



MINUTES

Audit, Risk and Improvement Committee Meeting Monday 27 November 2023

Date: Monday 27 November 2023

Time: 10:00am

**Location: Council Chambers
Cnr Camp & Weddin Streets
GRENFELL NSW 2810**

ORDER OF BUSINESS

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**MINUTES OF WEDDIN SHIRE COUNCIL
AUDIT, RISK AND IMPROVEMENT COMMITTEE MEETING
HELD AT THE COUNCIL CHAMBERS, CNR CAMP & WEDDIN STREETS, GRENFELL
NSW 2810
ON MONDAY, 27 NOVEMBER 2023 AT 10:00AM**

1 OPENING

Those in attendance are asked to comply with all relevant WSC codes, policies and procedures at all times.

2 ACKNOWLEDGEMENT OF COUNTRY

Weddin Shire Council would like to acknowledge the Wiradjuri people who are the Traditional Custodians of the Land.

Weddin Shire Council would also like to pay respect to the Elders both past and present of the Wiradjuri Nation and extend that respect to other Aboriginal Australians who are present.

3 ATTENDANCE

PRESENT:

Chair Ron Gillard, Member Les Hullick (via Teams), Member John Oldfield (via Teams), Member Cr Glenda Howell (non-voting)

IN ATTENDANCE:

Noreen Vu (General Manager), John Thompson (Intentus), Jeff Shanks (Luka Group), Liz Walters (Secretariat).

APOLOGIES:

NIL

4 RISK AWARENESS STATEMENT

- Ron Gillard – Standing Declaration of Interest: Central Tablelands Water ARIC Member
- John Oldfield – Consulting with another ARIC Committee on Cyber Security

5 CONFIRMATION OF MINUTES

COMMITTEE RESOLUTION 001/23

Moved: Member Oldfield

Seconded: Member Hullick

That Minutes of the Audit, Risk and Improvement Committee Meeting held 24 July 2023 and 27 September 2023 be taken as read and CONFIRMED.

CARRIED

6 MATTERS ARISING

6.1 INFORMATION REQUESTED AT 24 JULY 2023 ARIC MEETING

File Number:

Author: General Manager

Attachments: Nil

Precis: To formally provide ARIC information reports requested at the 24 July 2023 meeting.

Budget: Nil

RECOMMENDATION

That the Audit, Risk and Improvement Committee:

1. Note the requested information from the 24 July 2023 meeting is provided.
2. Note the recent WHS Statecover report and action plan for the 2022/23 period.

COMMITTEE RESOLUTION 002/23

Moved: Member Hullick

Seconded: Member Oldfield

That the Committee:

1. Note the requested information from the 24 July 2023 meeting is provided.
2. Note the recent WHS Statecover report and action plan for the 2022/23 period.
3. Request update on the progress against the WHS Action Plan be provided to the next meeting.
4. Note the updated Shepherd asset condition report and subsequent discussion, and request management to provide a draft summary report of actions required to address the findings, including estimated timeframes and costs.

CARRIED

At the 24 July 2023 Audit, Risk and Improvement Committee (ARIC) Meeting, the following further information requests were made:

1. To request Council/Management provide a copy of the WHS Statecover detailed report and action plan to the next ARIC meeting along with an updated report of progress against the action plan.
2. Request the Shepherds report on the asset condition assessment be provided to the committee once available.

WHS StateCover

The detailed WHS Statecover Report and Action Plan from the 2021-2022 period is provided. The ARIC should note that following the last meeting, Statecover has provided the report for the 2022-2023 period. Council has subsequently submitted in an action plan for this reporting period.

Shepherd's Asset Condition Assessment

Council is in receipt of the Shepherd's Asset Condition Assessment. The Buildings Valuation presentation provides an overview of the methodology used and the confirmation of useful life of buildings and complex structures of Weddin Shire Council.

The Buildings, Structures and Land revaluations to support the condition assessment is provided in the sharepoint for ARIC.

