



Committee Minutes

S355 & Statutory As Information Only

COMBINED

16 August 2016

ITEM NO: 3.1
REPORT FROM: Executive Services
SUBJECT: STATUTORY AND SECTION 355 COMMITTEES - MINUTES
OF MEETINGS THAT REQUIRE COUNCILS ENDORSEMENT

Submitted to Council's Ordinary Meeting held on: 16 August 2016

Minutes from Committee Meetings:

3.1-1	RAMROC Mayors and General Managers Meeting	22 July 2016
3.1-2	Internal Audit Committee Meeting	26 July 2016

ITEM NO: 3.1-1
REPORT FROM: Executive Services
SUBJECT: MINUTES - RIVERINA AND MURRAY REGIONAL ORGANISATION OF COUNCILS (RAMROC) – MAYORS AND GENERAL MANAGERS GROUP
MEETING DATE: 22 July 2016
MEETING VENUE: Jerilderie Shire Council

Submitted to Ordinary Council Meeting held on: 16 August 2016

Committee Members:

General Managers from the RAMROC Organisation of Councils, being - Albury City, Balranald, Berrigan, Carrathool, Edward River, Federation, Greater Hume Shire, Griffith City, Hay, Leeton, Murray, Murrumbidgee, Narrandera and Wentworth Councils.

~~ This Item is submitted for Council's Information ~~

PURPOSE:

The purpose of this report is to provide Council information on the Riverina and Murray Regional Organisation of Councils (RAMROC) Mayor's and General Managers (GM's) Group meeting.

BACKGROUND:

The Riverina and Murray Regional Organisation of Councils (RAMROC) General Managers (GM's) Group consists of adjoining councils in the Riverina and Murray areas and meets quarterly, prominently at Jerilderie Shire Council.

A meeting was held on Friday 22 July 2016 with Narrandera Shire Council being represented by the Mayor; Cr Jenny Clarke and the Chief Executive Officer; Judy Charlton.

PROPOSAL:

It is proposed that Council receive and note the Minutes of the RAMROC Mayors and General Manager's Group Meeting that was held at the Jerilderie Shire Council on Friday 22 July 2016.

ATTACHMENTS:

1. Minutes of the RAMROC GM's Group meeting
2. Letter to Office of Local Government - Regional Collaboration

RECOMMENDED:

That Council receive and note the:

1. Minutes of the RAMROC Mayor's and General Manager's Group Meeting held on Friday 22 July 2016.
2. Regional Collaboration – RAMROC Response.

JC/jb – CM/16-8 & 10/5/16-09-31

MINUTES OF THE GENERAL MEETING OF THE RIVERINA AND MURRAY REGIONAL ORGANISATION OF COUNCILS (RAMROC), HELD IN THE IAN GILBERT ROOM AT THE JERILDERIE OFFICES OF MURRUMBIDGEE COUNCIL, ON FRIDAY 22ND JULY 2016 AT 10.00 AM

PRESENT

Albury City:	Cr Kevin Mack (RAMROC Chairperson) Cr Henk van de Ven Ms Tracey Squire
Balranald:	Cr Leigh Byron Mr Aaron Drenovski
Berrigan:	Cr Bernard Curtin Mr Rowan Perkins
Carrathool:	Cr Peter Laird Mr Phil Marshall
Edward River:	Mr Ashley Hall (Administrator) Mr Des Bilske
Federation:	Mr Mike Eden (Administrator)
Greater Hume:	Cr Heather Wilton Mr David Smith
Griffith City:	Cr John Dal Broi Mr Brett Stonestreet
Hay:	Cr Bill Sheaffe Mr Allen Dwyer
Leeton:	Cr Paul Maytom Ms Jackie Kruger
Murray River:	Ms Margot Stork
Murrumbidgee:	Mr Austin Evans (Administrator) Mrs Ruth McRae (Chair Local Representation Committee) Mr Craig Moffitt
Narrandera:	Cr Jenny Clarke Ms Judy Charlton
Wentworth:	Mr Peter Kozlowski
RAMROC	Mr Ray Stubbs (Executive Officer)

MEETING GUESTS:

Mr Mark Ritchie – Executive Officer
Riverina RDA
Ms Trudi McDonald –Regional Co-ordinator
NSW Premier and Cabinet

MRRR 1 - WELCOME TO MEETING

The RAMROC Chairman Cr Kevin Mack extended a welcome to the new Council Administrators, Mayors, Delegates, General Managers and guests from Riverina RDA and NSW Premier and Cabinet.

