



Southern Grampians
SHIRE COUNCIL

Audit & Risk Committee Minutes

Ordinary Meeting
1 September 2020

held at 1.10pm via
Microsoft Teams Meeting

	Outcome Sought	Presenter	Tabled
1. MEMBERSHIP			
Members			
Mr Michael Murphy OAM – Chair	<i>Noting</i>	<i>Chair</i>	<i>Verbal</i>
Mr Brian Densem			
Cr Colin Dunkley – Deputy Mayor			
Cr Katrina Rainsford			
Attending			
Mr Michael Tudball – Chief Executive Officer			
Ms Evelyn Arnold – Director Community & Corporate Services			
Ms Belinda Johnson – Manager Finance			
Mr Darren Barber – Manager Organisational Development			
Minutes			
Ms Nadine Rhook – Executive Assistant – Director Community & Corporate Services			
2. WELCOME			
3. APOLOGIES			
4. CONFLICT OF INTEREST			
5. CONFIRMATION OF MINUTES			
5.1 Confirmation of Minutes: Audit & Risk Committee meeting – 21 May 2020	<i>Confirmation</i>	<i>Chair</i>	<i>Attachment</i>
6. EXTERNAL AUDIT			
6.1 Progress Report of Current Actions – McLaren Hunt & Interplan Report	<i>Information</i>	<i>B Johnson</i>	<i>Attachment</i>
6.2 Review Draft Annual Financial Statements, Performance Statement and Government & Management Checklist	<i>Discussion</i>	<i>C Kol/B Johnson</i>	<i>Attachment</i>
6.3 Review Draft Management Letter & Closing Report	<i>Discussion</i>	<i>C Kol/B Johnson</i>	<i>Attachment</i>
7. INTERNAL AUDIT			
7.1 Internal Audit – Overall Progress	<i>Noting</i>	<i>E Arnold</i>	<i>Attachment</i>
7.2 Internal Audit – Current Actions Progress	<i>Noting</i>	<i>D Barber</i>	<i>Attachment</i>

	Outcome Sought	Presenter	Tabled
7.3 Progress Report of Internal Audit Actions (Interplan) – <ul style="list-style-type: none"> • Customer Service & Complaints • Risk Management • Waste Management • Asset Management & Road Maintenance • Building Maintenance • Procurement 	<i>Noting</i>	<i>D Barber</i>	<i>Attachment</i>
7.4 Internal Auditor – Status Update	<i>Information</i>	<i>D Barber</i>	<i>Verbal</i>
8. MATTERS ARISING FROM THE PREVIOUS MINUTES			
8.1 Summary Table of Outstanding Matters	<i>Information</i>	<i>E Arnold</i>	<i>Attachment</i>
9. STANDING ITEMS			
9.1 Implementation of Local Government Act	<i>Information</i>	<i>D Barber</i>	<i>Report</i>
9.2 Compliance Framework	<i>Noting</i>	<i>D Barber</i>	<i>Attachment</i>
9.3 OHS Report	<i>Noting</i>	<i>D Barber</i>	<i>Report</i>
10. BUSINESS FROM THE ANNUAL SCHEDULE			
10.1 Business Continuity Plan and Sub Plans	<i>Decision</i>	<i>D Barber</i>	<i>Attachment</i>
10.2 Review Councillor Expenses	<i>Information</i>	<i>D Barber</i>	<i>Attachment</i>
10.3 VAGO. Ombudsman & IBAC Reports	<i>Information</i>	<i>B Johnson</i>	<i>Attachment</i>
11. GENERAL BUSINESS			
11.1 COVID-19 Update	<i>Information</i>	<i>M Tudball</i>	<i>Verbal</i>
12. NEXT MEETING	<i>Information</i>	<i>Chair</i>	<i>Verbal</i>
13. COMMITTEE IN CAMERA			

1. Attendance

Members

Mr Michael Murphy OAM – Chair
Mr Brian Densem
Cr Colin Dunkley – Deputy Mayor
Cr Katrina Rainsford

Officers

Mr Michael Tudball – Chief Executive Officer
Ms Evelyn Arnold – Director Community & Corporate Services
Ms Belinda Johnson – Manager Finance
Mr Darren Barber – Manager Organisational Development

Minutes

Mrs Nadine Rhook – Executive Assistant – Director Community & Corporate Services

Guests

Mr Chris Kol - McLaren Hunt Financial Group
Ms Aisling Cunningham

2. Welcome – Chair

The Chair welcomed all to the meeting and a special welcome to Ms Cunningham to the meeting as a potential third External Member of the Audit & Risk Committee. Welcome to Mr Kol from McLaren Hunt Financial Group and thanked him for attending.

3. Apologies

Nil

4. Conflict of Interest

Mr Mick Murphy – Wannan Water
Mr Brian Densem – Chair of Glenelg Hopkins CMA Audit & Risk Committee
Mr Darren Barber – Chair of the Western District Health Services Board
Ms Aisling Cunningham – Quality Manager of Western District Health Service
Cr Colin Dunkley – Item 10.2 – Review Councillor Expenses
Cr Katrina Rainsford – Item 10.2 – Review Councillor Expenses

5. Confirmation of Minutes

Minutes of the meeting held on 21 May 2020 have been circulated.

These unconfirmed minutes were presented to Council at the Ordinary Monthly Meeting held on Wednesday 10 June 2020.

RECOMMENDATION

That the Minutes of the Ordinary Meeting of the Audit & Risk Committee held on 21 May 2020 be confirmed as a correct record of business transacted.

Moved: Mr Densem

Seconded: Cr Rainsford

CARRIED

The meeting commenced at Item 6.2

Item 6.1 External Audit - Progress Report of Current Actions

Author: Belinda Johnson

Attachments: Progress Report of Current Actions - External Audit – Interplan

ACTION/RECOMMENDATION

THAT the Committee note the Progress of Current Actions.