6.2 RISK MANAGEMENT - UPDATE ON RISK REGISTER

File Number:

Author: General Manager

Authoriser: General Manager

Attachments: Nil

CSP Objective: Democratic and engaged community supported by efficient internal systems

Precis: Risk management summary of Council

Budget: Nil.

RECOMMENDATION

That the ARIC Committee:

1. Note the information update contained in this report.

COMMITTEE RESOLUTION 003/23

Moved: Member Oldfield

Seconded: Member Hullick

That the Committee:

1. Note the information update contained in this report.

CARRIED

Suggest review and potential amendments to the Risk Matrix and the rating determinations (ie. Rare/Catastrophic and Possible/Moderate reduce from 'high' to 'moderate', and Rare/Moderate reduce from 'moderate' to 'low').

Has Council approved the matrix/consequence scale?

Noting no Risk Register has been developed as yet. Look to separate the Operational and a Strategic Risk Registers.

Cyber Security needs to be included, as a separate risk function.

PURPOSE

To provide the Weddin Shire Audit, Risk and Improvement Committee (ARIC) an information update on Council’s Risk Register.

BACKGROUND

The ARIC considered at it 24 July 2023 a resolution to:

Endorse that the General Manager develop a Risk Register and to report Risk Profile Affecting Events to each meeting.

The ARIC is aware that Council is embarking on a new creation journey to develop its enterprise risk register.

On 15 March 2012, Council adopted a Risk Management Policy, which underwent a number of reviews across a number of years. More recently, Council adopted the Risk Management and Internal Audit Policy, which superseded its predecessor at the 18 May 2023 (099/23). The Policy seeks to strengthen risk management and internal audit practices by setting a minimum standard that reflects a ‘best practice’ approach. The Policy replaces the Guidelines the NSW Government’s Internal Audit Guidelines for Local Government in NSW issued in 2010.

ISSUES AND COMMENTS

Following the ARIC meeting, Council’s Executive Team met with Statewide Mutual to discuss how Council could progress on an enterprise risk register on 28 August 2023. Separate to Council’s enterprise risk register, Council implements a work, health and safety incident register. Risk assessments at Council’s quarries and pits has also recently been undertaken due to a number of Improvement Notices issued to Council from the NSW Resources Regulator. The ARIC should refer to Council’s Report Card for further information (Risk affecting profile events).

Enterprise Risk Register

The Enterprise Risk Register includes the following components.

Risk Matrix

The Risk Matrix includes the consequence term and the likelihood.

| | | CONSEQUENCE TERM | | | | |
|-----------------|----------------|------------------|----------|----------|----------|--------------|
| | | Insignificant | Minor | Moderate | Major | Catastrophic |
| LIKELIHOOD TERM | Almost certain | MODERATE | HIGH | HIGH | EXTREME | EXTREME |
| | Likely | MODERATE | MODERATE | HIGH | HIGH | EXTREME |
| | Possible | LOW | MODERATE | HIGH | HIGH | HIGH |
| | Unlikely | LOW | LOW | MODERATE | MODERATE | HIGH |
| | Rare | LOW | LOW | MODERATE | MODERATE | HIGH |

The Likelihood term is provided below.

| LIKELIHOOD TERM | LIKELIHOOD DEFINITION |
|-----------------|---|
| Almost certain | Could happen at least once per month |
| Likely | Could happen at six monthly |
| Possible | Could happen once per year |
| Unlikely | Could happen every 5 years |
| Rare | Could happen, but greater than 5 yearly |

The Consequence measure is provided below:

| CONSEQUENCE TERM | CONSEQUENCE DEFINITION - EXAMPLE |
|------------------|--|
| Insignificant | Small detriment, financial cost of less than \$1000 |
| Minor | Minor detriment to image, gossip generated throughout community, financial cost of between \$1000 and \$5000 |
| Moderate | Moderate detriment, local media coverage, financial cost of between \$5000 and \$50000 |
| Major | Reputation damaged, state-wide media coverage, financial cost of between \$50000 and \$150000 |
| Catastrophic | Significant reputation damage, Council can no longer function, cost of over \$150000 |