MRRR 2 - APOLOGIES:

Mr David Shaw (Administrator) - Murray River Council
Cr Peter Nunan - Wentworth Shire
Cr Mick Rutledge - Hay Shire
Mr Steven Pinnuck – Greater Hume Shire
Mr Chris Gillard - Federation Council

**RESOLVED that the apologies be received and accepted
(Moved Griffith and seconded Albury)**

MRRR 3 - MINUTES OF RAMROC MEETING HELD AT JERILDERIE ON 11TH MAY 2016

**RESOLVED that the Minutes of the General Meeting held on 11th May 2016 be confirmed.
(Moved Edward River and seconded Leeton)**

MRRR 4 – MATTERS ARISING FROM MINUTES OF 11TH MAY 2016 MEETING

Apart from the matters reported by the Executive Officer in the agenda papers, there were no other matters arising.

MRRR 5 – RAMROC SECTION 355 AGREEMENT PROVISIONS

Consideration was given to the Executive Officer's Report outlining a number of matters contained in the Section 355 Agreement which need to be addressed following the recent Council mergers across the region, as follows:-

5.1 Clause 11 - Administrators automatically become RAMROC Delegates for Councils

**RESOLVED that the information regarding Administrators as RAMROC Delegates be noted
(Moved Griffith and seconded Berrigan)**

5.2 Clause 25 - Appointments to fill vacancies in RAMROC Executive Committee following mergers

The Executive Officer advised that the vacant position of Chairperson needs to be formally filled, in order to replace the former Chairperson Cr Terry Hogan AM.
Nominations were invited and the Deputy and Interim Chairperson Cr Kevin Mack of Albury City Council was the only nomination received for the position.

The EO declared that Cr Kevin Mack is elected unopposed as Chairperson to hold office until the forthcoming election of Office Bearers at the November 2016 Annual General Meeting

Nominations were then invited for the vacant position of Deputy Chairperson. Administrator of Murrumbidgee Council Mr Austin Evans was the only nomination received.

The Executive Officer declared that Administrator Austin Evans is elected unopposed as Deputy Chairperson to hold office until the forthcoming election of Office Bearers at the November 2016 Annual General Meeting

5.3 Clauses 34 and 36 – Budget Estimates and Member Contributions

RESOLVED that the Executive Officer's Report be endorsed, which proposes that the 2016-2017 Budget Estimates and Member Contributions will be prepared and submitted to Councils during October, for consideration at the November 2016 Annual General Meeting (Moved Griffith and seconded Balranald)

5.4 Clause 42 – Membership of Councils

RESOLVED

- a. **That it be noted that the membership of the former Corowa, Urana, Jerilderie, Murrumbidgee, Murray, Wakool, Deniliquin and Conargo Councils is automatically terminated as a result of the Local Government re-structuring**
- b. **That the following newly constituted Councils become members by resolution of the Committee:-**
 - **Federation Council**
 - **Murrumbidgee Council**
 - **Edward River Council**
 - **Murray River Council**

(Moved Berrigan and seconded Greater Hume)

5.5 Clauses 27 and 28 – Employment of Executive Officer

The Executive Officer Ray Stubbs, whose current contract expires on 30th September 2016, retired from the meeting during discussion of this matter.

RESOLVED that the current Executive Officer Ray Stubbs be appointed to fill the role of Interim Executive Officer for a 12 month contract period from 1st October 2016, with provision for 3 months' notice of termination by RAMROC or by mutual agreement (Moved Griffith and seconded Leeton)

MRRR 6 – JOINT ORGANISATIONS – OFFICE OF LOCAL GOVERNMENT JO PROPOSALS AND BACKGROUND PAPER

Consideration was given to the matters contained in the Office of Local Government's JO Model Proposals and JO Background Paper, together with the Executive Officer's Discussion Paper and Supplementary Report set out in the meeting agenda. As part of the discussion on JO boundaries, Acting Albury City General Manager Ms Tracey Squire facilitated a SWOT Analysis of the following JO options:-

1. One overarching and strategic Riverina Murray Joint Organisation (compatible with the Department of Planning's Riverina Murray regional boundaries), with the establishment of three sub regional groups (i.e Murray, Riverina East and Riverina West (or perhaps named Murrumbidgee)
2. An overarching Murray and Murrumbidgee Joint Organisation (i.e. the MAMJO Model), with the establishment of two sub regional groups (Murray and Murrumbidgee) and retaining a distinctly separate Riverina Joint Organisation based around the Wagga region.
3. Three individual Joint Organisations nesting within the DoP regional boundaries (i.e. a Riverina JO, a Murray JO and a Murrumbidgee JO)

The meeting also considered a number of associated matters relating to Governance (Board Membership, Voting Rights and JO Resourcing) and the OLG's intention to invite expressions of interest for "Early Starter" Joint Organisations to commence around September 2016.

