



STRATHBOGIE SHIRE COUNCIL

Minutes of the Strathbogie Shire Council Audit and Risk Committee held on Friday 1 July 2022 in the Council Chamber Euroa, commencing at 9.30 a.m.

Present

Paul Ayton (Chair)	Community Representative	
Alistair Thomson	Community Representative	
Mark Freudenstein	Community Representative	
Cr Paul Murray	Council Representative	
Laura Binks	Council Representative (Observer only)	
Julie Salomon	Chief Executive Officer	
David Roff	Director Sustainable Infrastructure	
Amanda Tingay	Director Community and Planning	
Dawn Bray	Director People and Governance	
Upul Sathurusinghe	Chief Financial Officer	Virtual
Michelle Bromley	Coordinator Governance and Record Management	
Kerry Lynch	Governance Officer (Minutes)	
Brad Eade	Internal Auditors – AFS & Associates	Virtual
Danielle McKenzie	External Auditors – Crowe Audit	

1. Welcome

2. Acknowledgement of Traditional Land Owners

We acknowledge the Traditional Custodians of the places we live, work and play.

We recognise and respect the enduring relationship they have with their lands and waters, and we pay respects to the Elders past, present and emerging.

Today we are meeting on the lands of the Taungurung peoples of the Eastern Kulin nation, whose sovereignty here has never been ceded.

3. Apologies

Mr Alister Purbrick (Community Representative)
Cr David Andrews (Council Representative)

4. Disclosure of Interests

Nil

5. CONFIRMATION OF MINUTES

- Friday 11 March 2022 (Special meeting for risk register)
- Friday 25 March 2022
- Thursday 7 April 2022 (Special meeting for budget and financial plan)

MOVED: PAUL AYTON
SECONDED: MARK FREUDENSTEIN

That the Minutes of the Meetings of the Audit and Risk Committee held on Friday 11 March 2022, Friday 25 March 2022 and Thursday 7 April 2022 be confirmed.

Carried

6. BUSINESS

6.1 INTERNAL AUDIT PROGRAM

Procurement and Accounts Payable

The final report of the Internal Audit of Procurement and Accounts Payable (Appendix A) was noted.

Tree Management Plan

This item is almost to the stage of being submitted to Council for public consultation. A significant amount of effort has been put into developing the risk management methodology for high and medium risk land uses in urban areas and also individual trees in rural areas.

The mapping of high and medium risk land uses in urban areas is complete.

Stage 1 of the risk mapping is focussing on sites only owned and managed by Council, and it was discussed that if trees are not Council's responsibility that they be taken out of the mapping.

Stage 2 mapping will be undertaken but needs to be informed by legal advice given liability/management obligations for a range of scenarios (for example when Council has delegated management of Crown land to a Committee of Management or where our assets are on land not owned by Council such as along the foreshore of Lake Nagambie).

Methods of assessing risk for individual trees in rural areas are also to be included in the document prior to submission to Council for release for public comment.

Past Issues

Documents were provided relating to outstanding actions from previous audits:

- Appendix B – Past issues review
- Appendix C – Summary of Outstanding Items May 2022

- Appendix I – Audit Committee Workplan Update June 2022

***MOVED: ALISTAIR THOMSON
SECONDED: MARK FREUDENSTEIN***

That the Internal Audit report be noted.

Action: An action plan be provided to the next meeting including current status of the issue and definitive timeframes around completion dates

6.2 INTERIM AUDIT

The Interim Audit has been completed and the Management Letter together with Officer comment is undergoing finalisation and will be circulated when complete.

The External Auditor will be in attendance at the meeting to discuss.

***MOVED: MARK FREUDENSTEIN
SECONDED: ALISTAIR THOMSON***

That the Committee note the results of the Interim Audit and associated Management Letter.

6.3 RISK MANAGEMENT UPDATE

The Final Strategic Risk Register has been completed and was attached as **Appendix E** for discussion.

***MOVED: MARK FREUDENSTEIN
SECONDED: CR PAUL MURRAY***

That the update be endorsed.

Action: Risk register be reviewed bi-annually by Officers. Updates and emerging risks to be documented and risk register provided to the Audit Committee as a standing item.

6.4 BUDGET 2022/23 PREPARATION UPDATE

Below is content of the Council Report in relation to Adoption of Budget, Fees and Charges, Financial Plan and Declaration of Rates and Charges for the 12 Months Ending 30 June 2023 which was adopted by Council on 21 June 2022.