Functions of Council

The Risk Register is in early stages of development and will cover the following functions (which may be amended when next presented to ARIC):

- Animal Control
- Aquatic Centres
- Arts
- Buildings
- Cemeteries
- Community Services
- Customer Service
- Economic Development
- Environment and Natural Resources
- Events and Tourism
- Finance
- Fleet
- Governance
- Grants
- Human Resources

- Information Services
- Insurance
- Library
- Planning
- Regulatory (including rangers)
- Records
- Recreation
- Roads and Drainage
- Sewer
- Technical Services
- Waste management

POLICY/LEGAL IMPLICATIONS

Council is required to report and document a risk register and risk profile. The enterprise risk register will be a standing agenda item for the ARIC to monitor.

FINANCIAL/RESOURCE IMPLICATIONS

ARIC will note that the development of a risk register will take some time for Council staff to prepare. An outline of the enterprise risk register has been provided in this report and steps taken since the last ARIC meeting.

INTERNAL/EXTERNAL CONSULTATION

Council's insurer, Statewide Mutual met with Council on 28 August 2023 regarding risk management and has provided an enterprise risk matrix for Council to carry out.

CONCLUSION

Weddin Shire Council is yet to develop an appropriate risk management framework consisting of the risk register and will continue to work on this with a full Executive Team.

7 GENERAL BUSINESS

7.1 UPDATE ON 2022-2023 ANNUAL FINANCIAL STATEMENTS

File Number:

Author: General Manager

Attachments:

1. Annual_Financial_Statements-GPFS-2023
2. Annual_Financial_Statements-SPFS-2023

CSP Objective: Shire assets and services delivered effectively and efficiently

Precis: To provide the ARIC an overview of the 2022-2023 Annual Financial Statements with Auditor Contractor (Mr John Thompson from Intentus)

Budget: Nil

The Committee

1. Note the information contained with the report and the oral presentations provided
2. Request Council advise ARIC once the final audited financial statements are received
3. Consider convening a second special meeting (online) prior to the statements being presented to Council or tabled at Council meeting.
4. Thank Council staff, Luka Group and Intentus for their efforts in getting the statements to this stage and finalised within the extension timeframe.

COMMITTEE RESOLUTION 004/23

Moved: Member Oldfield

Seconded: Member Hullick

That the Committee

1. Note the information contained with the report and the oral presentations provided.
2. Request Council advise ARIC once the final audited financial statements are received.
3. Consider convening a second special meeting (online) prior to the statements being presented to or tabled at Council meeting.
4. Thank Council staff, Luka Group and Intentus for getting the statements to this stage and finalised within the extension timeframe.

CARRIED

The Audit, Risk and Improvement Committee (ARIC) at its special meeting on 27 September 2023 received a presentation of the draft 2022-2023 Annual Financial Statements from Council's contracted accounting firm Luka Group (Mr Jeff Shanks). A number of adjustments were made, notably C1-3 showing the restricted cash breach.

At 30 June 2023, Council had insufficient cash to cover its external restrictions. This is due to Council having debtors and debtor accruals at year end.

The final Annual Financial Statements prepared for Audit, shows Council effectively borrowing money from its external restriction to pay for expenses in general fund. To return Council to a non deficit of its unrestricted cash, Council has effectively borrowed from sewer fund and used unrestricted grant income.

Intentus (Audit Office's contractor auditor) undertook the final onsite audit on 7 November and 8 November 2023. A number of close out actions are in progress at the time of writing this report.

Council has not received its management letter, noting that Council received an extension to 22 December 2023 from the Office of Local Government.

Mr John Thompson from Intentus has been asked to provide the ARIC a quick overview of the audit to date.

- John Thompson and Jeff Shanks left the meeting at 10:52am.

7.2 SELF INITIATED IMPROVEMENT MANAGEMENT PLAN

File Number:

Author: General Manager

Authoriser: General Manager

Attachments: 1. Draft Self-Initiated Improvement Management Plan

CSP Objective: Shire assets and services delivered effectively and efficiently

Precis: To provide ARIC the Draft Self-Initiated Improvement Management Plan

Budget: The report has no direct budget implications.