RESOLVED that the submission in response to OLG in relation to JO boundaries indicate that RAMROC's preferred Joint Organisation structure to be established within the Riverina Murray region be Option 2 (an overarching Murray and Murrumbidgee Joint Organisation (i.e. the MAMJO Model), with two sub regional groups (Murray and Murrumbidgee) and a distinctly separate Riverina Joint Organisation based around the Wagga region (Moved Griffith and seconded Hay) (Balranald and Wentworth Shires elected not to vote)

FURTHER RESOLVED that in relation to JO Board Membership, the RAMROC submission propose that the legislation allow for Member Councils to have authority to appoint either the Mayor or another Councillor as the Delegate to the JO Board
(Moved Murrumbidgee and seconded Berrigan)

FURTHER RESOLVED that in relation to Board Voting Rights, the RAMROC submission propose that the Board Chairperson must have and exercise a casting vote, where required to break a deadlock in voting on any matter
(Moved Murrumbidgee and seconded Edward River)

FURTHER RESOLVED that in relation to the appointment of a JO Executive Officer, that the legislation provide for each JO to have the authority to appoint an Executive Officer on a full time, part time or shared JO basis, or the flexibility to fill the Executive Officer position on an external consultancy contract basis
(Moved Greater Hume and seconded Murrumbidgee)

FURTHER RESOLVED that in relation to OLG's intention to invite Expressions of Interest for "Early Starter" Joint Organisations that RAMROC indicate its intention to submit a nomination for selection as one of the two proposed "Early Starter" Joint Organisations
(Moved Griffith and seconded Federation)

MRRR 7 – DRAFT RAMROC SUBMISSIONS FOR DISCUSSION AND ENDORSEMENT

7.1 – Department of Environment and Planning – Draft Riverina Regional Plan

Consideration was given to the draft RAMROC submission prepared by the Executive Officer, together with a subsequent letter from Narrandera Shire Council seeking RAMROC's support in relation to including in the DPE Plan a reference to the Narrandera to Tocumwal rail freight corridor.

RESOLVED that the draft submission be endorsed and that it be now formally submitted to DPE. Further that RAMROC advise DPE that it supports the correspondence from Narrandera Shire Council in relation to the noting in the Figure 11 Map the Narrandera to Tocumwal rail corridor as a potential freight network improvement.
(Moved Carrathool and seconded Berrigan)

7.2 – NSW Legislative Council Standing Committee into Water Augmentation for Regional and Rural New South Wales

Consideration was given to the Executive Officer's Draft Submission to the Standing Committee investigating a range of issues relating to water augmentation for regional and rural NSW.

RESOLVED that the Draft Submission be endorsed and that it be now formally submitted to the Legislative Council Standing Committee
(Moved Albury and seconded Edward River)

MRRR 8 – DESTINATION NEW SOUTH WALES – ESTABLISHMENT OF NEW TOURISM DESTINATION NETWORKS

The NSW Minister for Trade, Tourism and Major Events has announced a major overhaul in the way that regional and rural areas attract visitors, including the creation of six new Destination Networks, one new region being "Destination Riverina Murray"

The re-structuring will have implications for the current Murray Region Tourism and Riverina Tourism. MRT Board Member Tracey Squire reported on discussions with DNSW regarding the cross border importance with Victoria and ways to ensure that the successful outcomes of the model will be continued. She advised that across the State DNSW has confirmed funding for the 2016-2017 year.

RESOLVED that the DNSW information and report be noted pending further information
(Moved Albury and seconded Edward River)

MRRR 9 – RAMROC INTERIM FINANCIAL STATEMENTS FOR YEAR ENDED 30TH JUNE 2016

The Executive Officer submitted the interim Financial Statements of all RAMROC Accounts for the financial year ended 30th June 2016 which, subject to any necessary late adjustments, will now be submitted for formal Audit.

