
NARROMINE SHIRE COUNCIL
ORDINARY MEETING BUSINESS PAPER – 8 DECEMBER 2021
REPORTS OF COMMITTEES

1. REPORT OF THE NARROMINE AUSTRALIA DAY COMMITTEE

The minutes of the Narromine Australia Day Committee Meeting held on 16 November 2021 at the Narromine Shire Council Chambers are attached **(See Attachment No. 1)**.

RECOMMENDATION

That the recommendations from the minutes of the Narromine Australia Day Committee Meeting held on 16 November 2021 be adopted.

2. REPORT OF THE RURAL FIRE SERVICE LIAISON COMMITTEE

The minutes of the Rural Fire Service Liaison Committee Meeting held on 2 November 2021 at the Narromine Shire Council Chambers are attached **(See Attachment No. 2)**.

RECOMMENDATION

That the recommendations from the minutes of the Rural Fire Service Liaison Meeting held on 2 November 2021 be adopted.

3. REPORT OF THE LOCAL EMERGENCY MANAGEMENT COMMITTEE

The minutes of the Local Emergency Management Committee Meetings held on 11 November 2021 at the Narromine Shire Emergency Services are attached **(See Attachment No. 3)**.

RECOMMENDATION

That the recommendations from the minutes of the Local Emergency Management Committee Meetings held on 11 November 2021 be adopted.

4. REPORT OF THE INTERNAL AUDIT COMMITTEE

The report to the 8 November 2021 Internal Audit Committee and minutes of the 8 November 2021 and 10 November 2021 meeting held via audio/visual are attached **(See Attachment No. 4)**.

Council has previously considered the Internal Audit Committees recommendations relating to the 2020/21 Annual Financial Statements at its Ordinary Meeting held 10 November 2021 and resolved to adopt the 2020-21 Audited Financial Statements and Auditors Report as presented.

**NARROMINE SHIRE COUNCIL
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REPORTS OF COMMITTEES**

4. REPORT OF THE INTERNAL AUDIT COMMITTEE (Cont'd)

In addition Council resolved to inform the community that the RFS Assets have been recognised in current year financial Statements and not in prior years. This has been included in Councils 2020/2021 Annual Report.

RECOMMENDATION

That the recommendations from the minutes of the Internal Audit Committee Meeting held on 8 November 2021 be adopted, with the exclusion of the recommendation relating to the Audit Financial Statements.

**MINUTES OF THE NARROMINE AUSTRALIA DAY COMMITTEE MEETING HELD IN
NARROMINE SHIRE COUNCIL CHAMBERS ON TUESDAY 16 NOVEMBER 2021**

PRESENT: Cr Les Lambert (Chair), David Taylor, Phil Johnston (Director Community and Economic Development), Keith Elrington, Ros Reid, Ernesto Falcioni, Alison Attwater (Minute Secretary).

The Chair welcomed those present and declared the meeting open at 4.35pm.

1. APOLOGIES

RECOMMENDED David Taylor/Keith Elrington that the apologies of Peter Richards and Jacy Richards be accepted.

2. DECLARATION/CONFLICT OF INTEREST

Nil

3. CONFIRMATION OF MINUTES OF PREVIOUS MEETING

RECOMMENDED Ros Reid/ David Taylor that the Minutes of the previous meeting of the Narromine Australia Day Committee held on 23 March 2021 be adopted as a full and accurate record of proceedings of that meeting.

4. BUSINESS ARISING FROM THE MINUTES

Nil

5. Event Plan

- It was advised that event preparations began in lockdown
- **RECOMMENDED** Cr Lambert/Keith Elrington that the free entry to the pools be 26 January 2022 for Narromine and 27 January 2022 for Trangie for a period of four hours and the inflatable slide co-inside with these dates.
- **RECOMMENDED** Ros Reid/David Taylor that 300 small Australian flags and bunting be purchased.
- **RECOMMENDED** Ros Reid/Ernesto Falcioni a 100-club selling for \$5.00 per ticket be available on the day to raffle. Prizes of \$50 petrol voucher and two \$50 meat vouchers. Tickets to be sold by Ros Reid.
- Lions Club confirmed that they would undertake all the catering duties for Australia Day and that an invoice would be provided post event
- Generosity Church and Rotary Club will assist with catering on the day.
- Enquiry to be made on the availability of the Narromine Gorillas BBQ.
- Cool room has been booked
- Invitations have been sent
- Only watermelon eating competition to be held on the day, time does not permit for the other games
- Narromine Showgirl confirmed attendance

**MINUTES OF THE NARROMINE AUSTRALIA DAY COMMITTEE MEETING HELD IN
NARROMINE SHIRE COUNCIL CHAMBERS ON TUESDAY 16 NOVEMBER 2021**

6. General Business

Nil

7. NEXT MEETING

The next meeting of the Narromine Australia Day Committee will be held on Tuesday, 14 December 2021 in Council's Chambers commencing at 4.30pm.

There being no further business, the meeting closed at 5.03 pm.

The Minutes (pages 2) were confirmed at a meeting held on the _____ day of _____ 2021 and are a full and accurate record of the meeting held on the 16 November 2021.