Included in the report are several tables outlining:

- Decisions on submissions made to the Budget
- Decisions on submissions made under Pitch My Project
- Reconciliation between the Advertised and Adopted versions – there has been minimal overall change in the result

6.4 BUDGET REPORT

Responsible Director: Director Corporate Operations

EXECUTIVE SUMMARY

Council has now complied with the legislative requirements for the preparation and public notification of its Budget for the twelve (12) months ending 30 June 2023.

Concurrent with the Budget is the Financial Plan which takes a ten-year view of Council's Financial position.

The Draft Budget was considered at the Council meeting on 19 April 2022 and was placed on public exhibition for 28 days with submissions closing on Monday 23 May 2022.

Twenty-three submissions were received - a number on the same subject, and these are identified below together with proposed action and Budget impact. This follows discussion by Council.

MOVED: MARK FREUDENSTEIN
SECONDED: CR PAUL MURRAY

That the outcome of the Budget process be noted.

6.5 ASSET PLAN

EXECUTIVE SUMMARY

In accordance with the *Local Government Act 2020*, Council has developed a draft 10-year draft Asset Plan. The Plan was placed on public exhibition and received no feedback. and was attached as Appendix H in the agenda.

Therefore the Council adopted the Asset Plan on 21 June 2022.

The Asset Plan sets the framework for how Council manages its Infrastructure and Building assets, through their asset lifecycle. It documents Council's strategies in managing these assets, as well as future challenges and opportunities facing Council.

The Asset Plan also documents Council's commitment to investing in assets to meet the service delivery needs of our community and addresses the aspirations of the community vision, priorities of the Council Plan and alignment with the Financial Plan.

Providing effective and efficient management of assets is a key obligation of Council. As custodian of community assets, Council has the responsibility for managing these assets in the most cost-effective manner. This is achieved through managing our assets through their lifecycle from creation and acquisition to maintenance and operation, through to rehabilitation and disposal. These actions are undertaken with the goal of providing efficient, safe, and reliable services for current and future generations.

Council assets are predominantly used to provide services and amenity to our community. The standard to which they are maintained and the extent to which they are grown and improved are a key consideration in setting and delivering on our Community Vision and Council Plan. Without these assets we could not provide our diverse range of services to the quality that our community expects.

Several issues are worthy of mention:

- The Asset Plan is high level document with a number of other more detailed documents to be updated over time
- The Plan contains Condition Assessment data as at 2017 and an update of these figures is imminent.
- In looking at the graphs of condition, assets are rated between 0 and 10 with 0 being new and 10 being used up Condition 8 is generally when we would intervene to renew an asset. Of note is the fact that there are limited assets above condition 8.
- National Asset Management Framework (NAMAF) is a system whereby Council's Asset management system are rated on a number of criteria including:
 - Strategic Planning
 - Annual Budget
 - Annual report
 - Asset Management Policy
 - Asset Strategy
 - Asset Plans
 - Governance and Management
 - Levels of Service
 - Data and Systems
 - Skills and Processes
 - Evaluation
- An external resource has been engaged to review Council's progress against the NAMAF framework and advise what Council needs to do in order to reach "competency" against the framework.
- Council has recently acquired Asset modelling software (Assetic) to further improve capability in modelling scenarios and predicting maintenance and renewal needs.
- There are tables in the Plan particularly Table 7 which identifies likely renewal demand in terms of dollars, together with likely funding available based on the Financial Plan. These figures will continue to be updated as budgets are adopted and data gets better.
- In regard to buildings, condition assessments have been done but further review needs to be done to ensure they are fit for purpose/needed.

MOVED: MARK FREUDENSTEIN
SECONDED: CR PAUL MURRAY

That the Committee note the adoption of the Asset Plan by Council on 21 June 2022.

CARRIED

Action: Draw out the condition assessment for swimming pools

6.6 AUDIT COMMITTEE WORK PLAN

The Audit Committee Work Plan has been updated to include some specific dates and comments on actions and was attached as Appendix I in the agenda.

In regard to the Policy Review section an audit of the organisation's Policies and Procedures is underway as many of the documents are either not current or have been superseded as a result of implementation of new strategies, guidelines or directives.

With the appointment of the Governance Officer timeframes for completion of Policy updates have been reviewed.

Pending a preliminary examination of the policies, fifteen (15) policies are redundant and three will become CEO directives. A raft of policies are required to be updated immediately so they can be presented to the September 2022 Council meeting. Some policies may need to be presented to the August 2022 briefing sessions to Council.