**RESOLVED that the Interim Financial Statements and results for the 2015-2016 year be received and noted
(Moved Balranald and seconded Hay)**

MRRR 10 – MINUTES OF RAMROC WORKING GROUP MEETINGS

10.1 – Minutes of the Riverina Waste Group Meeting – 22nd June 2016

**RESOLVED that the Minutes of the Riverina Waste Group be received and noted
(Moved Berrigan and seconded Hay)**

MRRR 11 – GENERAL BUSINESS ITEMS

11.1 – Riverina RDA Update

RDA Riverina Executive Officer Mark Ritchie provided a brief update and spoke on the importance of close collaboration between the new Joint Organisations and RDAs

11.2 – NSW Premier and Cabinet Update

DPC Regional Co-ordinator Trudi McDonald reported on progress with the "Making it Happen in the Regions" program. She also reported that the DPC relationships with State Government Agencies through the Regional Leadership Group on which RAMROC is represented by the Executive Officer, together with the Regional Leadership Network which includes Councils' General Managers, are to be reviewed.

11.3 – NSW Rural Fire Service Levies

The General Manager of Hay Shire Council Allen Dwyer raised the issue of very substantial increases in Council's levies payable to the NSW Rural Fire Service.

RESOLVED that RAMROC express its strong disappointment with the lack of consultation by the State Government in changing the methodology of assessing Rural Fire Service levies, which has caused some Councils to suffer large increases. For example up to 88% in the case of Hay Shire, from \$72,001 estimated by RFS in March 2016, to a final account of \$135,066 in July 2016.

**Further that letters in relation to this matter be sent to Premier the Hon Mike Baird MP, the Minister for Police and Emergency Services the Hon Troy Grant MP, the Member for Murray the Hon Adrian Piccoli MP, the Member for Albury Greg Aplin MP and the LGNSW President Cr Keith Rhoades
(Moved Hay and seconded Carrathool)**

There being no further business, the RAMROC meeting concluded at 1.00 pm



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25th July 2016

The Chief Executive,
Office of Local Government,
Locked Bag 3015,
NOWRA NSW 2541.

Dear Sir,

Towards a New Model for Regional Collaboration - RAMROC Response

Thank you for the opportunity for RAMROC to provide its response to the OLG Joint Organisation Model Overview and the associated Background Paper and Pilot JO Evaluation Report issued in June 2016.

All of the 14 Member Councils of RAMROC met in Jerilderie on Friday 22nd July to consider the matters set out in the Background Paper, with particular emphasis given to the principal issues of Joint Organisation Boundaries, Governance and the forthcoming Expressions of Interest for “Early Starter” Joint Organisations.

The RAMROC Board considered my Draft Discussion Paper which was issued to the Member Councils on 28th June, together with my Supplementary Executive Officer’s Report which took account of the OLG / DPC Webinar on 24th June and the follow up face to face Consultation Sessions held at Jerilderie and Wagga Wagga on Thursday 30th June 2016.

Copies of the Discussion Paper (Appendix 1) and the Supplementary Report (Appendix 2) are attached for your information, primarily because they provide background to the Board’s consideration and decisions taken last Friday.

Also attached (Appendix 3) is a Summary of a SWOT Analysis which was undertaken by the Councils’ Mayors, Delegates, Administrators and General Managers at the Board Meeting, in order to analyse the three main options relating to boundaries for the establishment of Joint Organisations in the Riverina Murray Region. The purpose of the SWOT Analysis was to discuss the advantages and/or disadvantages of each option, to facilitate the determination of a RAMROC Policy position for consideration by OLG and DPC in finalising the proposed network of Joint Organisations statewide.

The policy positions as determined at the RAMROC Board Meeting are summarised as follows:-

Joint Organisation Boundaries

RAMROC has re-affirmed its previous policy position that its preferred Joint Organisation option is the establishment of a Murray and Murrumbidgee Joint Organisation (MAMJO), with two sub-regional groups, one encompassing the Murray River region from Albury City through to the western end of the new Murray River Council, and secondly one encompassing the Murrumbidgee River region from Narrandera Shire in the east through to Hay Shire at the western end.

