



# **MINUTES**

**Audit, Risk and Improvement  
Committee Meeting  
Thursday, 15 October 2020**

**Order Of Business**

<b>1</b>	<b>Open</b> .....	<b>3</b>
<b>2</b>	<b>Present</b> .....	<b>3</b>
<b>3</b>	<b>Apologies</b> .....	<b>3</b>
<b>4</b>	<b>Minutes of Previous Meeting</b> .....	<b>4</b>
4.1	Minutes of the Audit Risk and Improvement Committee Meeting held on 19 June 2020 .....	5
<b>5</b>	<b>Business Arising</b> .....	<b>5</b>
<b>6</b>	<b>Action List</b> .....	<b>5</b>
<b>7</b>	<b>Reports</b> .....	<b>5</b>
7.1	Action Table .....	5
7.2	StateCover Work Health Safety Audit 2020.....	6
7.3	DRAFT 2020 Balranald Shire risk Maturity Report .....	6
7.4	DRAFT GENERAL PURPOSE ANNUAL FINANCIAL STATEMENTS 2019/2020 .....	7
7.5	RESIGNATION - GUY FIELDING .....	8
<b>8</b>	<b>Next Meeting</b> .....	<b>9</b>
<b>9</b>	<b>Close</b> .....	<b>9</b>

**MINUTES OF BALRANALD SHIRE COUNCIL  
AUDIT, RISK AND IMPROVEMENT COMMITTEE MEETING  
HELD AT THE COUNCIL CHAMBERS, MARKET STREET BALRANALD  
ON THURSDAY, 15 OCTOBER 2020 AT 11.20AM**

**1 OPEN**

The meeting was opened by the Chair at 11.09am by welcoming each member, including Acting General Manager Peter Kozlowski and acknowledged the previous General Manager, Michael Kitzelmann for the support he gave to the audit function and committee during his time as General Manager of Balranald Shire.

**2 PRESENT**

Ms Rosanne Kava (Chair), Mr Damein Aidon (CEO – Balranald Local Aboriginal Lands Council) and Mr Simon Rule (Director Finance, Wentworth Shire Council) via Zoom.

**IN ATTENDANCE:**

Mr Peter Kozlowski (General Manager), Mrs Terri Bilske (Director Corporate & Community Services), Mr Ray Davy (Director Infrastructure & Development), Mr Graeme Gillam (Finance Manager), Mr Keith Coates (Internal Auditor), Mr Phil Ruddick (HR, Risk & WHS Officer) and Mrs Carol Holmes (Senior Executive Assistant).

**3 APOLOGIES**

Nil

#### **4 MINUTES OF PREVIOUS MEETING**

Mrs Bilske advised that the minutes of 19 June 2020 mentions there was allowance in the 2020/2021 budget for Governance Officer, this is incorrect. There has been no provisions made for a Governance Officer in the budget.

Mr Simon Rule moved and Rosanne Kava seconded the previous minutes with the absence of other committee members.

Mr Rule enquired, with the absence of Mr Aidon, have we a quorum to continue with the meeting? The constitution states that the majority including at least one independent member, although the constitution is outdated as it includes 2 councillors, and no opportunity to review it therefore the number of members currently would be 4, we have 2 present and 1 on his way, and 1 resignation to deal with. Therefore it was advised by Mr Kozlowski to wait for Mr Aidon unless there is a resolution to say 2 out of 4 would be appropriate.

Mr Davy asked with the dismissal of Councillors, does this negate the size of the committee. Ms Kava advised that elected members are not accepted on the Audit Committees, which is a direction from Local Government, therefore they are not counted as part of the quorum. Mr Kozlowski advised the Chair that he had spoken with the Administrator and advised that he does not have a role on the Audit Committee.

#### **ADJURNMENT:**

The Meeting adjourned at 11.16am.

#### **OPENED:**

The meeting opened at 11.20am by welcoming Mr Kozlowski (Acting General Manager) and Mr Gillam (Finance Manager) with Mr Damein Aidon present and acknowledged Michael Kitzelmann, for the support he gave to the Audit Committee during his time as General Manager of Balranald shire.

#### **CONFLICT OF INTEREST:**

There were no Conflicts of Interest declared at the meeting.

