

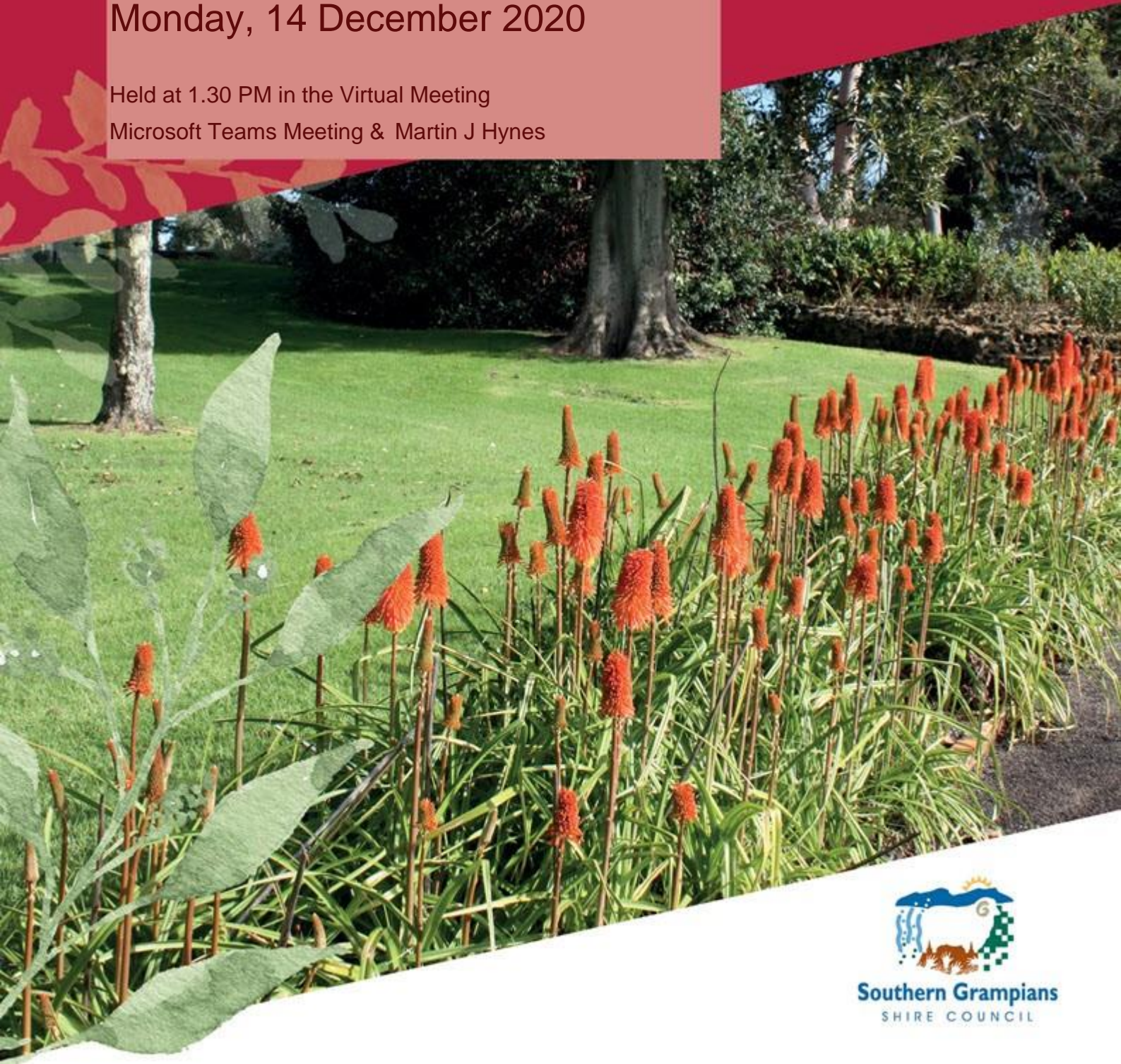
SOUTHERN GRAMPIANS SHIRE COUNCIL

AUDIT & RISK COMMITTEE

MEETING MINUTES

Ordinary Meeting
Monday, 14 December 2020

Held at 1.30 PM in the Virtual Meeting
Microsoft Teams Meeting & Martin J Hynes



1. MEMBERSHIP

1.1 MEMBERSHIP

ATTENDANCE

Members

Mr Michael Murphy OAM – Chair

Mr Brian Densem

Ms Aisling Cunningham

Cr David Robertson – Deputy Mayor

Cr Mary-Ann Brown

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

Ms Kathie Teasdale - RSD Audit

Mr StJohn Lees - Manager Works

Mr Rohit Srivastava - Manager Assets

Mr Mike Shanahan - Health & Safety

Coordinator

Ms Karly Saunders - Governance Coordinator

Apologies

Mr Chris Kol - McLaren Hunt Financial Group

StJohn Lees entered the meeting at 01:30 PM

2. WELCOME - CHAIR

The Chair welcomed all to the meeting especially those newly appointed Council Representatives, elected and re-elected, to Council and also to the Appointment of the Audit & Risk Committee. The Chair looks forward to working with everyone.

The Chair asked everyone to introduce themselves and to provide a brief on their background.

Welcome to Ms Teasdale from RSD Audit and congratulations on the re-appointment as Internal Auditors.

Welcome to Ms Cunningham to her first ARC Meeting as an Independent Member, we look forward to working with her.

The Chair also empathised with Ms Rhook around the new software/program for the Agenda.

3. APOLOGIES

Mr Chris Kol from McLaren Hunt Financial Group.

4. CONFLICTS OF INTEREST

Mr Mick Murphy – Wannon 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 Mary-Ann Brown – Item 10.5 – Councillor Expenses

5. CONFIRMATION OF MINUTES

5.1 PREVIOUS MEETING MINUTES

Recommendation

THAT the Minutes of the Ordinary Meeting of the Audit & Risk Committee held on 1 September 2020 be confirmed as a correct record of business transacted.