No definitive decision was taken at the meeting in relation to Greater Hume Shire Council. As indicated in the Executive Officer’s Discussion Paper, a large majority of Hume Shire’s communities of interest lies to the south with the Murray region. However, Greater Hume Shire Council and REROC maintain that GHSC should remain within the Riverina Joint Organisation region, having been included in the Riverina Pilot JO and sharing a number of matters of mutual interest.

The MAMJO model envisages that Balranald Shire and Wentworth Shire would be afforded Associate Membership status of MAMJO.

Governance – Board Membership and Voting Rights

RAMROC is of the view that Joint Organisation Member Councils should have the discretion to appoint either the Mayor or another Councillor as the Delegate to the JO Board. In support of this position, RAMROC argues that there may be circumstances where the Mayor of the day does not wish to sit on the JO Board for personal or business reasons, or feels that another Councillor would provide more strategic skills and commitment to the vision, objectives and strategic direction of the JO Board.

RAMROC is also of the view that the JO Chairman should have a casting vote, because there must be a mechanism at Board level to resolve a deadlock situation. This casting vote would be a sensible position to adopt and would be in alignment with the current Local Government Act provisions, which provide for a casting vote for both General Purpose Councils and specific purpose County Councils.

Staffing – Executive Officer

RAMROC agrees that each Joint Organisations will need to engage an experienced and appropriately qualified Executive Officer on a performance based contract basis. However, it is RAMROC's view that each Joint Organisation should have discretion for such engagement to be on the basis of a full time, part time or shared arrangement, or alternatively on a specific contract arrangement with an independent company or individual Consultant.

Early Starter Joint Organisations

RAMROC has resolved to lodge an Expression of Interest when invited for the MAMJO Model to be approved as an "Early Starter" Joint Organisation.

In relation to the other questions and issues raised in the OLG Background Paper, the following comments are provided:-

Page 7 - "What benefits can you see from a Regional Strategic Planning Agreement signed jointly by the NSW Government and the Chair of the Joint Organisation"

At the present time, Councils' Community Strategic Plans, 4 year Delivery Plans and Annual Operational Plans already take account of the Premier's Priorities and State priorities. An Agreement by the State to reciprocally provide Departmental and Agency regional plans and strategies would enable all State and local Government plans to be integrated and incorporated into the Joint Organisation's vision, goals and strategies.

Page 12 – "Regional Strategic Planning and Priority Setting"

RAMROC concurs with the definition for regional planning and priority setting.

Page 13 – "What guidance and tools will be helpful for JOs when preparing strategic priorities and work plans"

Access to State Government Department and Agency regional plans, together with relevant mapping systems and data would be advantageous.

Page 15 – "Do you have any comments on the definition of intergovernmental collaboration"

The definition for intergovernmental collaboration is supported

Page 15 – "Are there any additional tools which would support intergovernmental collaboration"

For specific issues and projects, the development of MOUs as appropriate would add strength and substance to Joint Organisation advocacy.

Page 18 – "Do you have any comments on the definition of regional leadership and advocacy"

The definition for regional leadership and advocacy is supported by RAMROC

Page 18 – “Are there any additional tools which would help support regional leadership and advocacy”

It would be really of assistance for the various State Departments and Agencies, through Premier and Cabinet, to facilitate the Joint Organisation’s direct access to the relevant State Ministers and Departments on specific issues which are being advocated.

Page 21 – “Do you have any comments on the definition of capacity building in relation to optional functions”

RAMROC supports the definition of capacity building for optional functions.

Page 21 – “What additional functions do you think should be undertaken by Joint Organisations”

The primary role of Joint Organisations must be to undertake the three core functions that will be legislated under the amended Local Government Act.

However, as with the current ROCs, there will always be a benefit and capacity for JOs to undertake a range of optional functions, such as joint procurement, capacity building, professional development and training, resource sharing etc, or alternatively to generate additional revenue sources. These optional functions should always be at the discretion of each JO.

Page 22 – “What tools would be helpful to support JOs in building capacity and supporting councils to undertake optional functions”

A strong partnership with State Departments and Agencies to identify gaps and opportunities – this could be a standing agenda item for meetings of the Regional Leadership Groups through the Department of Premier and Cabinet.

Page 23 – “How can sub committees and working groups be used to support the JO Board, including delivering optional functions”

RAMROC currently has a number of hard working and successful Working Groups, principally made up by professional officers and concentrating on specific projects, reporting to the Board, regional strategic planning, capacity building and the ancillary benefits of networking with peers.