RECOMMENDATION

That the Audit, Risk and Improvement Committee:

- (1) Note the information contained in this report;
- (2) Endorse the draft Self-Initiated Improvement Management Plan and recommend for it to be provided to Council for consideration and adoption.

COMMITTEE RESOLUTION 005/23

Moved: Member Oldfield

Seconded: Member Hullick

That the Committee:

1. Note the information contained in this report;
2. Endorse the draft Self-Initiated Improvement Management Plan and recommend for it to be provided to Council for consideration and adoption.
3. Request to receive updates on the Self-Initiated Improvement Management Plan progress at future meetings

CARRIED

PURPOSE

To provide the Draft Self-Initiated Improvement Management Plan.

BACKGROUND

The preparation of the Annual Financial Statement for the 2022/2023 period has highlighted a number of financial concerns including the prior year error on depreciation (infrastructure, property, plant and equipment). At 30 June 2023, Council had insufficient cash to cover it external restrictions. This is due to Council having debtors and debtor accruals at year end.

The final Annual Financial Statements prepared for Audit, shows Council effectively borrowing money from its external restriction to pay for expenses in general fund. To return Council to a non-deficit of its unrestricted cash, Council has effectively borrowed from sewer fund and used unrestricted grant income.

As a result, Council is in breach of the Local Government Act 1993 in two areas:

(1) Council has breached s 410(3) in relation to sewer fund and developer contribution sewer fund as “money that is not yet required for the purpose for which it was received may be lent (by way of internal loan) for use by the Council for any other purpose if, and only if, its use for that other purpose is approved by the Minister”. Council did not have approval at 30 June 2023.

(2) Council is in breach of s 409(3) as it has used cash for purposes other than the restriction. The Council’s financial performance should remain as an ongoing concern and be closely monitored given the breaches which will be confirmed in the Audit.

At the ARIC Special Meeting on 27 September 2023, ARIC considered the draft Annual Financial Statements. The ARIC was informed that Council would look at creating a Self Initiated Improvement Management Plan.

ISSUES AND COMMENTS

Self Initiated Improvement Management Plan

The Draft Self-Initiated Improvement Management Plan (‘the Draft Plan’) was tabled to the Council for consideration at 19 October 2023 meeting. The Council would like to receive an updated version at its 14 December Ordinary meeting. The Draft Plan is provided to ARIC for consideration.

The objective of the Draft Plan is to:

OBJECTIVE

To deliver an operational and strategic program of works that improves the financial sustainability for Weddin Shire Council and address the governance, administrative, compliance and organisational matters identified during the 2022-23 Financial Statement preparation.

The Draft Plan aims to:

1. To provide transparency and accountability in improvement approaches to Weddin Shire Council that is undertaken with care and respect.
2. To provide a framework in guiding the organisation to improve financial sustainability, organisational improved performance and maturity.
3. To actively work on increasing the ratios for sustainability in our Financial Statements.
4. To improve the capability, administrative and cultural performance of the organisation that is monitored for its performance on an annual basis.
5. To restore the community’s confidence and trust in the business systems and the process of the Council.
6. To ensure compliance and risks are appropriately managed.

The Draft Plan is further broken in to:

- Short-term operational focus
- Mid-term operational focus

- Strategic performance for business improvement for financial sustainability.

POLICY/LEGAL IMPLICATIONS

The Draft Plan puts into focus actions to avoid the year-end issue at 30 June 2023 that are likely to be identified in Council's Audit of the 2022-2023 Annual Financial Statements for future financial years to come.

The Draft Plan is a continuous improvement plan with actions added/amended accordingly. Any significant proposals or significant governance changes should be presented to both the ARIC and Council.

FINANCIAL/RESOURCE IMPLICATIONS

The Draft Plan currently has not direct financial impact, however acknowledging that a number of these actions into the future will require budget and a consideration of an operational plan adjustment/revote or operational budget in future years to come.