**Moved Committee Member - Brian Densem
Brown**

Seconded Councillor - Mary-Ann

Carried

5.2 - SUMMARY TABLE OF OUTSTANDING MATTERS

Director Evelyn Arnold - Director Community and Corporate Services

Author : Executive Assistant to the Director Community and Corporate Services - Nadine Rhook

Recommendation

THAT the table of outstanding actions and current comments is provided together with recommendations for items that are completed.

THAT the Committee agree to the items listed as 'Closed' be removed from the table for future meetings.

Noted

6. MATTERS ARISING FROM THE PREVIOUS MINUTES/ACTION LOG

6.1 AUDIT & RISK COMMITTEE ANNUAL PERFORMANCE ASSESSMENT

Director : Evelyn Arnold - Director Community and Corporate Services

Author : Governance Coordinator - Karly Saunders

Recommendation

THAT the Committee note the update of the requirement to undertake an annual performance assessment and that the report be presented to Council

Moved Councillor - Mary-Ann Brown Seconded Committee Member - Brian Densem

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Carried

The Chair also noted that Cr Brown was on the Audit & Risk Committee previously for 3 years not 2 years in the 2019/20 ARC Chair Report to Council. To be updated and noted.

7. EXTERNAL AUDIT

7.1 EXTERNAL AUDIT - PROGRESS REPORT OF CURRENT ACTIONS - McLAREN HUNT

Director: Evelyn Arnold - Director Community and Corporate Services

Author : Manager Finance - Belinda Johnson

Recommendation

THAT the Committee note the Progress of Current Actions.

Noted**7.2 CLOSING REPORT 2019-2020 & FINAL MANAGEMENT LETTER 2019-2020**

Director Evelyn Arnold - Director Community and Corporate Services

Author : Manager Finance - Belinda Johnson

Recommendation

THAT the Committee acknowledge the Final Closing Report and Management Letter as presented.

