



WEST ARNHEM

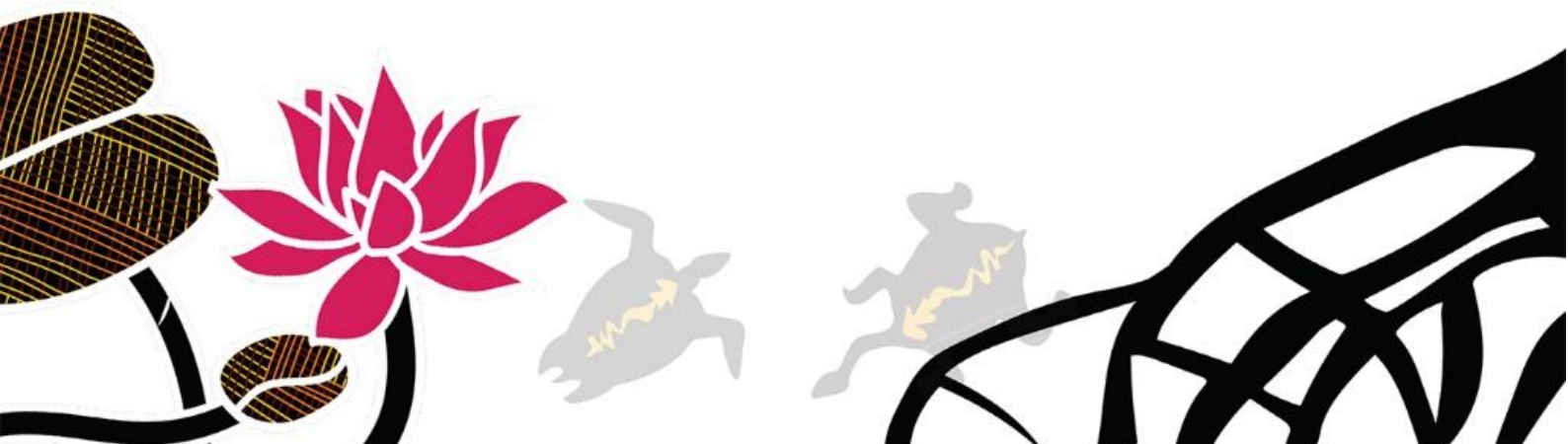


REGIONAL COUNCIL



WEST ARNHEM REGIONAL COUNCIL
RISK MANAGEMENT & AUDIT COMMITTEE MEETING
AGENDA

TUESDAY, 28 MARCH 2023



WEST ARNHAM REGIONAL COUNCIL

Notice is hereby given that Audit Committee Meeting of the West Arnhem Regional Council will be held by video conference on Tuesday, 28 March 2023 at 10:00.

Paul Hockings
Chief Executive Officer

Code of Conduct: The Local Government Act 2019.

As stipulated in Schedule 1 of the Act, the Code of Conduct for Members is as follows:

1. **Honesty and Integrity:** A member must act honestly and with integrity in performing official functions.
2. **Care and diligence:** A member must act with reasonable care and diligence in performing official functions.
3. **Courtesy:** A member must act with courtesy towards other members, council staff, electors and members of the public.
4. **Prohibition on bullying:** A member must not bully another person in the course of performing official functions.
5. **Conduct towards Council staff:** A member must not direct, reprimand, or interfere in the management of, council staff.
6. **Respect for cultural diversity and culture:** A member must respect cultural diversity and must not therefore discriminate against others, or the opinions of others, on the ground of their cultural background.
A member must act with respect for cultural beliefs and practices in relation to other members, council staff, electors and members of the public.
7. **Conflict of interest:** A member must avoid any conflict of interest, whether actual or perceived, when undertaking official functions and responsibilities.
If a conflict of interest exists, the member must comply with any statutory obligations of disclosure.
8. **Respect for confidences:** A member must respect the confidentiality of information obtained in confidence in the member's official capacity.
A member must not make improper use of confidential information obtained in an official capacity to gain a private benefit or to cause harm to another.
9. **Gifts:** Members must not solicit, encourage or accept gifts or private benefits from any person who might have an interest in obtaining a benefit from the council.
A member must not accept a gift from a person that is given in relation to the person's interest in obtaining a benefit from the council.'
10. **Accountability:** A member must be prepared at all times to account for the member's performance as a member and the member's use of council resources.
11. **Interests of municipality, region or shire to be paramount:** A member must act in what the member genuinely believes to be the best interests of the municipality, region or shire.
In particular, a member must seek to ensure that the member's decisions and actions are based on an honest, reasonable and properly informed judgment about what best advances the best interests of the municipality, region or shire.
12. **Training:** A member must undertake relevant training in good faith.

