

## Item 12: Reports from Committees

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### 12.1 Audit Risk and Improvement Committee Minutes 6 August 2021

REPORT BY THE EXECUTIVE MANAGER, PEOPLE AND PERFORMANCE  
TO 15 SEPTEMBER 2021 ORDINARY MEETING  
GOV400087, COR400236

#### RECOMMENDATION

##### That Council:

1. receive the report by the Executive Manager, People and Performance on the Audit Risk and Improvement Committee Minutes 6 August 2021; and
  2. endorse the minutes and recommendations of the Audit Risk and Improvement Committee meeting 6 August 2021.
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#### Executive summary

This report is to advise Council of the matters given consideration at the meeting of the Audit Risk and Improvement Committee held on 6 August 2021.

#### Disclosure of Interest

Nil.

#### Detailed report

The Audit Risk and Improvement Committee Charter requires the Committee to report to Council at the first opportunity (dependent on meeting schedules) after each meeting held. Attached to this report are the minutes of the 6 August 2021 meeting.

#### Community Plan implications

Theme	Good Governance
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Goal	An effective and efficient organisation
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Strategy	Prudently manage risks association with all Council activities
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#### Strategic implications

##### Council Strategies

Not Applicable.

**Council Policies**

Audit Risk and Improvement Committee Charter  
Internal Audit Policy

**Legislation**

Not Applicable.

Financial implications

Not Applicable.

Associated Risks

Nil.

MICHELE GEORGE  
EXECUTIVE MANAGER, PEOPLE AND  
PERFORMANCE

10 August 2021

*Attachments:* 1. Audit Risk and Improvement Committee Minutes 6 August 2021.

APPROVED FOR SUBMISSION:

BRAD CAM  
GENERAL MANAGER

# Minutes of the Audit, Risk and Improvement Committee

Held at the Council Chambers, 86 Market Street, Mudgee  
on 06 August 2021, commencing at 10:40AM and concluding at 12.05PM

PRESENT John Stuart – Chair; John O’Neill – Councillor Representative; Brad Cam – General Manager; Michele George – Executive Manager People & Performance; Leonie Johnson – Chief Financial Officer; Ian Blake – Manager ICT; Richard Cushway – Manager Customer Services & Governance; Erin Reid – Business Improvement Officer; Kate Barker – Minute Taker

IN ATTENDANCE VIA TEAMS Tim Johnston – Governance Coordinator; Alison Lee – Crowe; Luke Malone – Prosperity; John Bentley – Committee Member.

## Item 1: Apologies

1.1 APOLOGIES

### MOTION: STUART/O’NEILL

The following apology was accepted:

- Unaib Jeffrey – NSW Audit Office.

## Item 2: Disclosure of Interest

There were no disclosures of interest.

## Item 3: Confirmation of Minutes

### MOTION: STUART/CAM

The Minutes of the previous ARIC Meeting held on 14 May 2021 were taken as read and confirmed.

## Item 4: Matters in Progress

4.1 MATTERS IN PROGRESS

### MOTION: STUART/O’NEILL

That the items:

**Work Health and Safety Reports**

Mid-Western Regional Council

Date: 06 August 2021

**Draft External Audit Engagement**

**be noted as completed and removed from matters in progress.**

*The motion was carried with the Committee Members voting unanimously.*

<b>SUBJECT</b>	<b>REPORT NO. &amp; DATE</b>	<b>RESOLUTION</b>	<b>ACTION</b>
Work Health and Safety Reports	5.1 – 12 February 2021	The Audit Risk and Improvement Committee requested the State Cover Report be presented at the next meeting.	<b>RECOMMENDED FOR COMPLETION</b>
Draft External Audit Engagement	6.4 – 12 February 2021	That the Audit Risk and Improvement Committee: a) endorse the draft 2020 External Audit Engagement Plan; and b) endorse the proposed ARIC meeting dates in line with the Audit Engagement Plan as follows: • Draft Financial Statements to be circulated to ARIC prior to the Council meeting of August 2021; • Financial Statements to be circulated to ARIC prior to the Council Meeting of October 2021.	<b>RECOMMENDED FOR COMPLETION</b>
Enterprise Risk Management	5.1 – 15 May 2020	Note that the Enterprise Risk Management Framework will be reviewed annually.	<b>Please see report 5.4</b>

*The Chair moved forward items 6.1, 6.5 and 6.7 in the agenda.*

6.1 NSW AUDITOR GENERAL'S REPORT ON LOCAL GOVERNMENT 2020

COR400236, COR400236

**MOTION: STUART/O'NEILL**

**The Audit Risk and Improvement Committee noted the report.**

*The motion was carried with the Committee Members voting unanimously.*

6.5 DRAFT FINANCIAL STATEMENTS 2020/2021

COR400236, FIN300136

**MOTION: STUART/O'NEILL**

**The Audit, Risk and Improvement Committee received the Draft Financial Statements for the financial year ended 30 June 2021.**