INTERNAL/EXTERNAL CONSULTATION

The Draft Plan has been emailed to Council Officer with a working draft tabled to Council. Noting that one of the key personnel to drive this governance and financial change for Council is the Director of Corporate Services. The position has been vacant since 1 June 2023. The Director of Corporate Services is likely to start on the 27 November 2023 and will need to be consulted and in agreement with the actions proposed.

CONCLUSION

The Draft Plan provides a framework to deliver an operational and strategic program of works that improves the financial sustainability for Weddin Shire Council and address the governance, administrative, compliance and organisational matters identified during the 2022-23 Financial Statement preparation.

The preparation of the Annual Financial Statement for the 2022/2023 period highlighted a number of financial concerns including the prior year error on depreciation (infrastructure, property, plant and equipment). At 30 June 2023, Council had insufficient cash to cover it external restrictions. This is due to Council having debtors and debtor accruals at year end.

7.3 QUARTERLY BUDGET REVIEW STATEMENT Q1 2024**File Number:****Author: General Manager****Authoriser: General Manager****Attachments: 1. QBRS Q1 2024****CSP Objective: Shire assets and services delivered effectively and efficiently****Precis: To provide ARIC the endorsed QBRS Q1 2024 and noting the number of concerns and issues raised****Budget: Nil****RECOMMENDATION**

That the Audit, Risk and Improvement Committee consider the Quarterly Budget Review Statement for Quarter 1 2024, noting that the financial statements from the previous year remain unaudited.

COMMITTEE RESOLUTION 006/23**Moved: Member Hullick****Seconded: Member Oldfield**

That the Committee note the Quarterly Budget Review Statement for Quarter 1 2024, noting that the financial statements from the previous year remain unaudited.

CARRIED**PURPOSE**

The QBRS is a financial reporting system that presents a summary of Council's financial position at the end of each quarter of the financial year.

BACKGROUND

The QBRS consist of a Responsible Accounting Officers (ROA) statement, Operational Income and Expenditure Budget Review, Capital Budget Review, Cash and Investments Review, Contracts Awarded, Legal Expenses, and Consultant Expenses.

The QBRS is designed to facilitate progress reporting against the original and revised budgets at the end of each quarter, provide explanations for major variations, and enable

the ROA to indicate if Council will be in a satisfactory financial position at the end of the financial year.

Council has been without a Director of Corporate Services since 1 June 2023. The attached QBRS has been prepared with limited capacity however noting that it is a statutory requirement to submit the QBRS to Council on 16 November 2023 Ordinary Meeting.

ISSUES AND COMMENTS

The QBRS Report is attached for the ARIC's consideration and includes information on:

- Consolidated income statement
- Income statement by fund
- Contracts, consultants and legal budget review statement
- Council's performance (by programs)
- Revenue analysis versus budget
- Expenditure analysis versus budget
- Council's capital program
- Supplementary votes
- Reserves.

POLICY/LEGAL IMPLICATIONS

There are no direct policy or legal implications. However noting that the QBRS Q1 2024 was tabled to Council at its 16 November 2023 Ordinary Meeting to comply with Council's statutory obligations. Due to a software error with InfoCouncil, the Council's Business Paper did not include the report, despite it being prepared in advance. This was tabled to Council in hardcopy and the error was noted in the resolution.

FINANCIAL/RESOURCE IMPLICATIONS

The following is a summary of financial and resourcing implications for Weddin Shire Council. It must be noted that due to the limited capacity within Council's current workforce, the following information is provided for the ARIC's awareness and for matters for the new Director of Corporate Services to address. It was important to provide the ARIC this information for pending adjustments that will need to be made into the future. This information was also provided to the Council.

General Budget

- Following the commencement of the new Director of Corporate Services, adjustments will need to be made to the operating budget. This is because Council is likely to receive a higher income through grants, user fees and charges through the natural disaster declarations and construction works for this financial year. This will also avoid the material changes that occurred with the financial statement for the 2023 period, whereby Council received its highest income from continuing operations of \$39 million, exceeding the original unaudited budget of \$13 million. Indication from Council's Contractor Accountant has stated that Council is likely to see a similar financial year. The current adopted operational budget is \$13.273 million.
- Adjustments have not been made within this QBRS, but flagged for awareness.
- Vacancies in the organisation including the Director of Corporate Services and Accountant and other vacant positions could see a potential savings for the quarter.

