

WAGAIT SHIRE COUNCIL

**MINUTES
AUDIT COMMITTEE MEETING**

**COUNCIL CHAMBERS
LOT 62, WAGAIT TOWER ROAD
8.00AM**

Monday 18 May 2020



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1.0 Present:

Committee members:

Chair Clare Milikins
Mr Barry Bamford
Ms Maureen Newman
Cr Graham Drake
Cr Neil White

Council staff:

CEO, Renita Glencross
Office Manager, Pamela Wanrooy

2.0 Opening of Meeting:

The Chair declared the meeting open at 8.01am and welcomed all to the meeting.

The Chair advises that the meeting will be audio taped for minute taking purposes as authorised by the Chief Executive Officer.

2.1 Apologies

Nil

3.0 Conflict of Interest

Nil

4.0 In Camera

At 8.03am Chair closed the meeting to the general public and council staff for items to be discussed in camera. At 8.08 am the Audit Committee re-opened the meeting to staff and the general public.

5.0 Confirmation of Previous Minutes for the Audit Committee held Wednesday 22 January 2020.

The Minutes of the Audit Committee Meeting held Wednesday 22 January 2020.

Resolution No. 2020/065

That the Minutes of the Audit Committee Meeting of Wednesday 22 January 2020 be confirmed by Committee Members as a true and correct record.

Moved: Maureen Newman

Seconded: Cr Neil White

Vote: AIF

6.0 Matters Arising from the Previous Minutes:

- 6.1 **Communication of Minutes to Council** – The minutes of the Audit Committee belong to the Audit Committee so they must be ratified out of session by Committee members before they go to Council however Council is seeking more timely updates of Audit Committee work. It was discussed and agreed that once the draft minutes are prepared and cleared by the Chair, the Chair will draft a report to Council. This Report will be circulated to all Committee members for endorsement and then go to Council for noting.

Resolution No. 2020/066

That an Audit Committee Meeting report by the Chair be ratified by Committee members out of session before it goes to Council for noting.

Moved: Chair Clare Milikins

Seconded: Barry Bamford

Vote: AIF

7.0 Action Sheet

Council Management was asked to include updates in the Status column of the Action Sheet specifically referencing the Agenda item for the current meeting if the matter is being addressed. Individual Items from meetings are to be separated into individual items not grouped as a single item.

Updates on actions items were provided as follows:

Resolution No. 2019/485 – Re-evaluation of Council’s buildings.

CEO noted a Request for Quote for revaluation had been accepted. Integrated Valuation Services carried out the valuation of Council infrastructure assets last Thursday and Council should receive a report within the next week.

Resolution 2019/492 – 2018 Compliance Review

The CEO noted that she had endeavoured to discuss Councils response with the Department of Local Government Housing and Community Development (DLGHCD), however their focus has been on the Covid 19 action. The Chair requested the CEO to follow up with Department as soon as possible to get their response.

Budget and Finance Reports

The Committee noted that this action item was outstanding and had not been addressed in the Finance Report for the current meeting.

Management Letter from Auditor

Report was circulated to members and the Committee noted there were no significant areas of concern. Committee discussed items listed on pages 16, 17 and 18 “Areas for Improvement” be listed on a status report (issues raised, how Council management plans to address them and their current status) in preparation for audit this year.

Resolution No. 2020/067

That the Action sheet be accepted by the Audit Committee.

Moved: Cr Graham Drake

Seconded: Maureen Newman

Vote: AIF

8.0 Agenda Items

8.1 Local Government Act 2019 – Update

The revised *Local Government Act 2019* (the Act) was legislated by the NT Government in November 2019. In January-February 2020, Local Governments were advised by the Department Local Government Housing and Community Development (DLGHCD) that implementation of the new Regulations and Guidelines of the Act, including changes to financial and policy matters, would need to be undertaken starting July 2020.

Due to COVID-19 interruptions to Local Government business and additional pressure on Council operations, this has now been deferred to an implementation commencement date of June 2021.

A full report with information about the new legislative requirements will be provided to the Committee at the September meeting, to assist with planning of policy review and development going forward.

8.2 Policy Update – COVID-19 Policies being implemented

As a result of the COVID-19 pandemic restrictions and measures put in place by the Northern Territory and Commonwealth Governments for essential service operators, Local Government has been required to adopt new policies that enable business continuity as required by their legislative responsibilities. These are:

- P17 Teleconferencing and Videoconferencing; and
- A policy prepared by the Department regarding a rates waiver for commercial operators suffering hardship due to impacts of COVID-19 and for Council eligibility to SCALE funding.