**The Chair commented on the outstanding result for 20/21 and commended staff on the early completion of the statements.**

*The motion was carried with the Committee Members voting unanimously.*

*10:49AM John Bentley, Committee Member, joined the meeting*

6.7 INTERNAL AUDIT PROGRESS UPDATE

COR400236, COR400243

**MOTION: STUART/O'NEILL**

**The Audit Risk and Improvement Committee received the Crowe Status Report.**

*The motion was carried with the Committee Members voting unanimously.*

*10:54AM, Luke Malone, Prosperity, left the meeting*

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Audit, Risk and Improvement Committee

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**Item 5: Standing Items**

5.1 WORK HEALTH AND SAFETY REPORTS

COR400236, COR400243

**MOTION: BENTLEY/O'NEILL**

**The Audit Risk and Improvement Committee:**

1. received the WHS Report for the following months:

- a. April 2021;
- b. May 2021; and
- c. June 2021

**The Committee commended Mid-Western Regional Council staff on safety efforts.**

*The motion was carried with the Committee Members voting unanimously.*

5.2 UPDATE ON MWRC AUDIT AND BUSINESS IMPROVEMENT ACTION ITEMS

COR400236, COR400236

**MOTION: STUART/O'NEILL**

**The Audit Risk and Improvement Committee noted the progress on the Action Items for the:**

- Internal Audit
- Business Improvement
- External Audit action items

*The motion was carried with the Committee Members voting unanimously.*

5.3 FRAUD INCIDENT & PROCUREMENT BREACH REGISTERS

COR400236, COR400236

**MOTION: STUART/O'NEILL**

**The Audit Risk and Improvement Committee noted:**

1. that there was one fraud incident since the last ARIC meeting;
2. that there were two incidents of Procurement Breach; and
3. the actions taken to address the items.

*The motion was carried with the Committee Members voting unanimously.*

5.4 ENTERPRISE RISK MANAGEMENT UPDATE

COR400236, COR400243

**MOTION: STUART/O'NEILL**

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**The Audit Risk and Improvement Committee noted the Enterprise Risk Management update.**

*The motion was carried with the Committee Members voting unanimously.*

5.5 LEGISLATIVE COMPLIANCE UPDATE

COR400236, COR400243

**MOTION: STUART/O'NEILL**

**The Audit Risk and Improvement Committee noted the report by the Manager, Customer Services & Governance.**

Tim Johnston, Governance Coordinator, advised he will provide a demonstration of the Legislative Compliance Database at the November 2021 Audit Risk and Improvement Committee meeting.

*The motion was carried with the Committee Members voting unanimously.*

**Item 6:**

**Reports**

6.2 INVESTIGATION INTO THE CONDUCT OF COUNCILLORS  
OF THE FORMER CANTERBURY CITY COUNCIL AND  
OTHERS

COR400236, COR400236

**MOTION: STUART/O'NEILL**

**The Audit Risk and Improvement Committee noted the Report.**

*The motion was carried with the Committee Members voting unanimously.*

6.3 ANNUAL REPORT BY THE COMMITTEE CHAIR

COR400236, COR400236

**MOTION: STUART/BENTLEY**

**The Audit Risk and Improvement Committee received the Annual Report by the Chair and recommend that the report be presented to the next Council meeting.**

The Chair acknowledged the work of Mid-Western Regional Council staff and noted the progress being made by the Audit Risk and Improvement Committee.

*The motion was carried with the Committee Members voting unanimously.*

6.4 BUSINESS IMPROVEMENT AT COUNCIL

COR400236, COR400236

**MOTION: BENTLEY/STUART**

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**The Audit Risk and Improvement Committee noted the update on the Business Improvement program at Mid-Western Regional Council.**

The Committee commended Council's Business Improvement initiative.

*The motion was carried with the Committee Members voting unanimously.*

6.6 RFS RED FLEET ASSETS

COR400236, COR400236

**MOTION: STUART/O'NEILL**

**The Audit Risk and Improvement Committee noted the Report.**

*The motion was carried with the Committee Members voting unanimously.*

*11.37AM Alison Lee, Crowe, and Tim Johnston, Governance Coordinator, left the meeting.*

The Chief Financial Officer provided a detailed presentation on the Draft Financial Statements 2020/2021.

**Item 7: General Business**

Nil

**Item 8: Correspondence**

Nil

**Item 9: Closure**

There being no further business the meeting concluded at 12.05PM.

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