



**Southern Grampians**  
SHIRE COUNCIL

# Audit & Risk Committee Minutes

Ordinary Meeting  
17 May 2021

To be held at 1.30pm in  
Martin J Hynes Auditorium/  
Teams Meeting

## 1. Attendance

### **Members**

Mr Brian Densem – Chair  
Mr Michael Murphy OAM  
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  
Ms Victoria Holt – Manager Organisational Development

### **Minutes**

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

### **Guests**

Mr Chris Kol - McLaren Hunt Financial Group  
Mr Paul Harrison – RSD Audit  
Ms Blessing Mendoza – RSD Audit  
Ms Marg Scanlon – Director Infrastructure  
Ms Karly Saunders – Governance Coordinator  
Mr Tim McLoughlin – Acting Health & Safety Coordinator  
Ms Kara Winderlich – Risk Management Coordinator  
Ms Elise Holmes – Acting Human Resources Coordinator  
Mr Russell Bennett – Manager Business Systems  
Ms Sherie Bain – Regulatory Services Coordinator  
Mrs Leanne Morey – Financial Services Coordinator  
Mr Mike Shanahan – Health & Safety Coordinator – late inclusion

*Mr Kol, Mr Harrison, Ms Mendoza, Ms Scanlon and Ms Morey entered the meeting at 1.30pm. Ms Cunningham joined the meeting via Teams at 1.32pm.*

## Welcome – Chair

The Chair welcomed all to the meeting and Mr Tudball introduced the new members of staff to the Committee along with a brief background.

Ms Marg Scanlon - Director Infrastructure. Mr Tudball thanked Ms Johnson for her work in the position as Acting Director Infrastructure until Ms Scanlon joined Council.

Ms Victoria Holt – Manager Organisational Development. Ms Leanne Morey – Financial Services Coordinator.

The Chair also introduced Mr Harrison and Ms Mendoza from RSD Audit.

## Apologies

Nil

## Conflict of Interest

Mr Brian Densem – Chair of Glenelg Hopkins CMA Audit & Risk Committee  
Mr Mick Murphy – Wannan Water  
Ms Aisling Cunningham – Quality Manager of Western District Health Service  
Cr David Robertson – Item 9.5 – Councillor Expenses  
Cr Mary-Ann Brown – Item 9.5 – Councillor Expenses

## Confirmation of Minutes

Minutes of the meeting held on 16 February 2021 have been circulated.

These unconfirmed minutes were presented to Council at the Ordinary Monthly Meeting held on Wednesday 10 March 2021.

### RECOMMENDATION

**THAT** the Minutes of the Ordinary Meeting of the Audit & Risk Committee held on 16 February 2021 be confirmed as a correct record of business transacted.

**Moved: Mr Murphy**  
**Carried: Cr Brown**

**CARRIED**

### Item 5.2 Summary Table of Outstanding Matters

**Author: Evelyn Arnold, Director Community & Corporate Services**  
**Attachments: Summary Table of Outstanding Matters**

### RECOMMENDATION

**THAT** this item be noted and items noted as “Close” be removed from the listing.

**NOTED**

### Item 6.1 External Audit - Progress Report of Current Actions

**Author: Belinda Johnson, Manager Finance**  
**Attachments: Progress Report of Current Actions - External Audit**

### ACTION/RECOMMENDATION

**THAT** the Committee note the Progress of Current Actions.

**THAT** a more detailed report, breakdown of the number of staff, on the outstanding Annual Leave, be provided to the Committee. Circulate with the minutes or the Agenda of the next meeting.

**NOTED**

**Item 6.2 Revaluation of Assets**

**Author: Belinda Johnson, Manager Finance**  
**Attachments: Unit Justification Document**

**ACTION/RECOMMENDATION**

**THAT** the Committee note the update of the Revaluation of Assets.

**THAT** the Kerb & Channel on Page 28 of the Agenda should be updated from square metres to linear metres.

**THAT** a review of the indicative plans is brought back to the Committee. Accounting for Assets Policy is reviewed annually and put into a timeframe/valuation cycle for the Committee to review and note.

