

# Minutes of Meeting

## Audit, Risk and Improvement Committee Meeting

Venue	Conference Room, Station Street, Mullumbimby
Date	Tuesday, 13 May 2025
Time	9:30 AM



**BYRON**  
SHIRE  
COUNCIL



# BYRON SHIRE COUNCIL

AUDIT, RISK AND IMPROVEMENT COMMITTEE MEETING MINUTES 13 MAY 2025

## Minutes of the Audit, Risk and Improvement Committee Meeting held on Tuesday, 13 May 2025

File No: I2025/700

### PRESENT:

Councillors:	Cr E Hauge	Present
Independent Members:	Peter Sheville (Chairperson)	Present
	Melissa Jacobs	Present
	Alan Pigott	Present
Staff:	Mark Arnold (General Manager)	
	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
	Matt Meir (Legal Counsel)	Present
	Storm Townsend (Minute taker)	Present
Other Attendees:	Adam Bradfield (HLB Mann Judd)	Audio visual
	Eleanor McLeod (HLB Mann Judd)	Audio visual
	Quentin Wong (NSW Audit Office)	Audio visual
	Susan Leahy (Centium)	Auido visual

*Esmeralda Davis acknowledged that the meeting was being held on Bundjalung Country.  
Peter Sheville (Chair) opened the meeting at 9.30am.*

### ATTENDANCE VIA AUDIO-VISUAL LINK:

Adam Bradfield, Eleanor McLeod, Quentin Wong and Susan Leahy attended by audio visual link.

### APOLOGIES:

There were no apologies.

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### DECLARATIONS OF INTEREST – PECUNIARY AND NON-PECUNIARY

There were no declarations of interest.

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### MINUTES FROM PREVIOUS MEETINGS

**Report No. 3.1**      **Minutes of the Audit, Risk and Improvement Committee Meeting held 18 February 2025**

**File No:**              I2025/609

#### Committee Recommendation:

**That the minutes of the Audit, Risk and Improvement Committee Meeting held on 18 February 2025 be confirmed.** (Sheville)

*The recommendation was put to the vote and declared carried.*

*Note: The minutes of the meeting held on 13 February were noted, and the Committee Recommendations adopted by Council, at the Ordinary Meeting held on 24 April 2025.*

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**Report No. 3.2**      **Business Arising from meeting held 18 February 2025**

**File No:**              I2025/378

### BUSINESS ARISING FROM PREVIOUS MINUTES

There was no business arising from previous minutes.

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### STAFF REPORTS - GENERAL MANAGER

**Report No. 4.1**      **Fraud control update**

**File No:**              I2025/466

#### Committee Recommendation:

**That the Committee:**

- 1. Notes the update.**
- 2. Provided advice to the General Manager around Fraud Control Risk.**
- 3. Requests an Interim Report to the 18 November 2025 Audit, Risk and Improvement Committee meeting outlining identified gaps and organisational activities required to address these, including improvement of the current Fraud and Corruption Policy.** (Pigott/Jacobs)

*The recommendation was put to the vote and declared carried.*

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# BYRON SHIRE COUNCIL

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## CONFIDENTIAL REPORTS - CORPORATE AND COMMUNITY SERVICES

### PROCEDURAL MOTION

#### **Committee Recommendation:**

1. That pursuant to Section 10A(2)(d)i or 10A(2)(f) of the Local Government Act, 1993, Council resolve into Confidential Session to discuss the following reports:
  - a) Report 5.1 - 2024-2025 External Audit Engagement Plan (Section 10A(f))
  - b) Report 5.2 - Internal Audit Report Q3 2024-2025 & Draft Section 10.7 Certificate Internal Audit Report (Section 10A(2)(d)i)
  - c) Report 5.3 - Internal Audit Plans (Section 10A(2)(f))
  - d) Report 7.1 - Cyber Security & System Outages Quarterly Update (Section 10A(2)(f))
  - e) Report 7.2 - Q3 2024/25 Risk Initiatives and Updates (Section 10A(2)(f))
2. That the reasons for closing the meeting to the public to consider this item be that:
  - 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, respectively, as:
  - a) The report contains details of systems and/or arrangements that have been implemented to protect Council, Councillors, Staff and Council property.
  - b) Internal audit is for operational purposes and improvements.
  - c) Details of the internal audit program are included in the report
  - d) Exposes information security risks and vulnerabilities that could assist malicious threats to Council's information assets
  - e) Internal risk management matters. (Sheville)