In other instances, sunset committees have been appointed to undertake a specific task. These mechanisms are seen as important ingredients to the ongoing success of JOs into the future.

Page 25 – “Are there any other tools which would support good governance”

External specialist professional development and training of JO Board members is seen as a very high priority, particularly in relation to skills associated with strategic planning, media relations, stakeholder engagement and advocacy.

Page 27 – “How should the governance tools be developed and who should participate in their development”

The tools should be developed in consultation with State Department and Agency management at a senior level, potentially through engagement at the Regional Leadership Group level.

Page 28 – “What tools or guidance will be most helpful in supporting JOs to develop strategic priorities and work plans and annual performance reports”

State Department and Agency planning documents, coupled with Councils’ CSPs, will provide a solid framework for the development of a collaborative regional strategic plan and work plans, the setting of KPIs and annual reporting requirements.

Page 29 – “What tools would support JOs to understand the costs and benefits to resourcing decisions”

The boundaries and membership of JOs across the State need to be firstly determined at an early date. This will then enable decisions to be made as to the requirements for the staffing and resourcing requirements for each individual JO.

One of the potential sources of ongoing funding may lie in the potential rationalisation of JO and RDA functions, which could eventually lead to the sourcing of Commonwealth and State funding which is currently provided for RDAs across the State.

Page 30 – “What are your views on the use of a Standard Contract for JO Executive Officers”

As indicated earlier in this submission, JOs should be able to determine whether they need to engage an Executive Officer on a full time contract basis, or whether there may be opportunities to engage an EO on a part time or potentially shared basis. JOs should also have the discretion to engage the services of an external Consultant to undertake the required functions of an Executive Officer.

Page 30 – “Are there any additional or alternate skills or capabilities which would be desirable for Executive Officers to have”

An ability to effectively engage with Commonwealth and State Ministers and their Departmental Officials is an important skill that EOs need to have. Also strong financial management skills are critical.

Page 33 – “Do you have any comments on the emerging direction for JO formed entities shown in Table 2 or issues you would like to raise”

JOs need to have flexibility and discretion to determine the most appropriate mechanism for the performance of their identified functions

Page 35 – “JO Boundaries”

Dealt with previously – see above comments

Page 36 – “What role should JOs play in regional service delivery”

These are matters for consideration by JOs as they develop their charter and functions.

Page 36 – “How could the service delivery functions provided by county councils link to the regional strategic planning and priority setting functions of the JOs”

In the RAMROC region there is only one County Council – that being the Central Murray (Weeds) County Council, which comprises only 3 Member Councils (post mergers). The establishment of a JO provides an opportunity to decide whether this function can be expanded to provide for these services to be provided to other Member Councils in the JO network.

Page 37 – “Do you think that JOs should be enabled to undertake regulatory functions on behalf of Member Councils”

This could be considered as part of a JO’s optional functions, for example food shop inspections. The JO legislation could provide for these types of functions to be delegated to the Joint Organisation.

Page 37 – “What legislation will need to be amended to enable this”

The Local Government Act and other appropriate Acts, depending upon the specific functions that are proposed to be delegated.

Page 37 – “What tools and guidance are needed to support JOs wishing to undertake regulatory functions”

Relevant professional qualifications, development and training programs for staff undertaking the regulatory functions

Page 38 – “Do you have any comments on the liability and oversight framework proposed for JOs”

RAMROC supports the proposed framework

Summary

The above proposals and comments, together with the associated attachments, are submitted for OLG and DPC consideration. I would be pleased to discuss any aspects of this response in more detail at any time.

Yours faithfully



Ray Stubbs
Executive Officer

ITEM NO: 3.1-2
REPORT FROM: Executive Services
SUBJECT: MINUTES – INTERNAL AUDIT COMMITTEE
MEETING DATE: 26 July 2016
MEETING VENUE: Council Chambers

Submitted to Ordinary Council Meeting held on: 16 August 2016

Committee Members:
Cr Hall, Narelle Payne, Roger FitzGerald

~~ This Item is submitted for Council's Information ~~

The Chairperson opened the meeting at **11am** and thanked those for attending.

PRESENT:

Narrandera Shire Councillor	Cr Hall
Representing Committee	Narelle Payne (Chair)
Representing Committee	Roger FitzGerald

Observers:

Representing Narrandera Shire Council	Judy Charlton (Chief Executive Officer)
Independent Internal Auditor	Keith Coates

APOLOGIES: Nil

DECLARATION OF PECUNIARY INTEREST:

Keith Coates declared an interest for Item 9 and will leave the meeting during discussion and voting on this Item.