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Acknowledgement of Country

West Arnhem Regional Council acknowledges the First Nations Custodians, and the many Language and Family groups who are Managers and Caretakers to each of their Traditional homelands and Waters across the West Arnhem Region Wards.

West Arnhem Regional Council pays its respects and acknowledges Elders, past, present and rising.

WEST ARNHEM REGIONAL COUNCIL

FOR THE MEETING 28 MARCH 2023

Agenda Reference:	3.1
Title:	Apologies and Leave of Absence
File Reference:	1066671
Author:	Jessie Schaecken, Governance and Risk Advisor

SUMMARY

This report is to table, for the Risk Management and Audit Committee's record, any apologies and requests for leave of absence received from Committee members for the meeting held on 28 March 2023.

POLICY IMPLICATIONS

This report has been prepared in accordance with Council's Scheduling and Conduct of Meetings (Elected, Local Authority and Council Committee Members) Policy.

STRATEGIC IMPLICATIONS

This report is aligned to pillar 6 in the *Regional Plan and Budget 2022-2023* as outlined below:

PILLAR 6 FOUNDATIONS OF GOVERNANCE	
Integrity is at the heart of everything we do. We are leaders of best practice and excellence in governance, advocacy, consultation and administration. Our processes, procedures and policies are ethical and transparent.	
Goal 6.3	Council and Local Authorities Excellence in governance, consultation administration and representation
Goal 6.5	Planning and Reporting Robust planning and reporting that supports Council's decision-making processes

RECOMMENDATION:

That Risk Management and Audit Committee noted members apologies and/or requests for leave of absence for the meeting held on 28 March 2023.

ATTACHMENTS

WEST ARNHEM REGIONAL COUNCIL

FOR THE MEETING 28 MARCH 2023

Agenda Reference:	4.1
Title:	Absent Without Notice
File Reference:	1066678
Author:	Jessie Schaecken, Governance and Risk Advisor

SUMMARY

This report is to table, for the Risk Management and Audit Committee's record, any members that are absent without notice for the meeting held on 28 March 2023.

POLICY IMPLICATIONS

This report has been prepared in accordance with Council's Scheduling and Conduct of Meetings (Elected, Local Authority and Council Committee Members) Policy.

STRATEGIC IMPLICATIONS

This report is aligned to pillar 6 in the *Regional Plan and Budget 2022-2023* as outlined below:

PILLAR 6 FOUNDATIONS OF GOVERNANCE

Integrity is at the heart of everything we do. We are leaders of best practice and excellence in governance, advocacy, consultation and administration. Our processes, procedures and policies are ethical and transparent.

Goal 6.3	Council and Local Authorities Excellence in governance, consultation administration and representation
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Goal 6.5	Planning and Reporting Robust planning and reporting that supports Council's decision-making processes
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RECOMMENDATION:

That Risk Management and Audit Committee noted members absences without notice for the meeting held on 28 March 2023.

ATTACHMENTS

WEST ARNHEM REGIONAL COUNCIL

FOR THE MEETING 28 MARCH 2023

Agenda Reference:	5.1
Title:	Acceptance of Agenda
File Reference:	1066679
Author:	Jessie Schaecken, Governance and Risk Advisor

SUMMARY

Agenda papers are submitted for acceptance by appointed members for the Risk Management and Audit Committee meeting of 28 March 2023.

COMMENT

The Committee is encouraged to review the agenda and to accept or not accept the agenda.

STATUTORY ENVIRONMENT

Section 92(1) *Local Government Act 2019* is relevant to this matter.

POLICY IMPLICATIONS

This report has been prepared in accordance with Council's Scheduling and Conduct of Meetings (Elected, Local Authority and Council Committee Members) Policy.

STRATEGIC IMPLICATIONS

This report is aligned to pillar 6 in the *Regional Plan and Budget 2022-2023* as outlined below:

PILLAR 6 FOUNDATIONS OF GOVERNANCE

Integrity is at the heart of everything we do. We are leaders of best practice and excellence in governance, advocacy, consultation and administration. Our processes, procedures and policies are ethical and transparent.

