

MINUTES OF MEETING



AUDIT, RISK AND IMPROVEMENT COMMITTEE MEETING

Venue	Chambers, Station Street, Mullumbimby
Date	Thursday, 20 August 2020
Time	11.30am

BYRON SHIRE COUNCIL

AUDIT, RISK AND IMPROVEMENT COMMITTEE MEETING MINUTES

20 AUGUST 2020

**Minutes of the Audit, Risk and Improvement Committee Meeting held on Thursday,
20 August 2020
File No: I2020/1200**

PRESENT: Cr M Lyon, Cr B Cameron, Cr A Hunter (virtual)

Staff: Mark Arnold (General Manager)
Vanessa Adams (Director Corporate and Community Services)
Esmeralda Davis (Acting Manager Corporate Services)
James Brickley (Manager Finance) (virtual)
Colin Baker (Manager Business Systems and Technology)
Emma Fountain (Strategic Risk and Business Continuity Coordinator)

Community: Brian Wilkinson (virtual), Rae Wills

Committee Recommendation

That Cr Cameron be elected Chairperson for today's meeting in the absence of Michael Georghiou. (Lyon/Hunter)

The recommendation was put to the vote and declared carried.

Cr Cameron (Chair) opened the meeting at 11.35am and acknowledged that the meeting was being held on Bundjalung Country.

APOLOGIES:

There was an apology received from Michael Georghiou.

DECLARATIONS OF INTEREST – PECUNIARY AND NON-PECUNIARY

There were no declarations of interest.

ADOPTION OF MINUTES FROM PREVIOUS MEETINGS

Committee Recommendation:

That the minutes of the Audit, Risk and Improvement Committee Meeting held on 14 May 2020 be confirmed. (Lyon/Wills)

The recommendation was put to the vote and declared carried.

BUSINESS ARISING FROM PREVIOUS MINUTES

There was no business arising from previous minutes.

BYRON SHIRE COUNCIL

STAFF REPORTS - CORPORATE AND COMMUNITY SERVICES

Report No. 4.1 **Draft Audit, Risk and Improvement Committee Constitution and 2021 Agenda Schedule**

File No: I2020/1022

Committee Recommendation:

That the Audit, Risk and Improvement Committee:

1. Considers the draft Audit, Risk and Improvement Committee Constitution (E2020/46708) and the Agenda Schedule for 2021 (E2020/46705) and provides feedback to the Chair by 3 September 2020.
2. Submits the Audit, Risk and Improvement Committee Constitution, with any amendments based on feedback from the Committee, to Council for adoption.
3. Be provided with a copy of the Update on Council's Financial and Investment Positions as provided to the Finance Advisory Committee. (Hunter/Wilkinson)

The recommendation was put to the vote and declared carried.

Report No. 4.2 **Annual Compliance Report 2019-2020**

File No: I2020/1055

Committee Recommendation:

That the Audit, Risk and Improvement Committee notes Council's compliance with legislative reporting requirements as at 30 June 2020. (Wilkinson/Wills)

The recommendation was put to the vote and declared carried.

CONFIDENTIAL REPORTS - CORPORATE AND COMMUNITY SERVICES

Report No. 5.1 **CONFIDENTIAL - Risk Management- Update**

File No: I2020/953

Committee Recommendation:

1. That pursuant to Section 10A(2)(f) of the Local Government Act, 1993, Council resolve to move into Confidential Session to discuss the report Risk Management- Update.
2. That the reasons for closing the meeting to the public to consider this item be that the report contains:
 - a) details of systems and/or arrangements that have been implemented to protect council, councillors, staff and 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:

Risk Management

(Wilkinson/Cameron)

BYRON SHIRE COUNCIL

The recommendation was put to the vote and declared carried.

Committee Recommendation:

1. That the Audit, Risk and Improvement Committee notes the strategic and operational risk reports for the quarter ending 30 June 2020 (E2020/49108).
2. That the Audit, Risk and Improvement Committee requests Council consider the impacts on all transport users when implementing asset upgrades particularly roads. (Cameron/Lyon)

The recommendation was put to the vote and declared carried.

Committee Recommendation:

That the meeting move out of confidential session. (Cameron/Wilkinson)

The recommendation was put to the vote and declared carried.

Report No. 5.2 **CONFIDENTIAL - Audit Progress Report - August 2020**
File No: I2020/954

Committee Recommendation:

1. That pursuant to Section 10A(2)(d)i of the Local Government Act, 1993, Council resolve to move into Confidential Session to discuss the report Audit Progress Report - August 2020.
2. That the reasons for closing the meeting to the public to consider this item be that the report contains:
 - a) commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it
3. That on balance it is considered that receipt and discussion of the matter in open Council would be contrary to the public interest, as:

nature and content of audit report is for operational purposes (Cameron/Wilkinson)

The recommendation was put to the vote and declared carried.