THAT the report include a further column to add a comment as to whether the matter has been finalised and is waiting endorsement by the External Auditor.

THAT the Committee note the update and the comments of the External Auditor on timeliness of the discharge and progression of these matters.

Moved: Cr Dunkley

Seconded: Mr Densem

CARRIED

Item 7.1 was presented next.

Item 6.2 Financial Statements, Performance Statement and Governance & Management Checklist

Author: Belinda Johnson

Attachments: Draft Financial Statements, Draft Performance Statement, Draft Governance & Management Checklist

ACTION/RECOMMENDATION

THAT a copy of the representation letter signed by the CEO and Manager Finance be provided to the Audit & Risk Committee.

THAT the Committee resolve to recommend to Council that subject to there being no material changes in the financial statements as proposed, that they be appropriately dealt with by Council at the September meeting.

Moved: Cr Dunkley

Seconded: Mr Densem

CARRIED

THAT the Committee note the Draft Performance Statement is a work in progress.

NOTED

Item 6.3 Review Draft Management Letter & Closing Report

Author: Belinda Johnson

Attachments: None

RECOMMENDATION

THAT the Committee acknowledge the Draft Management Letter/verbal report as presented.

NOTED

Note: These documents will be provided to the Committee upon their receipt.

Introduction of the Committee Members to Aisling Cunningham – 1.48pm

The Chair asked each person of the group to introduce, and give a brief background, on themselves for Ms Cunningham, the potential third external member. This will be a recommendation to Council as it's Meeting on 9 September 2020.

THAT a Standing potential Conflict of Interest be added for Ms Cunningham – Quality Manager of Western District Health Services and Mr Barber as Chairman of the Board of Western District Health Services.

Item 6.1 was presented next.

Item 7.1 Internal Audit Progress - Overall

Author: Evelyn Arnold

Attachments: Internal Audit Updates & Timeframes

RECOMMENDATION

THAT the Committee note the update of the Internal Audit Progress and that the 3 Year Internal Audit (2017-2020) with RSD Audit is now complete.

THAT an agreement to hold over the Internal Audit Report for Depot Management until the November 2020 meeting when the Internal Auditors are present.

NOTED

Mr Kol left the meeting at 2.05pm

Item 7.2 Internal Audit – Current Actions Progress

Author: Darren Barber

Attachments: Interplan Report – Current Actions Progress

ACTION/RECOMMENDATION

THAT the Committee requested full quarterly Interplan Reports and to include the Risk Rating from the audit recommendations on outstanding items – High, Medium or Low – add in the comments field.

THAT the Committee note the attached Interplan Report – Current Actions Progress.

NOTED

Item 7.3 Progress Report of Internal Audit Actions (Interplan)

Author: Darren Barber
Attachments: Interplan Reports - Various

ACTION/RECOMMENDATION

THAT the Committee note the attached Interplan reports for the following:

- Customer Service & Complaints
- Risk Management
- Waste Management
- Asset Management & Road Maintenance
- Building Maintenance
- Procurement

THAT the Committee request the full quarterly Interplan Reports with 'In Progress' actions first and recent 'Completed' actions following.

NOTED

Item 7.4 Internal Auditor – Status Update

Author: Darren Barber
Attachments: Nil

RECOMMENDATION

THAT the Audit and Risk Committee acknowledge the verbal update provided by Mr Barber.

NOTED

Item 8.1 Summary Table of Outstanding Matters

Author: Evelyn Arnold
Attachments: Summary Table of Outstanding Matters

ACTION/RECOMMENDATION

THAT this item be noted and items noted as "Close" be removed from the listing.

THAT this table be presented immediately after the Confirmation of Previous Minutes item at future meetings.

NOTED

Item 9.1 Implementation of Local Government Act

Author: Karly Saunders
Attachments: Local Government Act 2020 Project Plan

ACTION/RECOMMENDATION

THAT this item be noted.

THAT a one page is prepared for the Audit and Risk Management Committee annual performance process for the Chair.

NOTED

Item 9.2 Compliance Framework

Author: Karly Saunders
Attachments: Nil

RECOMMENDATION

THAT the Committee note the update to the Compliance Framework.

NOTED

Item 9.3 OHS Report

Author: Mike Shanahan
Attachments: OHS Report

RECOMMENDATION

THAT the Committee accept the attached report for noting.

NOTED

Item 10.1 Business Continuity Plan & Sub Plans

Author: Kara Winderlich
Attachments: Nil

RECOMMENDATION

THAT the Committee note the following update on the Southern Grampians Shire Council (SGSC) Business Continuity Plan (BCP).

NOTED

Item 10.2 Review Councillor Expenses

Author: Darren Barber
Attachments: Councillor Expenses

ACTION/RECOMMENDATION

THAT the Committee note the Councillor Expense Report as presented.

NOTED

Item 10.3 VAGO, Ombudsman, IBAC Reports

Author: Belinda Johnson
Attachments: VAGO, Ombudsman & IBAC Reports

RECOMMENDATION

THAT the Committee note the recent reports and publications by Government Agencies and other sources that may impact on public sector agencies.

NOTED

Item 11.1 COVID-19 Update

Author: Darren Barber
Attachments: Nil

RECOMMENDATION

THAT the Committee acknowledge the verbal update provided by Mr Tudball.

NOTED

12. Next Meeting

The next meeting quarterly meeting is scheduled for Tuesday 17 November 2020 commencing at 1.30pm via Microsoft Teams.

The Chair on behalf of all was looking forward to working with Ms Cunningham in the future and wished the Councillors best of luck for the Council Elections.

The meeting closed at 3.14pm.

13. Committee in Camera