Goal 6.3	Council and Local Authorities Excellence in governance, consultation administration and representation
Goal 6.5	Planning and Reporting Robust planning and reporting that supports Council's decision-making processes

VOTING REQUIREMENTS

Simple majority.

RECOMMENDATION:

That the agenda for the Risk Management and Audit Committee meeting of 28 March 2023 as circulated be accepted.

ATTACHMENTS

WEST ARNHEM REGIONAL COUNCIL

FOR THE MEETING 28 MARCH 2023

Agenda Reference:	6.1
Title:	Disclosure of Interest of Members or Staff
File Reference:	1066680
Author:	Jessie Schaecken, Governance and Risk Advisor

SUMMARY

Elected and Committee Members are required to disclose an interest in a matter under consideration by Council at a Council or Committee meeting:

- 1) In the case of a matter featured in an officer's report or written agenda item by disclosing the interest to the Council as soon as possible after the matter is raised.
- 2) In the case of a matter raised in general debate or by any means other than the printed agenda of the Council by disclosure as soon as possible after the matter is raised.

Under disclosure, the Member must abide by the decision of the Committee on whether he/she shall remain in the Chambers and/ or take part in the vote on the issue. The Committee may elect to allow the Member to provide further and better particulars of the interest prior to requesting him/her to leave the Chambers.

Staff of the Council are required to disclose an interest in a matter at any time at which they are required to act or exercise their delegated authority in relation to the matter. Upon disclosure, the staff member is not to act or exercise his/her delegated authority unless the Council expressly directs him/her to do so.

STATUTORY ENVIRONMENT

Sections 114 (Elected Members) *Local Government Act 2019*.

Section 179 (staff members) *Local Government Act 2019*.

STRATEGIC IMPLICATIONS

This report is aligned to pillar 6 in the *Regional Plan and Budget 2022-2023* as outlined below:

PILLAR 6 FOUNDATIONS OF GOVERNANCE	
Integrity is at the heart of everything we do. We are leaders of best practice and excellence in governance, advocacy, consultation and administration. Our processes, procedures and policies are ethical and transparent.	
Goal 6.2	Records Delivery of storage and retrieval of records processes which support efficient and transparent administration
Goal 6.3	Council and Local Authorities Excellence in governance, consultation administration and representation
Goal 6.4	Risk Management The monitoring and minimisation of risks associated with the operations of Council
Goal 6.5	Planning and Reporting Robust planning and reporting that supports Council's decision-making processes

VOTING REQUIREMENTS

Not applicable.

RECOMMENDATION:

That Risk Management and Audit Committee received and recorded declarations of interest for the meeting held on 28 March 2023.

ATTACHMENTS

WEST ARNHEM REGIONAL COUNCIL

FOR THE MEETING 28 MARCH 2023

Agenda Reference:	7.1
Title:	Confirmation of Previous Risk Management and Audit Committee Minutes - 4 November 2022
File Reference:	1067585
Author:	Jessie Schaecken, Governance and Risk Advisor

SUMMARY

Unconfirmed minutes of 4 November 2022 Risk Management and Audit Committee meeting are submitted to the Committee for confirmation that the minutes are a true and correct record of the meeting.

COMMENT

The minutes as submitted and confirmation of the minutes must comply with section 101 of the *Local Government Act 2019*.

STRATEGIC IMPLICATIONS

The confirmation of previous minutes is aligned to the following goals as outlined in pillar 6 of the *Regional Plan and Budget 2022 - 2023*:

PILLAR 6 FOUNDATIONS OF GOVERNANCE

Integrity is at the heart of everything we do. We are leaders of best practice and excellence in governance, advocacy, consultation and administration. Our processes, procedures and policies are ethical and transparent.

Goal 6.2	Records Delivery of storage and retrieval of records processes which support efficient and transparent administration
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Goal 6.5	Planning and Reporting Robust planning and reporting that supports Council's decision-making processes
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VOTING REQUIREMENTS

Simple majority.

RECOMMENDATION:

That the minutes of the 4 November 2022 Risk Management and Audit Committee meeting are adopted as a true and correct record of the meeting.

ATTACHMENTS

- 1 2022.11.04 Risk Management and Audit Committee Minutes.pdf



Minutes of the West Arnhem Regional Council Risk Management & Audit Committee
Meeting
Friday, 4 November 2022 at 10:00am

Chairperson Carolyn Eagle declared the meeting open at 10:13am, welcomed all in attendance and completed the Acknowledgement of Country.