**THAT** an overall attestation and a status of where Council is at by asset class with the six (6) that were completed in 2019 and the six (6) that are planned to be done in 2021, when they were previously completed and when they will be completed again and then on an annual basis. To be coordinated with the year end audit.

**NOTED**

**Item 6.3 Review Interim Management Letter**

**Author: Belinda Johnson, Manager Finance**  
**Attachments: Interim Management Letter**

**RECOMMENDATION**

**THAT** the Committee acknowledge the Interim Management Letter as presented.

**NOTED**

**Item 7.1 Internal Audit Progress - Overall**

**Author: Evelyn Arnold, Director Community & Corporate Services**  
**Attachments: Internal Audit Updates & Timeframes**

**RECOMMENDATION**

**THAT** the Committee note the update of the Internal Audit Progress.

**NOTED**

**Item 7.2 Progress Report of Internal Audit Actions (Interplan)**

**Author:** Victoria Holt, Manager Organisational Development  
**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
- Depot Management

**THAT** the item under 12.11 - Depot Procurement Management – Action 5.3.2.2 Manager Works to update the notes as this was last updated in February 2021.

**THAT** the item under 12.8 – Meetings & Framework – Action 5.1.4.63 are these minutes presented to another internal committee meeting or do they stay within the group. This will be taken this on notice and to come back to the Committee in the minutes. **Response:** The minutes are not shared but they are stored in Council's document management system – CM9 so all staff can access if required.

**THAT** this is item be taken on notice and Mr Tudball will bring the LEEEP work that Council has been undertaking and the three commitments to update the Committee and have the Manager Community Relations to update the comments and revise the dates on Actions 1.1.1.2, 1.1.1.11 and 1.1.1.5 at the next meeting.

**NOTED**

**Item 7.3 Internal Audit – Purchasing Cards**

**Author:** Belinda Johnson, Manager Finance  
**Attachments:** Purchasing Cards

**RECOMMENDATION**

**THAT** the Committee formally note the Final Report for Purchasing Cards and that the actions and timeframes be entered into CAMMS for progress monitoring and reporting.

It was acknowledged by the Committee that the report was very positive, and the work carried out by Finance.

**NOTED**

*Mr Bennett & Ms Saunders entered the meeting at 2.21pm*

**Item 7.4 Internal Audit – Data Security Protection (VPDSS)**

**Author:** Karly Saunders, Governance Coordinator & Russell Bennett,  
Manager Business Systems

**Attachments:** Data Security Protection (VPDSS)

**RECOMMENDATION**

**THAT** the Committee formally note the Final Report for Data Security Protection (VPDSS).

**NOTED**

*Mr Bennett left the meeting at 2.36pm*

**Item 8.1 Victorian Ombudsman – Investigation into Credit Card Misuse at Warrnambool City Council**

**Author:** Evelyn Arnold, Director Community & Corporate Services

**Attachments:** Nil

**RECOMMENDATION**

**THAT** the Committee formally note the report on the Investigation into Credit Card Misuse at Warrnambool City Council.

