is for operational purposes; and
      c)   The 'Cyber Security and System Outages Quarterly Update' exposes information security risks and vulnerabilities that could assist unauthorised threats to Council's information and systems.   (Grier/Grinberg)

The recommendation was put to the vote and declared carried
Cr Swivel was not present for the vote.

Report No. 5.1   CONFIDENTIAL - 2023-2024 External Audit Engagement Plan
File No: I2024/201

Committee Recommendation:

That Council notes the External Audit Engagement Plan prepared by the Audit Office of New South Wales for the year ended 30 June 2024 as outlined in Confidential Attachment 1 (#E2024/12864).   (Georghiou/Hunter)

The recommendation was put to the vote and declared carried.
Cr Swivel was not present for the vote.

Cr Swivel joined the meeting at 11:45am.
Renee Moloney left the meeting at 11:55am.

Report No. 5.2   **CONFIDENTIAL - Internal Audit Report Quarter 3 2023-2024**
File No: I2024/553

Committee Recommendation:

That the Audit, Risk and Improvement Committee:

1.   **Notes the Internal Auditors Summary of Internal Audit Recommendations for Quarter 3 2023-2024 and the status of audit recommendations at Attachment 1 (E2024/46545) and their Internal Audit Status Update May 2024 at Attachment 2 (E2024/46558)**

2.   **Recommends that Council endorses the recommendations from the Executive Team to close off nine internal audit recommendations from Quarter 3 2023-2024 as listed in Table 1 of this report (a summary from Attachment 1).**

3.   **Recommends that Council endorses the implementation by Management of the recommendations made in the following internal audits:**

   a)   **Waste Management (Attachment 3 E2024/36640)**

   b)   **Work Health and Safety (Attachment 4 E2024/46592)**

   c)   **Property Services (Community Buildings) (Attachment 5 E2024/40570).**

                                                                    (Swivel/Hunter)

   The recommendation was put to the vote and declared carried.

Patrick Vandak, Vicki Lawrence and Danielle Hanigan left the meeting at 12:11pm.

FOR INFORMATION ONLY

Report No. 7.1   **CONFIDENTIAL - Cyber Security and System Outages Quarterly Update**
File No: I2024/443

PROCEDURAL MOTION

Committee Recommendation:

That the meeting move out of confidential session.   (Grier/Hunter)

The recommendation was put to the vote and declared carried.

Jarrod Lean left the meeting at 12.32pm.

STAFF REPORTS - CORPORATE AND COMMUNITY SERVICES

Report No. 4.1   ARIC Self Assessment 2023
File No: I2023/1615

Committee Recommendation:

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). (Swivel/Georghiou)

The recommendation was put to the vote and declared carried.

Report No. 4.2   ARIC Term and Draft Terms of Reference - Outstanding items of the OLG Guidelines
File No: I2023/1624

Committee Recommendation:

That Council:

1.   **Adopts the Audit, Risk and Improvement Committee Terms of Reference (Attachment 1 E2024/2652) and;**

2.   **Endorses the conclusion of the Audit, Risk and Improvement Committee term following the 9 May 2024 Committee meeting.**   (Georghiou/Swivel)

The recommendation was put to the vote and declared carried.

Report No. 4.3   **Key Performance Indicators (KPIs) through the Outcomes Measurement Framework**
File No: I2024/578

Committee 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.
(Hunter/Swivel)

The recommendation was put to the vote and declared carried.

Report No. 4.4   **Project Management and Pulse – linking to business case template**
File No: I2024/581

Committee Recommendation:

1. **That the Audit, Risk, and Improvement Committee endorses the business case methodology managed in Council's project management software.**

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.**   (Grinberg/Hunter)

The recommendation was put to the vote and declared carried.

Report No. 4.5   **Verbal Report by Bernard Grinberg on the Bio-Energy project**

Committee Recommendation:

The Audit, Risk, and Improvement Committee notes the verbal report provided by Bernard Grinberg regarding the Bio-Energy project.   (Hunter/Swivel)

The recommendation was put to the vote and declared carried.

FOR INFORMATION ONLY

Report No. 7.2   **Quarter 3 Risk Report**
File No: I2024/570

Report No. 7.3   **Draft Operational Plan 2024/25**
File No: I2024/584

Report No. 7.4   **Operational Plan 2023/24 Quarter 3 Report - to 1 January to 31 March 2024**
File No: I2024/585

There being no further business the meeting concluded at 1:33pm.