COMMITTEE MEMBERS PRESENT

Chairperson	Carolyn Eagle (video conference)
Mayor	Matthew Ryan (video conference)
Deputy Mayor	Elizabeth Williams (video conference)
Councillor	Gabby Gumurdul (video conference)
Councillor	Jacqueline Phillips (video conference)

STAFF PRESENT

Chief Executive Officer	Paul Hockings
Outgoing Chief Executive Officer	Daniel Findley
Chief Corporate Officer	David Glover
Executive Assistant to CEO and Mayor	Charlotte Meneer

VISITORS

Nexia Auditors	Noel Clifford (video conference)
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APOLOGIES

3.1 APOLOGIES AND LEAVE OF ABSENCE

The Committee considered Apologies and Leave of Absence.

The Risk Management and Audit Committee noted apologies from Councillor Catherine Ralph and Councillor James Woods for the meeting held on 4 November 2022.

ABSENT WITHOUT NOTICE

4.1 ABSENT WITHOUT NOTICE

The Committee considered Absent Without Notice.

The Risk Management and Audit Committee noted that no members were absent without notice for the meeting held on 4 November 2022.

ACCEPTANCE OF AGENDA

5.1 ACCEPTANCE OF AGENDA

The Committee considered Acceptance of Agenda.

ACM28/2022 RESOLVED:
On the motion of Chairperson Carolyn Eagle
Seconded Mayor Matthew Ryan

The agenda for the Risk Management and Audit Committee meeting of 4 November 2022 as circulated be accepted.

CARRIED

DECLARATION OF INTEREST OF MEMBERS OR STAFF

6.1 DISCLOSURE OF INTEREST OF MEMBERS OR STAFF

The Committee considered Disclosure of Interest of Members or Staff.

That the Committee did not receive any declarations of interest for the meeting held on 4 November 2022.

CONFIRMATION OF PREVIOUS MINUTES

7.1 CONFIRMATION OF PREVIOUS RISK MANAGEMENT AND AUDIT COMMITTEE MINUTES - 27 JULY 2022

The Committee considered Confirmation of previous Risk Management and Audit Committee Minutes - 27 July 2022.

ACM29/2022 RESOLVED:
On the motion of Chairperson Carolyn Eagle
Seconded Deputy Mayor Elizabeth Williams

The minutes of the Risk Management and Audit Committee meeting held on 27 July 2022 are adopted as a true and correct record of the meeting.

CARRIED

GENERAL ITEMS

8.1 UPDATE ON GENERAL ACTION ITEMS

The Committee considered the Update on General Action Items.

ACM30/2022 RESOLVED:
On the motion of Councillor Jacqueline Phillips
Seconded Chairperson Carolyn Eagle

The Committee reviewed the list, and noted there are no action items requiring removal from the list.

CARRIED

8.2 LOCAL GOVERNMENT ACT GUIDELINE 5 BUDGETS, AND GUIDELINE 6 ANNUAL REPORTS

The Committee considered Local Government Act Guideline 5 Budgets, and Guideline 6 Annual Reports.

The Risk Management & Audit Committee noted the report on the new Guideline 5: Budgets and Guideline 6: Annual Reports issued by the Minister in relation to information to be disclosed under the *Local Government Act 2019*.

PROCEDURAL MOTIONS

10.1 CLOSURE TO THE PUBLIC FOR THE DISCUSSION OF CONFIDENTIAL ITEMS

The Committee considered Closure to the Public for the Discussion of Confidential Items.

ACM31/2022 RESOLVED:
On the motion of Chairperson Carolyn Eagle
Seconded Deputy Mayor Elizabeth Williams

The Committee approves the closure of the meeting to the public as confidential items are about to be discussed. The meeting is closed in accordance with Regulation 51(c) of the *Local Government (General) Regulations 2021* as the matters to be discussed include information that, if publicly disclosed, would be likely to cause commercial prejudice to, or confer an unfair commercial advantage on, any person; or (ii) prejudice the maintenance or administration of the law; or (iii) prejudice the security of the council, its members or staff; or (iv) subject to Sub Regulation (3) – prejudice the interests of the council or some other person.

CARRIED

EXCLUSION OF THE PUBLIC

CONFIDENTIAL ITEMS

The information is classed as confidential under Section 293(1) of the *Local Government Act 2019* and regulation 51 of the *Local Government (Administration) Regulations 2021*.