A revote of funds and manual journal at a later stage when the new Director of Corporate Services commences for the first quarter vacancies to account for the costs for the Accountants who have assisted in the preparation of the financial statements.

- Council's received a \$22,000 benefit from State Cover to provide WHS related activities to staff.
- Council made a profit of \$78,675.87 in interest earned.

Environmental Services

- The temporary closures of the Quandialla and Caragabal tips is a significant area of concern. Council resolved last month to create an external restriction for waste management and immediately internally allocate \$100,000 to domestic waste management. The costs to clean up the site in accordance to the EPA requirements and longer term ability to set up a waste management fund to deal with the future rehabilitation and post rehabilitation is currently unknown and a significant concern.

Infrastructure Services

- Works with the Road Maintenance Council Contract (RMCC) continues however, the administration burden proving actual expenditure does not appropriately account for oncosts by council staff to administer our contract such as procurement activities, creditor payments and general business administration. The reduced square metre rate from \$100 per sqm to \$85 per sqm will have future implications for Council's ability to maintain the RMCC. Indicatively the 2023/2024 ordered work program indicates approximately \$1.466 million. A potential cost saving is the reduction in internal project management (contractor cost, accommodation and travel) which was previously outsourced to a contractor and now sits with an existing employee.
- Natural disaster repair works for AGRN-1034 has been submitted to TfNSW for \$8,182,883.65 and currently awaiting approval. There are additional repair works packages to be submitted. The amount of works may see an increase in employee costs with overtime hours worked and/or additional staff to assist in the process.
- The Regional Emergency Road Repair Fund recently announced for \$2,755,267.00, has a significant limitation of a 2% project management/oncost. This could see Council absorbing much of the internal project management cost to deliver the project.
- Council is obligated to have an asset management strategy and plan through the Integrated Planning and Reporting Framework. The current asset management plans have not been reviewed since 2017. Council does not have an asset management strategy. Upon the commencement of the new Director of Corporate Services, budget will need to be considered within this financial year to assist Council in complying with these requirements.
- Council's sewer fund will be a concern into the future as the costs to operate and maintain the new plant has proven to be costly. At this stage, it is only flagged for awareness.

Corporate Services

- Council will be undertaking a major IT upgrade with an upgrade to Authority 7.1 and server upgrade. Upon commencement of a new Director of Corporate Services, the costs to support the program upgrade and ongoing upkeep of the different modules will need to be appropriately costed and reported back to Council.
- Of the different modules to be introduced through the upgrade, will include asset management system and a customer response management system. This will allow for customer responses to be notified when jobs are completed.
- The Corporate Services consultant's budget will need to be reviewed into the future to ensure adequate expenditure to allow for obtaining assistance that is not grant funded. This interest earned in investments could provide the needed funds to ensure Council meets it's of internal audit requirements and to manage any compliance actions directed by the Audit, Risk and Improvement Committee.
- Council's long term financial plan has not been reviewed since its inception in 2017. Best practice includes an annual review. Whilst a number of the works can be undertaken in house, some assistance will need to be outsourced. Therefore it is important that the Corporate Services Consultants budget is supported with adequate resourcing. The Director of Corporate Services will determine this in the near future. This will also influence Council's Workforce Plan and will assist in developing a Business Continuity Plan.
- Early indication of the next local government elections shows that the costs are significantly increasing with pre polling potentially being introduced. At this stage, Council has put a budget into this financial year to accrue into the next financial year to soften the impact, however did not pre-empt pre polling. In addition to the local government elections, neither Councils within the area (Bland, Cowra and Weddin) has a council office space for the returning office. This means that the Electoral Commission is likely to rent out a commercial tenancy next year for 14 weeks, which will be passed onto Council to pay. This was unforeseen when Council adopted its operational budget.
- The Corporate Services legal expenses vote of \$15,000 is likely to be exceeded. A future re-vote will need to be identified to provide additional budget to the legal expenses vote. Year to date expenditure has involved expenses of reimbursement of legal fees to a Councillor, drafting of leases or legal advice on council's assets and insurance excesses regarding legal matters. Although some maybe cost recovered under Council insurance, a future re-vote will need to be tabled back to Council.
- **INTERNAL/EXTERNAL CONSULTATION**