Resolution No. 2020/068

That the Audit Committee note that:

- a) P17 Video conferencing Policy is in place has been adopted by Council.**
- b) A new policy provided by the Department relating to rates waivers for commercial operators, will go to Council to ensure eligibility for SCALE funding.**

Moved: Chair Clare Milikins

Seconded: Barry Bamford

Vote: AIF

8.3 Policy Update - P06 – Vehicular Crossovers/Drainage

The Vehicular Crossovers/Drainage Policy has been deferred and will be presented at the Audit Committee Meeting to be held in September 2020.

8.4 P13 - Use of Council Firearms

The use of Council Firearms Policy has been deferred and will be presented at the Audit Committee Meeting to be held in September 2020.

The Committee noted that at the last meeting Management had been requested to perform an ammunitions audit and compliance report against the existing policy– and this should be done before the end of financial year. CEO Renita Glencross to report back to Committee members on the Compliance for the Use of Council Firearms and the state of the register.

8.5 Policy Review: P31 Counselling, Disciplining and Dismissing Employees and P21 Dispute Resolution

At the last Audit Committee Meeting, there were concerns that the policy did not address:

- Complaints against CEO;
- Did not take into account real and perceived conflicts of interest;
- Insufficiently clear on requirements around reporting for misconduct; and
- Does not deal with whistle blowers (this may need to be a separate policy).

Item 4.2.2 – Making a complaint – the last two sentences to form a new paragraph.

Item 4.5 – Serious Misconduct, Fraud, Corruption – The fraud must be reported and investigated; and employees would not be not suspended or terminated.

All changes to Policies to be made with track changes using word, not just highlighted.

The chair requested that a separate Whistle-blower Policy be drafted, however it was not urgent.

Resolution No. 2020/069

The Chief Executive Officer to provide further information in the revised policy P31 Dispute Resolution, Counselling, Disciplining and Dismissal including:

- **complaints against the Chief Executive Officer;**
- **avenues for external investigation where there is a conflict of interest or a perceived conflict of interest;**
- **alignment with Fair Works laws and processes;**
- **requirements to deal with fraud;**

Once this this Policy has been adjusted, Committee members have asked that this Policy proceed to Council.

Moved: Chair Clare Milikins

Seconded: Barry Bamford

Vote: AIF

8.6 Policy Review: P32 Discrimination, Harassment and Bullying

Resolution No. 2020/070

That P32 Discrimination, Harassment and Bullying be reduced and revised to include links to Fair Work practices in relation to Discrimination, Harassment and Bullying. CEO Renita Glencross to circulate the revised P32 Discrimination, Harassment and Bullying to Committee members for endorsement out of session before proceeding to Council.

Moved: Chair Clare Milikins

Seconded: Barry Bamford

Vote: AIF

8.7 Workplace, Health and Safety Minutes

CEO advised that WHS issues are reported weekly at the Staff Toolbox meetings and incidents are dealt with as they occur. Measures are in place for essential reporting and Council has engaged a local consultant to conduct a review of the Council WHS Manual, policies and procedures. Implementation and staff training will follow immediately on completion of the review.

The Committee noted that Workplace, Health and Safety is not usually an Audit Committee responsibility but rather Councils, however if there was an incident that indicated that Council had a major systemic problem in terms of risk then this should be referred to the Audit Committee.

8.8 March Budget Report

The Audit Committee reiterated that it sought a financial report with separate reporting of grants and ordinary council operations to provide clarity as to that actual financial position. It also asked for a separate report on current grants and their status to be brought to the next meeting. The Chair also offered to work closely with the CEO to develop a Financial Report that is clearer, easier to read and interpret, with income and expenses from Operational Grants and Special Purpose Grants separated.

9.0 General Business

Budget Workshops

CEO advised that Council has held two workshops to assist development of the 2020-21 Budget and noted that Council is facing issues of sustainability due to depreciation costs.

10.0 Closure of Meeting:

The next meeting of the Wagait Shire Council Audit Committee will be held in the Wagait Shire Council Chambers at 9.00am, Tuesday 8 September 2020.

The Chair declared the meeting closed at 9.23am.