RE-ADMITTANCE OF THE PUBLIC

MEETING DECLARED CLOSED

Chairperson Carolyn Eagle declared the meeting closed at 11:59am.

This page and the preceding 2 pages are the minutes of the Risk Management and Audit Committee meeting held on 4 November 2022.

 Chairperson

 Date Confirmed

WEST ARNHEM REGIONAL COUNCIL

FOR THE MEETING 28 MARCH 2023

Agenda Reference:	8.1
Title:	Update on General Action Items
File Reference:	1067612
Author:	Jessie Schaecken, Governance and Risk Advisor

SUMMARY

This report is submitted for the Committee to consider the progress on outstanding resolutions from Risk Management and Audit Committee meetings.

BACKGROUND

This report is a standard report submitted to the Committee to note the actions taken with respect to Risk Management and Audit Committee resolutions. The items included on the action items list emanate from resolutions that were passed during previous Risk Management and Audit Committee meetings.

POLICY IMPLICATIONS

As per the Risk Management and Audit Committee's Charter, the Committee is responsible for monitoring and evaluating management's responsiveness to matters raised during the course of its meetings.

STRATEGIC IMPLICATIONS

The confirmation of previous minutes is aligned to the following goals as outlined in pillar 6 of the *Regional Plan and Budget 2022 - 2023*:

PILLAR 6 FOUNDATIONS OF GOVERNANCE

Integrity is at the heart of everything we do. We are leaders of best practice and excellence in governance, advocacy, consultation and administration. Our processes, procedures and policies are ethical and transparent.

Goal 6.2	Records Delivery of storage and retrieval of records processes which support efficient and transparent administration
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Goal 6.5	Planning and Reporting Robust planning and reporting that supports Council's decision-making processes
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VOTING REQUIREMENTS

Simple majority.

RECOMMENDATION:

That Risk Management and Audit Committee reviewed the Action Items List, and approved to remove completed items from the list.

ATTACHMENTS

Risk Management and Audit Committee Action Items List - Ongoing

Date Of Meeting	Resolution Number	Action Required	Status	Comment	Action Officer/Team
26 May 2021	ACM12/2021	<p>STRATEGIC INTERNAL AUDIT PLAN</p> <p>The Committee:</p> <ol style="list-style-type: none"> Noted the updates made, and after discussion with management about alternative review procedures being available, endorsed the removal of the following auditable areas from the plan: <ul style="list-style-type: none"> Planning and reporting (item 2.4); Strong governance and leadership (item 1.4); and Storage and retrieval of records (item 2.3). Requested that an updated Plan for 2021-22 and 2022-23 be prepared for the Committee's next meeting on 27 July 2021 to include priority areas of significant existing controls. 	In Progress	<p>20 July 2021 A report on this item, including the updated Strategic Internal Audit Plan 2021-2022 has been prepared for this meeting. The 2022-2023 Plan will be prepared for a subsequent meeting after the election of new Council members.</p> <p>19 October 2021 Management is on track to update the Strategic Internal Audit Plan as per the Committee's request, and will provide a report at the first Risk Management and Audit Committee meeting in 2022.</p> <p>10 March 2022 Two-year audit plan topics included in March meeting report. The strategic internal audit plan 2022-23 is to be updated once the regional plan pillars, Goals, Strategies and Measures document becomes final at April 2022 OCM, and subsequent May 2022 Local Authority meetings.</p>	Chief Corporate Officer
	ACM24/2021	<p>The Committee:</p> <ol style="list-style-type: none"> Noted the updates to the Strategic Internal Audit Plan and the revised Audit Review timelines for 2021/22; and Requested that the subsequent 2-year audit plan topics be provided at the Committee's first meeting in 2022. 			