Council's Executive Team have been consulted on the issues raised in the QBRS and are of the understanding of the current limited capacity in house to undertake any material changes to the current budget. The Council adopted the QBRS at its 16 November 2023 meeting.

CONCLUSION

To consider the Quarterly Review Statement as recommended, noting the financial statements from the previous financial year remain unaudited.

7.4 REPORT CARD: RISK PROFILE AFFECTING EVENTS

File Number:

Author: General Manager

Authoriser: General Manager

Attachments: 1. Report Card - Risk Profile Affecting Events

CSP Objective: Shire assets and services delivered effectively and efficiently

Precis: To provide ARIC key risks issues in a report card format

Budget: Nil

RECOMMENDATION

That the ARIC Committee:

1. Note the information contained in this report.
2. Note the Report Card: Risk Profile Affecting Events

COMMITTEE RESOLUTION 007/23

Moved: Member Oldfield

Seconded: Member Hullick

That the Committee:

1. Note the information contained in this report.
2. Note the Report Card: Risk Profile Affecting Events

CARRIED

The ARIC considered at it 24 July 2023 a resolution to:

Endorse that the General Manager develop a Risk Register and to report Risk Profile Affecting Events to each meeting.

The Report Card outlines the risk profile affecting events highlights issues of noting or concern since the last meeting. ARIC will be able to monitor ongoing concerns and risks and be kept informed of issues.

7.5 ARIC WORK PLAN**File Number:****Author:** General Manager**Authoriser:** General Manager**Attachments:** Nil**CSP Objective:** Shire assets and services delivered effectively and efficiently**Precis:** In accordance with the adopted Terms of Reference 2023, this paper provides ARIC an Indicative Work Plan for discussion.**Budget:** Nil.**RECOMMENDATION**

That the Committee endorse the Chair to develop a draft work plan and present it to the February 2024 ARIC meeting for consideration.

COMMITTEE RESOLUTION 008/23**Moved:** Member Hullick**Seconded:** Member Oldfield

That the Committee endorse the Chair to develop a draft work plan and present it to the February 2024 ARIC meeting for consideration.

CARRIED

The Audit, Risk and Improvement Committee considered a draft Terms of Reference at its 24 July 2023 meeting and recommended it to Weddin Shire Council for adoption. The Council adopted the Terms of Reference on 17 August 2023 and this document is now made available online.

In accordance with Section 8 – Work Plans states that the work of ARIC is to be thoroughly planned and executed. The ARIC must develop a strategic work plan every four years to ensure that the matters listed in Schedule 1 are reviewed by the ARIC and considered by the Internal Audit Function when developing their risk-based program of internal audits.

The paper allows for ARIC to provide Weddin Shire Council an opportunity to discuss ideas for a Work Plan.

8 OTHER BUSINESS

- Cyber Security – Noreen advised new policies have been adopted.
- John Oldfield advised he is happy to work with Councils IT team, noting ASD guidance on the Essential 8 Principles.
- Noreen to present paper on Cyber Security to the February ARIC Meeting; seeking input from ARIC members.

RECOMMENDATION

That the General Manager provide a report on Cyber Security to the February 2024 ARIC meeting.

COMMITTEE RESOLUTION 009/23

Moved: Member Oldfield

Seconded: Member Hullick

That the General Manager provide a report on Cyber Security to the February 2024 ARIC meeting.

CARRIED

9 NEXT MEETING

26 February 2024 | 10:00am – 12noon

10 CLOSURE

The Meeting closed at **11:57am**.

The minutes of this meeting were confirmed at the Audit, Risk and Improvement Committee held on

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CHAIRPERSON