Mike Shanahan entered the meeting at 02:00 PM

Karly Saunders entered the meeting at 02:00 PM

Moved Committee Member - Brian Densem Seconded Councillor - Mary-Ann Brown

THAT the Committee formally receive the Final Closing Report and Management Letter for 2019/2020 from the Auditor General's Agent - McLaren Hunt Financial Group as presented.

Carried**7.3 REPRESENTATION LETTER**

Director: Evelyn Arnold - Director Community and Corporate Services

Author : Manager Finance - Belinda Johnson

Recommendation

THAT the Committee note the Representation Letter as presented.

Moved Councillor - Mary-Ann Brown Seconded Committee Member - Brian Densem

The Chair congratulated the Team undertaking the Audit remotely and in accordance with the Auditor General's requirements.

Carried

8. INTERNAL AUDIT

8.1 DRAFT 2021-2023 INTERNAL AUDIT PLAN

Director: Evelyn Arnold - Director Community and Corporate Services

Author : Manager Organisation Development - Darren Barber

Recommendation

THAT the Committee adopt the Draft 2021-2023 - 3 year Internal Audit Plan and recommend it to Council.

The Chair noted that the major projects of the Art Gallery & Melville Oval are well down the priority order of the 2021-2023 Internal Audit Plan.

Moved Councillor - Mary-Ann Brown Seconded Committee Member - Brian Densem

Carried

8.2 INTERNAL AUDIT - DEPOT MANAGEMENT

Directorate : David Moloney - Director Shire Infrastructure

Author : Manager Works - StJohn Lees

Recommendation

THAT the Committee endorse the Depot Management – Final Report.

THAT the tasks outlined be entered into Interplan for monitoring and reporting.

StJohn Lees left the meeting at 02:38 PM

Moved Councillor - Mary-Ann Brown Seconded Deputy Mayor - David Robertson

Carried

8.3 INTERNAL AUDIT SCOPES - 1. PURCHASING CARDS & 2. DATA SECURITY PROTECTION (VPDSS)

Directorate : Evelyn Arnold - Director Community and Corporate Services

Author : Executive Assistant to the Director Community and Corporate Services - Nadine Rhook

Recommendation

THAT the Committee endorse the draft scopes for Purchasing Cards and Data Security Protection (VPDSS).

Moved Councillor - Mary-Ann Brown Seconded Committee Member - Brian Densem

Carried

8.4 PROGRESS REPORT OF INTERNAL AUDIT ACTIONS (Interplan)

Director: Evelyn Arnold - Director Community and Corporate Services

Author : Executive Assistant to the Director Community and Corporate Services - Nadine Rhook

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 completed actions be removed from the report and the current actions remain to be reported on.

Moved Councillor - Mary-Ann Brown Seconded Deputy Mayor - David Robertson

Carried

9. STANDING ITEMS

9.1 - STANDARD STATEMENTS

Director: Evelyn Arnold - Director Community and Corporate Services

Author : Manager Finance - Belinda Johnson

Recommendation

THAT the Committee note the Finance Report as at 30 September 2020 and endorse the new format as presented.

Moved Councillor - Mary-Ann Brown Seconded Committee Member - Brian Densem

Carried

9.2 IMPLEMENTATION OF LOCAL GOVERNMENT ACT

Director: Evelyn Arnold - Director Community and Corporate Services

Author : Governance Coordinator - Karyl Saunders

Recommendation

THAT the Committee endorse and note the report as provided.

Moved Committee Member - Brian Densem Seconded Councillor - Mary-Ann Brown

Carried

9.3 COMPLIANCE FRAMEWORK

Director: Evelyn Arnold - Director Community and Corporate Services

Author : Governance Coordinator - Karly Saunders

Recommendation

THAT the Committee note the update, and acknowledge the work carried out by Ms Saunders on the Compliance Framework as presented.

Item 10.5 was presented next by Ms Saunders.

Noted

9.4 OHS REPORT

Director: Evelyn Arnold - Director Community and Corporate Services

Author : Health and Safety Coordinator - Mike Shanahan

Recommendation

THAT the Committee accept the attached report for noting

THAT the MAV Information be presented at each ARC Meeting for update.