The Impact Assessment Tool was introduced – Council is obliged under the *Charter of Human Rights and Responsibility Act 2006* and the *Gender Equity Act 2020* to consider the impacts on rights and responsibilities when making decisions, preparing or updating new local law or when making changes to Council services and when preparing/updating new policies and procedures.

A table outlining progress with the Policy Audit was attached as Appendix J in the agenda.

MOVED: ALISTAIR THOMSON
SECONDED: MARK FREUDENSTEIN

That the Committee note and review the Policy Audit process and Work Plan.

Action: Officers to refine work plan actions to include specific completion/due dates and status of actions.

CARRIED

6.7 KEY STRATEGIC INDICATORS HUMAN RESOURCES

The Human Resources Reports (Appendix K in the agenda) was presented for Audit Committee members' information from 11 March to 2 June 2022 which includes narrative on some current issues.

MOVED: MARK FREUDENSTEIN
SECONDED: ALISTAIR THOMSON

That the Committee note the report.

CARRIED

6.8 SERVICES PROVIDED TO THE COMMUNITY/INDICATORS

Comparative Data

At the previous meeting Service Performance Outcome Indicators in the 2022/23 Draft Budget were noted and it was agreed that the Committee required some comparative data of the same Indicators from other Small Rural Shires.

This has been provided in two forms:

- Community Satisfaction - it is difficult to obtain Community Satisfaction figures from other Councils as information is aggregated but some information is provided in a separate attachment as **Appendix L**. This is a summary of the results from the State wide Community Satisfaction Survey.
- Know Your Council – the outcomes of the Local Government Performance Reporting Framework are provided on the Know Your Council website and this provides a means of comparison between Strathbogie and up to 3 other Councils. As with any data context is important and notes are provided by Councils on some of the measures. Rather than produce data in this report it can be accessed by [Strathbogie Shire - Know Your Council](#) click on compare Councils, click on Service area, enter Strathbogie and then select the 3 Councils you would like to compare us with.

Services Provided To Community

It was agreed at the previous meeting that a paper should be created which clearly states what services the Shire and other Authorities are responsible for delivering. These services include, but are not limited to, water supply, sewerage, electricity, NBN, gas, garbage collection and storage, aged care, libraries, child care, kindergarten, tourism and visitor centres and animal registration.

In relation to services provided by Council the following is a list under various headings ***This requires further work to identify services provided by others and the Committee may wish to add other agencies to the list.***

A number of the external parties are referral authorities for planning applications.

Aged and Disability

- Disabled parking zones and disabled parking permits
- Senior citizens centres and groups
- Accessible transport
- Community buses
- Volunteer programs
- Street-trader compliance with disability access standards.

Arts and Culture

- Art galleries and art trails
- Theatres and performing arts venues
- Public libraries and mobile library services (through GV Libraries)
- Historical buildings and museums
- Council and community halls
- Community centres
- Public art and public festivals/events
- Citizenship ceremonies and Australia Day awards

Business Services

- Registration: food premises, health (beauty) and body art premises, and accommodation premises (rooming houses, hotels, motels, hostels, dormitories, bed and breakfast)
- Permits: business parking, skip bins, busking, footpath trading, personal fitness, mobile food trucks, signage, home-based businesses, fundraising and door-to-door collection, market stalls
- Business advice, support, counselling, mentoring, networks and training
- Economic development and tourism plans and programs.

Cleaning and Waste

- Street litter bins and street cleaning
- Waste transfer stations and landfills
- Kerbside waste and recycling bin collection
- Removal of dumped rubbish
- Litter traps and blocked drains
- Green waste collection service
- Collection of State Government landfill levy
- Graffiti removal.

Community Development

- Community grants programs
- Community engagement through working groups, meetings and committees
- Neighbourhood planning
- Support for community groups – networking, advice and skills workshops
- Prevention of violence against women – planning and support programs

Emergency Management

- Emergency management plans for the municipality, in partnership with other emergency services agencies
- Undertaking fire prevention activities including issuing fire prevention notices and working with fire agencies to reduce fire risks
- Planning overlay controls to address risks to properties such as fire and flood
- Operating relief and recovery centres during/after an emergency
- Coordinating emergency shelter for displaced people and animals
- Coordinating clean-up activities
- Assessing occupancy of damaged buildings, safety of sites after an emergency, and overseeing rebuilding (permits/inspections).
- Fire inspections