**NOTED**

*Ms Bain entered the meeting at 2.38pm*

**Item 8.2 VAGO - Reducing Bushfire Risk Report**

**Author:** Evelyn Arnold, Director Community & Corporate Services

**Attachments:** Report

**RECOMMENDATION**

**THAT** the Committee formally note the report on the VAGO - Reducing Bushfire Risk Report.

**NOTED**

*Ms Bain left the meeting at 2.51pm*

*Ms Holmes entered the meeting at 2.52pm*

**Item 8.3 VAGO – Sexual Harassment in Local Government**

**Author:** Elise Holmes, Acting Human Resources Coordinator  
**Attachments:** Report

**RECOMMENDATION**

**THAT** the Committee note the response to the VAGO – Sexual Harassment in Local Government Report.

**NOTED**

*Ms Holmes left the meeting 2.55pm*

**Item 9.1 Standard Statements – Finance Report**

**Author:** Belinda Johnson, Manager Finance  
**Attachments:** Standard Statements

**RECOMMENDATION**

**THAT** the Committee note the Finance Reports as at 31 March 2021, as presented.

**NOTED**

**Item 9.2 Implementation of Local Government Act**

**Author:** Karly Saunders, Governance Coordinator  
**Attachments:** Local Government Act 2020 Project Plan

**RECOMMENDATION**

**THAT** this item be noted.

**NOTED**

**Item 9.3 Compliance Framework**

**Author:** Karly Saunders, Governance Coordinator  
**Attachments:** Project Plan

**RECOMMENDATION**

**THAT** the Committee note the update on the Compliance Framework.

The Committee acknowledged the amount of work that has gone into this Plan and thanked Ms Saunders.

**NOTED**

*Mr McLoughlin and Mr Shanahan entered the meeting at 3.20pm.*

**Item 9.4 OHS Report**

**Author:** Tim McLoughlin, Acting Health & Safety Coordinator  
**Attachments:** OHS Report

**RECOMMENDATION**

**THAT** the Committee note the attached report.

**NOTED**

*Mr McLoughlin, Mr Shanahan & Mr Kol left the meeting at 3.27pm.*

**Item 9.5 Councillor Expenses Quarterly Report**

**Author:** Karly Saunders, Governance Coordinator  
**Attachments:** Councillor Expenses - Quarterly Report - 1 January – 31 March 2021

**RECOMMENDATION**

**THAT** the Committee note the Councillor Expense Report as presented.

**NOTED**

*Ms Saunders left the meeting at 3.30pm*

**Item 10.1 Review Draft Budget & associated documents**

**Author:** Belinda Johnson, Manager Finance  
**Attachments:** None

**RECOMMENDATION**

**THAT** the Committee note the progress of the documents.

Council will review the budget and associated documents at Council Briefing on 19 May 2021.

**NOTED**



**Item 10.2      Review of Council’s Procurement Policy & Guidelines**

**Author:**                      **Belinda Johnson, Manager Finance**  
**Attachments:**              **Nil**

**RECOMMENDATION**

**THAT** the Committee note the timeline for the development of a revised Procurement Policy & Guidelines.

**NOTED**

*Ms Winderlich entered the meeting at 3.36pm*

**Item 10.3      Strategic Risk Register System Update**

**Author:**                      **Kara Winderlich, Risk Management Coordinator**  
**Attachments:**              **SGSC Risk Register**

**RECOMMENDATION**

**THAT** the Committee accept the attached report for noting.

**NOTED**

*Ms Winderlich left the meeting at 3.42pm*

**Item 10.4      VAGO, Ombudsman, IBAC Reports**

**Author:**                      **RSD Audit**  
**Attachments:**              **VAGO, Ombudsman & IBAC Reports**

**ACTION/RECOMMENDATION**

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

**ACTION:** Forward to the Committee with the minutes the updated report as two (2) more items, VAGO – Maintaining Local Roads and IBAC – Corrupt Conduct at a Regional Health Service, were added to this report since the Agenda was sent out.

**NOTED**

**Item 11.1 Brown Street Business Centre, Finance Building, Library, PAC and Senior Citizens building Flood Update**

**Author: Michael Tudball, CEO**

**Attachments: Nil**

**RECOMMENDATION**

**THAT** the Committee acknowledge the update provided by Ms Arnold.

**NOTED**

**Item 11.2 – VAGO Update**

Mr Murphy advised the Committee that VAGO have changed their Agency Panel, there is currently 23 providers around Victoria that complete work on behalf of VAGO which has now been diminished to seven (7), five (5) out of Melbourne and two (2) in the Regional areas. Our current auditors, McLaren Hunt Financial Group will no longer be on that panel. RSD Audit have been included and an Accounting firm from Wodonga. There will be a loss of 10 auditors from McLaren Hunt out of this region and the impact will be devastating. The Great South Coast Group of Leaders – CEO will approach the Auditor General on our behalf about this issue.

## **12. Next Meeting**

The next meeting quarterly meeting is scheduled for 14 September 2021.

Meeting closed at 3.54pm

## **13. Committee in Camera**

Did not transpire.