The Chair advised that she had some General Business items to be included in the Agenda.

Mr Davy requested that RMCC Audits to be included in ARIC Meetings.

Ms Kava advised the updating of the Terms of Reference could be included in General Business, and asked if any committee member had any other items.

Mr Aidon also requested if he could make a recommendation to the committee, to allow funds for extra COVID testing. This would also be included in General Business.

Mr Kozlowski also suggested that the resignation of Mr Guy Fielding also be included in the General Business.

**4.1 MINUTES OF THE AUDIT RISK AND IMPROVEMENT COMMITTEE MEETING HELD ON 19 JUNE 2020**

---

**COMMITTEE RESOLUTION 2020/3**

Moved: Mr Simon Rule

Seconded: Mr Damein Aidon

That the Minutes of the Audit Risk and Improvement Committee Meeting held on 19 June 2020, as circulated, be confirmed.

**CARRIED****5 BUSINESS ARISING**

It was noted there was no Business Arising or Action List from the Previous Minutes.

**6 ACTION LIST****7 REPORTS****7.1 ACTION TABLE****PURPOSE OF REPORT**

To update the Action Table.

Ms Kava reported that the comments regarding the Action List at the June Meeting had not been picked up in the tables, and would like a detailed discussion regarding the comments and status of the table. There needs to be changes made to the table and allow more information to ensure committee gets the correct information for recommendation. The Chair asked Mr Kozlowski for advice on the table with any suggestions that can be made.

Mr Kozlowski advised that there are changes that can be made, although there is nothing wrong with the wording on the table. A list of actions that define more accurately the recommendation can be included in the table and a scoring system that allows to see very clearly of any movements of risk from originally and what it would be after actions have been completed.

Mr Rule requested that when an action has been completed, report it to ARIC as complete, then remove that action from the table.

Ms Kava advised that she was disappointed to learn that the Governance Officer was not in the budget as one is needed at Council. Mrs Bilske advised that the budget was adopted on the current organisation structure and Governance Officer is currently not in place. Ms Kava advised that a Governance Officer would be extremely important. Smaller councils need to be just as compliant as larger councils.

Mr Coates advised that Balranald Shire Council is wasting money if we don't act on the Governance Officer position.

---

**COMMITTEE RECOMMENDATION**

Moved: Mr Simon Rule

Seconded: Mr Damein Aidon

1. That the Action Table be received and noted.
  2. That ARIC recommends to Council that urgent consideration be given to the appointment of a Governance Officer.
-

Mr Aidon asked on funding for Governance Officer, could this be a Part Time Position if funding is not available for a full time position.

## **7.2 STATECOVER WORK HEALTH SAFETY AUDIT 2020**

### **PURPOSE OF REPORT**

To present the findings of the StateCover WHS Audit Report 2020 with the view of updating and reviewing the WHS Action plan.

Mr Ruddick advised the Committee that there is slight improvement in the reports with no great changes being made in 12 months.

Hearing Testing had been completed for staff since the report was compiled.

Mr Coates advised that the risk ratings were higher in 2018, and came back slightly in 2019. He also advised that for gravel (quarries) a mining safety plan should be in progress.

Mr Kozlowski advised that Mr Davy would take that on board and have a plan prepared for the next ARIC Meeting.

---

### **COMMITTEE RECOMMENDATION**

Moved: Mr Simon Rule

Seconded: Mr Damein Aidon

- That the Committee notes and accepts the report.
- That the Committee endorses and implements the recommendations contained within the StateCover WHS Audit report 2020 and the StateCover Action Plan.

## **7.3 DRAFT 2020 BALRANALD SHIRE RISK MATURITY REPORT**

### **PURPOSE OF REPORT**

To note the draft 2020 Balranald Shire Council Risk Maturity Report.

Mr Ruddick advised the Committee that the report was initiated from last year and advised the risk maturity would be completed, out level of Risk has increased.

Ms Kava reported ARIC of not being engaged in the Risk Maturity. Also commented on only 3 staff responding to the Risk Maturity Survey, this is not good enough. Mr Ruddick advised that the survey only went to Manager level of Staff and Directors. Ms Kava enquired if it could be sent further.