*The recommendation was put to the vote and declared carried.*

## BYRON SHIRE COUNCIL

AUDIT, RISK AND IMPROVEMENT COMMITTEE MEETING MINUTES 13 MAY 2025

**Report No. 5.1**      **CONFIDENTIAL - 2024-2025 External Audit Engagement Plan**  
**File No:**            I2025/270

**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 2025 as outlined in Confidential Attachment 1 (#E2025/23957).I** (Pigott/Jacobs)

*The recommendation was put to the vote and declared carried.*

*Adam Bradfield left the meeting at 10.11am and did not return.*

**PROCEDURAL MOTION**

**Committee Recommendation:**

That Council change the order of business to deal with Reports 7.3 next on the Agenda. (Sheville)

*The recommendation was put to the vote and declared carried.*

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### FOR INFORMATION ONLY

**Report No. 7.3**      **Audit Office's 30 June 2024 financial audits of New South Wales (NSW) councils' financial statements**  
**File No:**            I2025/432

*Eleanor McLeod and Quentin Wong left the meeting at 10.26am and did not return.*

## BYRON SHIRE COUNCIL

AUDIT, RISK AND IMPROVEMENT COMMITTEE MEETING MINUTES 13 MAY 2025

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### CONFIDENTIAL REPORTS - CORPORATE AND COMMUNITY SERVICES

**Report No. 5.2**      **CONFIDENTIAL - Internal Audit Report Q3 2024-2025 & Draft  
Section 10.7 Certificate Internal Audit Report**  
**File No:**              I2025/546

#### **Committee Recommendation:**

**That the Audit, Risk and Improvement Committee:**

- 1. Notes the Internal Audit Status Report – May 2025 and the Internal Audit Recommendations Report for Quarter 3 2024-2025.**
- 2. Endorses the recommendations from the Executive Team to close off 8 internal audit recommendations from Q3, as listed in Table 1 of this report.**
- 3. Endorses the modified recommendations and agreed management actions made in the draft Section 10.7 Certificates internal audit report noting the findings for recommendation 2 is low risk and management is accepting that risk.**
- 4. Requests Internal Auditors include Management comments in the body of the draft Internal Audit Reports, including evaluation of the level of risk.**
- 5. Requests future reports be separated for ease of reference:**
  - a) Quarterly Report – Status of Internal Audit Recommendations; and**
  - b) Internal Audit Report.** (Sheville/Jacobs)

*The recommendation was put to the vote and declared carried.*

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**Report No. 5.3**      **CONFIDENTIAL - Internal Audit Plans**  
**File No:**              I2025/545

#### **Committee Recommendation:**

**That the Audit, Risk and Improvement Committee:**

- 1. Endorses the revised Internal Audit Plans for 2024/25 and 2025/26.**
- 2. Endorse the revised 4-year Internal Audit Plan for 2024 - 2028.** (Jacobs/Sheville)

*The recommendation was put to the vote and declared carried.*

*The meeting adjourned at 10.46am for a break and reconvened at 11:03am.*

*Colin Baker joined the meeting at 11:03am.*

*Susan Leahy left the meeting at 11:03am and did not return.*

# BYRON SHIRE COUNCIL

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## FOR INFORMATION ONLY

**Report No. 7.1**      **CONFIDENTIAL - Cyber Security & System Outages Quarterly Update**  
**File No:**              I2025/391

**Moved that the Audit, Risk and Improvement Committee:**

**Requests the Cyber Security & System Outages Quarterly Update Report for the 12 August 2025 meeting, include high level comments indicating Council's progress against the Essential Eight framework.** (Sheville)

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**Report No. 7.2**      **CONFIDENTIAL - Q3 2024/25 Risk Initiatives and Updates**  
**File No:**              I2025/542

**Moved that the Audit, Risk and Improvement Committee:**

- 1. Requests investigation of a system to show progress of mitigating actions be included in the Quarterly Risk Updates.**
- 2. Requests a summary of key high risks be included in the quarterly report, to track progress.** (Sheville)

## PROCEDURAL MOTION

### Committee Recommendation:

That the meeting move out of confidential session. (Sheville)  
*The recommendation was put to the vote and declared carried.*

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**Report No. 7.4**      **Draft Delivery Program 2025 - 2029 and 2025/26 Operational Plan, Budget, and Revenue Policy**  
**File No:**              I2025/553

**Report No. 7.5**      **Operational Plan 2024/25 Quarter 3 Report - to 1 January to 31 March 2025**  
**File No:**              I2025/554

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*There being no further business the meeting concluded at 12.01pm.*