Risk Management and Audit Committee Action Items List - Ongoing

Date Of Meeting	Resolution Number	Action Required	Status	Comment	Action Officer/Team
				<p>24 May 2022 The strategic internal audit plan 2022-2023 is to be updated after Council approves the Regional Plan and Budget, 2022-2023 on 8 June 2022. The audit plan will be presented at the Committee meeting in July 2022.</p> <p>19 July 2022 The strategic internal audit plan 2022-2023 is currently being updated alongside the strategic risk register. The document will be presented at the October 2022 Audit Committee meeting.</p> <p>17 October 2022 Updates have been undertaken to the Strategic and Operational Risk Register taking into account the move to six pillars, each with their goals. This then feeds into the Strategic Internal Audit Plan. The updating remains in draft form and will need to defer to the February 2023 meeting of the RM&AC.</p> <p>23 March 2023 Councilbiz has offered Councils \$25K. WARC will take this offer up in order to engage a consultant to assist with the selection of a</p>	

Risk Management and Audit Committee Action Items List - Ongoing

Date Of Meeting	Resolution Number	Action Required	Status	Comment	Action Officer/Team
				replacement of the Technology 1 system currently in place. Whilst the preference is to remain with Technology 1 the costs to do so are significant over a 5 year period compared to other systems available. Technology 1 has been in place for many years, is powerful and provides WARC with a system that meets / exceeds requirements. Costs may cause a shift to a different ERP, however a consultant will be able to provide a pathway to the best way forward.	

Risk Management and Audit Committee Action Items List - Ongoing

27 October 2021	ACM35/2021	<p style="text-align: center;">RECRUITMENT OF INDEPENDENT MEMBER</p> <p>The Committee:</p> <ol style="list-style-type: none"> 1. Noted the report; 2. Appointed the following to the selection panel for the recruitment of an Independent Member for the Risk Management and Audit Committee: <ol style="list-style-type: none"> i. Chairperson Carolyn Eagle ii. Mayor Matthew Ryan iii. Deputy Mayor Elizabeth Williams iv. Councillor Jacqueline Phillips v. Mr David Glover 	In Progress	<p>11 March 2022</p> <p>An update report on the recruitment of an independent member is included in the agenda for the March 2022 meeting.</p>	Governance and Risk Advisor
	ACM4/2022	<p>The Committee:</p> <ul style="list-style-type: none"> • Noted and discussed the report; • Noted that the position of Independent Member will be re-advertised and include the selection criteria that applicants should reside in the NT; and • Approved the revision of the Committee's Terms of Reference to include the provision that at least one of the Committee's Independent Members should reside in the NT at the time of their appointment and membership on the Committee. 	<p>24 May 2022</p> <p>Once Council has approved the Terms of Reference (at the June 2022 meeting), the position will be re-advertised with the condition that the Independent Member should reside in the NT.</p> <p>19 July 2022</p> <p>The position was re-advertised on 21 July 2022 and the Committee will be provided with regular updates.</p> <p>17 October 2022</p> <p>A meeting was held with the Chair of the RM&AC and the WARC CCO on 20 September 2022, where 4 candidates are shortlisted for interview.</p> <p>Interviews with the selection panel are scheduled to take place 3 November 2022 in Darwin whilst</p>		

Risk Management and Audit Committee Action Items List - Ongoing

				<p>the Chair is in the NT. An update can be provided next day, 4 November, when the committee meets.</p> <p>23 March 2023 Independent member, Mr Warren Jackson has been appointed and approved by Council decision OCM50/2023 – February 2023</p>	
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WEST ARNHEM REGIONAL COUNCIL

FOR THE MEETING 28 MARCH 2023

Agenda Reference:	10.1
Title:	Closure to the Public for the Discussion of Confidential Items
File Reference:	1067719
Author:	Jessie Schaecken, Governance and Risk Advisor

SUMMARY

Pursuant to section 99(2) of the *Local Government Act 2019* and regulation 52 of the *Local Government (General) Regulations 2021*, the meeting is to be closed to the public to consider confidential matters.

STATUTORY ENVIRONMENT

Section 99(2) of the *Local Government Act 2019*
Regulations 51 and 52 of the *Local Government (General) Regulations 2021*

VOTING REQUIREMENTS

Simple majority.

RECOMMENDATION:

That Risk Management and Audit Committee approved the closure of the meeting to the public as confidential items were about to be discussed. The meeting was closed in accordance with regulation 52 of the *Local Government (General) Regulations 2021*.

ATTACHMENTS

**WEST ARNHEM REGIONAL COUNCIL
FOR THE MEETING 28 MARCH 2023**

EXCLUSION OF THE PUBLIC

The information in this section of the agenda is classed as confidential under section 293(1) of the *Local Government Act 2019* and regulation 51 of the *Local Government (Administration) Regulations 2021*.

**WEST ARNHEM REGIONAL COUNCIL
FOR THE MEETING 28 MARCH 2023**

RE-ADMITTANCE OF THE PUBLIC