Committee Recommendation:

1. That the Audit, Risk and Improvement Committee notes the Internal Audit Activity Report – August 2020 (E2020/60577).
2. That the Audit, Risk and Improvement Committee endorses the recommendation from the Executive Team to close off 18 recommendations in Appendix E of the attached report (E2020/60577). (Wilkinson/Lyon)

The recommendation was put to the vote and declared carried.

Committee Recommendation:

That the meeting move out of confidential session. (Cameron/Wilkinson)

The recommendation was put to the vote and declared carried.

Committee Recommendation:

That pursuant to the Local Government Act, 1993, Council move into Confidential Session to discuss reports 5.3, 5.4, 5.5 and 5.6 for the following reasons:

Report 5.3 under Section 10A(2)(f) of the Local Government Act:

The reasons for closing the meeting to the public to consider this item be that the reports contains:

- a) details of systems and/or arrangements that have been implemented to protect council, councillors, staff and Council property

and on balance it is considered that receipt and discussion of the matter in open Council would be contrary to the public interest, as it exposes security risk and vulnerabilities that could assist unauthorised threats to Council's data and systems

Report 5.4 under Section 10A(2)(d)I of the Local Government Act 1993

The reasons for closing the meeting to the public to consider this item be that the report contains:

- a) commercial information of a confidential nature that would, if disclosed prejudice the commercial position of the person who supplied it

and on balance it is considered that receipt and discussion of the matter in open Council would be contrary to the public interest, as to nature and content of audit report is for operational purposes.

Report 5.5 under Section 10A(2)(f) of the Local Government Act 1993

The reasons for closing the meeting to the public to consider this item be that the report contains:

- a) details of systems and/or arrangements that have been implemented to protect council, councillors, staff and Council property

and on balance it is considered that receipt and discussion of the matter in open Council would be contrary to the public interest, as to nature and content of audit reports is for operational purposes and report details information about Council's systems, controls and processes.

Report 5.6 under Section 10A(2)(f) of the Local Government Act 1993

The reasons for closing the meeting to the public to consider this item be that the report contains:

- a) details of systems and/or arrangements that have been implemented to protect council, councillors, staff and Council property

and on balance it is considered that receipt and discussion of the matter in open Council would be contrary to the public interest, as to nature and content of audit reports is for operational purposes and report details information about Council's systems, controls and processes.

(Cameron/Wilkinson)

The recommendation was put to the vote and declared carried.

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Report No. 5.3 **CONFIDENTIAL - Cyber Security and System Outages Quarterly Update**
File No: I2020/1113

Committee Recommendation:

That the Audit, Risk and Improvement Committee:

- a) notes the Cyber Incidents report, attachment 1; and,
- b) notes the System Outages report, attachment 2; and,
- c) receives ongoing status reports for cyber Incidents and systems outages (Cameron/Hunter)

The recommendation was put to the vote and declared carried.

Report No. 5.4 **CONFIDENTIAL - Development Application Processes Audit Review**
File No: I2020/1179

Committee Recommendation:

- 1. That the Audit, Risk and Improvement Committee notes the Development Application Processes internal audit review report.
- 2. That the Audit, Risk and Improvement Committee requests management to implement the recommendations made in the report, identified as Confidential Attachment 1 (E2020/60181).
- 3. That the report and Confidential Attachment 1 (E2020/60181) of the closed part of the meeting remain confidential. (Wilkinson/Cameron)

The recommendation was put to the vote and declared carried.

Report No. 5.5 **CONFIDENTIAL - 2020 External Audit Interim Audit Management Letter**
File No: I2020/1185

Committee Recommendation:

That the comments provided by Management in response to matters raised in the 2020 External Audit Interim Audit Management Letter detailed at Attachment 1 (#E2020/60321) be noted by the Audit, Risk and Improvement Committee. (Wilkinson/Hunter)

The recommendation was put to the vote and declared carried.

Report No. 5.6 **CONFIDENTIAL - External Audit Actions - Quarter 4 2020 Update**
File No: I2020/1187

Committee Recommendation:

That the Audit, Risk and Improvement Committee notes the external audit activity update for the quarter ending 30 June 2020. (Wilkinson/Hunter)

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The recommendation was put to the vote and declared carried.

Committee Recommendation:

That the meeting move out of confidential session.

(Cameron/Wilkinson)

The recommendation was put to the vote and declared carried.

There being no further business the meeting concluded at 1.00pm.