AGENDA ITEMS:

ITEM 1. CONFIRMATION of Minutes of Previous Meeting on 23 March 2016:

RECOMMENDATION:

That the Minutes be adopted as a true and accurate record.

Moved: Roger FitzGerald

Seconded: Cr Hall

CARRIED

ITEM 2. BUSINESS ARISING FROM MINUTES Nil

ITEM 3. STANDING ITEM – Exception Reports from implementing previous reviews – attached with updated comments, Pecuniary Interest Returns Gifts and Benefits and Business Continuity Plan, Procurement, Fraud Control, Cash Handling Processes and Procedures, Inventory Management (Store and Depot) and Septic Tanks

The Committee received feedback on progress on the Enterprise Risk Management Framework and the Business Continuity Plan. The CEO was asked to ensure the next Exception Reports only report on outstanding items. The Committee noted that the Fraud Control Plan was still outstanding.

RECOMMENDATION ITEM 3:

That the Exception Reports be received and noted.

Moved: Cr Hall

Seconded: Roger FitzGerald

CARRIED

ITEM 4. AUDIT PLAN Duplication Noted

ITEM 5. STANDING ITEM – LOCAL GOVERNMENT REFORM UPDATE

The Committee received an update on:

- Revised Local Government Act Phase 1
- Joint organisations
- Fit for the Future Improvement Plan, including Shared Services
- Innovation Fund where Council received two grant applications

RECOMMENDATION ITEM 5:

The report was received and noted in particular the Audit Risk and Improvement Committee role and that this may require additional funds in the future to meet the regulatory requirements.

Moved: Cr Hall

Seconded: Narelle Payne

CARRIED

ITEM 6. STANDING ITEM – RISK INCIDENTS

RECOMMENDATION ITEM 6:

That the verbal report from the CEO be received and noted.

Moved: Narelle Payne

Seconded: Cr Hall

CARRIED

ITEM 7. WATER AND SEWER STRUCTURE INTERNAL AUDIT REPORT

It was pleasing to see the improvements identified.

RECOMMENDATION ITEM 7:

That the Water and Sewer Performance Audit is received and noted

Moved: Roger FitzGerald

Seconded: Cr Hall

CARRIED

ITEM 8. WORK HEALTH AND SAFETY INTERNAL AUDIT REPORT

It was pleasing to see the improvements identified.

RECOMMENDATION ITEM 8:

That the WHS Audit is received and noted

Moved: Cr Hall

Seconded: Roger FitzGerald

CARRIED

*** At this point, time being 12.35pm, Keith Coates after declaring an Interest in Item 9, vacated the Chambers during discussions and voting on the matter.*

ITEM 9. APPROVAL TO REDUCE INTERNAL AUDIT PROGRAM TO SIX WEEKS

RECOMMENDATION ITEM 9:

Confirm HR and Payroll as the first two reviews for 2016/17 with the third review to be determined by the Committee after they receive the 2016/2017 Enterprise Risk Management Plan at the October 2016 Meeting of the Internal Audit Committee.

Moved: Roger FitzGerald

Seconded: Cr Hall

CARRIED

*** At this point, time being 1.05pm, Keith Coates re-joined the meeting.*

ITEM 10 GENERAL BUSINESS:

RECOMMENDATION ITEM 10a:

That the Draft Minutes be seen by the whole Committee before lodgement with Council and include the Draft Minutes in the next Internal Audit Committee Agenda.

Moved: Roger FitzGerald

Seconded: Cr Hall

CARRIED

RECOMMENDATION ITEM 10b:

The Committee asked that Gerard McConnell's service to the Committee be noted and this appreciation be communicated to him.

Moved: Roger FitzGerald

Seconded: Cr Hall

CARRIED

CORRESPONDENCE: Nil

ATTACHMENTS: Nil

NEXT MEETING: TBA Oct/Nov 2016, 11am, Council Chambers
(Independent Internal Auditor away week 2,3,4 October 10 to 31)

MEETING CLOSED: 1.15pm

Approved by Chairperson: *Narelle Payne*

JC/lb – CM/16-8 & ED/525

RECOMMENDED:

That Council receive and note the Minutes of the Internal Audit Committee Meeting held 26 July 2016.