Moved Councillor - Mary-Ann Brown Seconded Deputy Mayor - David Robertson

Carried

Mike Shanahan left the meeting at 03:54 PM

Item 11.2 - Accounting for Assets Policy Review was presented next.

Rohit Srivastava entered the meeting at 03:48 PM

10. BUSINESS FROM THE ANNUAL SCHEDULE

10.1 STRATEGIC RISK REGISTER SYSTEM UPDATE

Director: Evelyn Arnold - Director Community and Corporate Services

Author : Manager Organisation Development - Darren Barber

Recommendation

THAT the Committee accept the attached report for noting.

THAT the first report will be presented at the February ARC Meeting.

Noted

10.2 AUDIT & RISK COMMITTEE ANNUAL PLAN 2021

Director : Evelyn Arnold - Director Community and Corporate Services

Author : Director Community and Corporate Services - Evelyn Arnold

Recommendation

THAT the Committee endorse the Audit & Risk Committee 2021 Annual Plan and Schedule of meeting dates as presented

Moved Councillor - Mary-Ann Brown Seconded Committee Member - Brian Densem

Carried

10.3 AUDIT & RISK COMMITTEE CHAIR REPORT 2019/2020

Director: Evelyn Arnold - Director Community and Corporate Services

Author : Committee Member - Michael Murphy

Recommendation

THAT the Committee note the Audit & Risk Committee Annual Report of Operations for 2019/2020 as tabled at the Council Briefing session on Wednesday 9 December 2020.

Moved Councillor - Mary-Ann Brown Seconded Deputy Mayor - David Robertson

Carried

10.4 VAGO, OMBUDSMAN & IBAC REPORTS

Director : Evelyn Arnold - Director Community and Corporate Services

Author : Director Community and Corporate Services - Evelyn Arnold

Recommendation

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

THAT the Chair requested the Committee follow up on the Warrnambool City Card - Credit Cards report and the October 2020 VAGO - Reducing Bushfire Risk.

Noted

Item 11.4 - COVID-19 Update was presented next.

10.5 COUNCILLOR EXPENSES - Q1 (July - September)

Director : Evelyn Arnold - Director Community and Corporate Services

Author : Governance Coordinator - Karly Saunders

Recommendation

THAT the Committee note the Councillor Expense Report as presented.

Noted

Item 9.4 - OHS Report was presented next.

Karly Saunders left the meeting at 03:33 PM

11. GENERAL BUSINESS**11.1 COVID-19 UPDATE**

Director: Michael Tudball - Chief Executive Officer

Author : Executive Assistant to the Director Community and Corporate Services - Nadine Rhook

Recommendation

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

Noted

11.2 ACCOUNTING FOR ASSETS POLICY REVIEW

Director: Evelyn Arnold - Director Community and Corporate Services

Author : Manager Finance - Belinda Johnson

Recommendation

THAT the Committee formally resolve to note the provision of the updated Accounting for Assets Policy.

**Moved Committee Member - Brian Densem
Brown**

Seconded Councillor - Mary-Ann

Carried

Item 10.1 - Strategic Risk Register System Update was presented next.

Rohit Srivastava left the meeting at 04:05 PM

11.3 - RECRUITMENT OF FOURTH EXTERNAL COMMITTEE MEMBER

Cr Brown requested that the recruitment process commence for a fourth external member as the Chair's appointment will conclude on 13 March 2021 and suggested there could be a transition period and succession plan for the new external member.

This will be a decision for Council.

12. NEXT MEETING

The quarterly meeting is scheduled for Tuesday 16 February 2021 commencing at 1.30pm via Microsoft Teams.

Mr Tudball noted that this was Mr Barbers last meeting and thanked him for his work with the Committee.

The Chair also expressed his appreciation on behalf of the Committee of the work of Mr Barber.

The meeting closed at 4.36pm

13. COMMITTEE IN CAMERA