---

### **COMMITTEE RECOMMENDATION**

Moved: Mr Damian Aidon

Seconded: Mr Simon Rule

That the Committee recommends that an expansion of the survey be forwarded more officers to offer the opportunity to participate with Council to decide which staff members to receive the survey.

#### 7.4 DRAFT GENERAL PURPOSE ANNUAL FINANCIAL STATEMENTS 2019/2020

##### PURPOSE OF REPORT

To provide the committee with a copy of the Draft General Purpose Annual Financial Statements for 2019/2020.

Mrs Bilske advised that some grant monies had been overspent.

Mr Kozlowski advised that a variance process had been put in place to be used immediately.

Ms Kava enquired about what actions were in place to advise council of the overspending. Mr Davy advised that council was very aware of the scope of works.

Mr Davy advised there was certainly no excuse for the Market Street works, Award tenderer was significantly lower than the funding availability. Reporting was being made by staff that the works were coming under budget. Council arranged extra works to be completed which put funding over budget.

Mr Kozlowski advised that he is confident that Council does not have resources in place to keep track of jobs. The capacity of the organisation is under resourced. He also advised that advertising is only one way of getting it out there, we have 4 years to get back on track.

Mr Davy advised that the job coding system needs changing for grant monies to enable better reporting and tracking.

Mr Aidon left the meeting at 12.45pm

The meeting adjourned for 10 minutes due to not having a quorum with Mr Aidon not present at the meeting.

Mr Aidon rejoined the meeting at 12.55pm and the meeting recommenced.

Ms Kava asked the committee members to pass on any comments regarding the Financial Statements to Mrs Bilske within the next 24 hours.

It was noted that the letter from Auditor General Office received in June or July 2020, have some recommendations that will be needing acting on. Mrs Bilske advised that some of the actions had not been completed with IT being one of them.

---

##### COMMITTEE RECOMMENDATION

Moved: Mr Simon Rule

Seconded: Mr Damian Aidon

That the committee receives and notes the Draft General Purpose Annual Financial Statements for 2019/2020.

**GENERAL BUSINESS:****RMCC**

Works that Council do for Transport NSW on Stateroads. It is a requirement to comply with their plan. An audit took place recently with some items that needed addressing. One issue was we don't have version control within the workplace for documents. Mr Davy advised that he is conversing with Mr Coates for updating the compliance.

**7.5 RESIGNATION - GUY FIELDING****PURPOSE OF REPORT**

To advise the Committee of the resignation of Guy Fielding, committee member.

---

**COMMITTEE RECOMMENDATION**

Moved: Mr Damian Aidon

Seconded: Mr Simon Rule

That the committee accept the resignation of Guy Fielding with regret and wish him well with his future endeavours.

**TERMS OF REFERENCE/CHARTER**

Discussions around making alterations to the Terms of Reference/Charter and report back to the next ARIC meeting. The Chair, Ms Kava was not sure of requirements of the number of meetings were needed for ARIC. Mr Rule ARIC needed to meet 4 times per year although, was unsure of the number of members that were needed through OLG. As we currently only have 3 members. The Charter will need to be added to the agenda of the next meeting.

**COVID TESTING**

Mr Aidon stated that COVID will still be around for another 6 months. Further testing should be made available. Borders need to be stricter and not allowing travellers to enter the township of Balranald. Balranald Community is a close community with zero COVID. We should not wait for State to make the ruling and commence wearing masks within our town. The wellbeing of our community is more important than the entire state.

Ms Kava asked if anything outside of this committee could be done to assist. Mr Aidon advised that any assistance from Federal, State Members, police and council would be accepted. Border Permits should be stricter.

Ms Kava advised Damein that this committee is not the correct place to discuss this but definitely sympathises with him.

Mr Kozlowski advised Damein to have a discussion with himself, although not through this committee.

**8 NEXT MEETING**

The next ARIC Meeting will be held on 3rd December 2020 at 11am.

Mr Davy left the meeting at 1.30pm

**9 CLOSE**

**The Meeting closed at 1.32pm.**

**The minutes of this meeting were confirmed at the Audit Risk and Improvement Committee Meeting held on 3rd December 2020.**

.....  
**CHAIRPERSON**