Environment

- Tree planting and street tree maintenance
- Permits for tree clearing, open air burning off, collection of firewood
- Compliance with state and federal native vegetation laws
- Permits for septic tanks
- Stormwater drains and stormwater reuse
- Roadside weeds and pest control

Family and Children

- Neighbourhood and community houses (through others)
- Playgroups and toy libraries
- Kindergarten programs, buildings and central enrolment services (through others)
-
- Maternal and Child Health Service - provide regular check-ups for all babies from birth – six years, parenting advice and support, new parent groups
- Immunisation

Health and Safety

- Public health: registration and inspection of health (beauty) premises and prescribed accommodation
- Food regulation
- School crossing supervisors
- Emergency Management Planning
- Street lighting
- Litter bins
- Infection disease control
- Swimming pools , spas and safety barriers
- Tobacco– enforcement of smoking laws and bans on sale of cigarettes to minors
- Monitoring for noise, smells, smoke and pest control.

Local Laws and Permits

- Residents: parking permits, skip bin permits, firewood collection and permits to burn
- Disabled parking permits

- Business: street trader permits, place of public entertainment permits, prescribed accommodation, health (beauty) and food safety premises permits, mobile food truck permits, busking permits
- Filming permits
- Planning and building permits.
- Waterways management

Parks and Gardens

- Public parks and gardens
- Playgrounds
- Barbeque, picnic, rubbish and public toilet facilities
- Tree preservation and urban greening
- Conservation of bushland reserves and wetlands
- Walking trails and shared bike paths
- Hire and permits for public open space functions and activities.

Pets and Animals

- Pet ownership: pet registration, off-lead areas and disposal bags, permits for keeping animals, micro chipping days
- Livestock permits
- Control of pests and nuisance animals
- Registering and monitoring of pet breeding businesses
- Investigation of barking dogs, dog attacks and other animal complaints
- Stock and other animals wandering

Planning and Building

- Land use regulation, zone and overlay controls
- Planning application assessments and permits
- Neighbourhood character plans
- Heritage overlays, protection and advice
- Energy efficient housing design support
- Building permits
- Construction noise compliance
- Building regulation safety and compliance
- Provision of property information.

Roads and Bridges

- Local roads and bridges
- Footpaths and cycle paths
- Bus shelters
- Parking spaces and signage
- Parking permits
- Parking infringements
- Traffic signs and road treatments to improve safety and reduce speeding
- Road closures for events and roadworks
- School crossing supervisors
- Street cleaning.

Sport and Recreation

- Sports ovals, courts and fields, and changing room facilities
- Leisure/recreation centres
- Public swimming pools and aquatic recreation facilities
- Community and youth centres
- Play spaces and playgrounds
- Recreational trails
- Hire of community halls
- Skate parks
- Community grants programs.

Youth Services

- Youth centres and drop-in spaces
- Skate parks , recreation and sporting facilities
- Youth festivals
- Youth advisory groups and committees
- Youth programs such as arts and music, education and skills training, mentoring and leadership, social groups.

Services provided by other organisations include:

Goulburn Region Pre School Association

Pre schools

Goulburn Murray Water

Water storages including land adjacent – i.e. Lake Nagambie

Goulburn Valley Water

Reticulated sewerage

Reticulated water including re use

Goulburn Broken Catchment Management Authority

Water catchment protection

Department of Environment Land Water and Planning

Forest regulation enforcement

Issuing/removing grazing licences on unused roads, and managing licensees

Ag Vic

Regional Roads Victoria

Maintenance of the arterial road network

Capital projects on the network

SP Ausnet

Power supply infrastructure

Energy Australia

Retailer of power

VicTrack

Land issues in vicinity of railway lines

V Line

Passenger services

NBN Co

Broadband network rollout

Nexus

Information to come

Honeysuckle Health

Information to come

Euroa Health

Information to come

Nagambie Health

Information to come

Country Fire Authority

Fire management including community safety

State Emergency Service

Victoria Police

***MOVED: MARK FREUDENSTEIN
SECONDED: ALISTAIR THOMSON***

That the Committee note the report.

CARRIED

6.9 INVESTIGATIONS / CHIEF EXECUTIVE OFFICER REPORTS

Nil

7. ITEMS RAISED BY COMMITTEE MEMBERS

Nil

8. NEXT MEETING

Friday 16 September 2022

- to consider draft Performance Report and 2021/22 Financial Statements

There being no further business the meeting closed at 12.30 pm.

Confirmed at being a true and accurate record of the meeting.

.....
Chair

.....
Date