CHAIR

**MINUTES OF THE RURAL FIRE SERVICE LIAISON COMMITTEE MEETING HELD AT THE
NARROMINE SHIRE COUNCIL CHAMBERS ON TUESDAY 2 NOVEMBER 2021**

PRESENT:

Cr Robert McCutcheon	Councillor, NSC (Chair)
Bron Waters	Orana NSW Rural Fire Service
Mark Pickford	Orana NSW Rural Fire Service
André Pretorius	Director Infrastructure and Engineering Services, NSC
Neville Roberts	Narromine Rural Fire Service
Sarah Masonwells	Minute Taker, NSC

1. WELCOME

The Chair welcomed those present and declared the meeting open at 10:13am.

2. APOLOGIES

RECOMMENDED by consensus that the apologies of Cr Colin Hamilton, and Steve Miller be accepted.

3. MINUTES OF THE PREVIOUS MEETING

RECOMMENDED Neville Roberts/Bron Waters that the minutes of the previous meeting held on 9 March 2021 be accepted as a true and accurate record of the meeting.

4. BUSINESS ARISING FROM THE MINUTES

- Bron Waters noted the Cat 9 had been received and delivered to Tomingley
- Mark Pickford noted we are still waiting for the Cat 1 for Bundemar
- André Pretorius noted Council have amended their operation practices to include knocking the wind rows down
- Roads list can be updated
- Discussion was had regarding land holders conducting road side slashing, including provisions possibly having a 12-month expiry, a review of the Council policy, to be conducted to run alongside the bushfire season, water cart availability, obtain advice from Council's insurer, and encouraging, not discouraging landholders to slash.

RECOMMENDED Neville Roberts/Mark Pickford that Council review their policy and present it at the next Liaison Committee Meeting for review.

5. SCHEDULE THREE REPORT

Bron Waters tabled the Quarterly Performance Report (**see Attachment No. 1**) and summarised the following contents:

- The items at the "At Risk" column is mainly due to the COVID-19 pandemic restrictions and reduced time with volunteer engagement etc.
- Tanker allocations are slightly delayed.
- There has been some discussion regarding being able get the truck refurbishments completed locally. This is ongoing.
- This report is from the last meeting in March 2021, through to the end of October, 2021.
- Boggy Plains toilets have been completed.

MINUTES OF THE RURAL FIRE SERVICE LIAISON COMMITTEE MEETING HELD AT THE NARROMINE SHIRE COUNCIL CHAMBERS ON TUESDAY 2 NOVEMBER 2021

RECOMMENDED Bron Waters/Neville Roberts that the Quarterly Performance Report as presented to the meeting be accepted.

6. GENERAL BUSINESS

- Discussion was had regarding future shed builds, including building on private properties, purchasing land, being built close to the road for easy access, security, and having shovel ready sites, with land acquisitions and DA's in place.
- Having sheds on private land can cause several issues, including affecting maintenance of the truck.
- A review of the 10 year station plan is required.
- Security can be an issue, but alarms and cameras are being installed in some sheds.
- There have been 2 (two) sites suggested for the new Tyree shed, 1 (one) is too far off road, and on private land, and the other one requires a flood investigation of the site. Mungeribar Shed site also requires a flood investigation.
- Sheds that are on private land, and are transportable, with no cement floors, should be considered also, in acquiring land to move them off private land.
- Mark Pickford noted these sheds will be included in a drive around with André Pretorius.
- Senior leadership team to look at the Narromine brigades, including possible amalgamations.
- Monitors will be installed on both Cat 1 and Cat 6 trucks.
- Some vehicles in this area have thermal imaging equipment.
- Mark Pickford noted the Bundemar tanker will be part of the "second hand" replacement program
- Both Narromine and Trangie town brigade trucks are due for refurbishment. Whilst this is completed, a replacement truck will be sent.
- Hazard reduction has been submitted through portal. This includes mechanical, slashing and clearing.
- André Pretorius advised a new map is being completed for the strategic firebreaks, and will be sent to the committee for comments once the proposal is ready.
- A combination of contractors and council will be utilised.
- Bron Waters noted that trees in verges can be an issue and that tree lopping can be included in the proposal.
- Bron Waters advised she is relocating to Tamworth and will no longer attend these meetings, and thanked everyone for their support.
- Cr McCutcheon, on behalf of the committee, thanked Bron for her all her work and wished her well with her new ventures.

7. NEXT MEETING

The date for the next meeting to be confirmed.

There being no further business the meeting closed at 11.26am.

The minutes (pages 1-2) were confirmed on _____ 2021 and are a true and accurate record of proceedings of the meeting held on 2 November 2021.

CHAIR

Attachment No. 1

Orana Service Level Agreement Meeting Report November 2021						Status
Program	Measure	Outcome	Status	Comment	Action Items	
Incidents Report (Icon)	45N/ 269D	100%	On Target	Icon export		On Target
BIRS reports Validated	314 of 314	100%	On Target			Complete
Current Volunteer Numbers	1951		On Target	Trend		At Risk
Current Operational volunteer Numbers	1620		On Target	Trend		Behind Target
Volunteer engagement - SLT meetings held	5 of 4	125%	On Target			Withdrawn
Volunteer engagement - Field Officer meetings held	3 of 6	50%	At Risk	Field Officers Meeting booked for November		
Volunteer Engagement - AGM's attended	8 of 8	100%	At Risk	COVID Restrictions		
Training Courses Held	12 of 13	86%	At Risk	COVID Restrictions		
WH&S Audits and Site Plans Updated	5 of 53	15%	At Risk	COVID Restrictions		
Identified WH&S corrective actions completed	0 of 0	100%	On Target			
Equipment Audits Completed	2 of 60	5%	On Target	COVID Restrictions		
Vehicles Inspected and pinkslip in EAM	35N/ 108D	100%	On Target			
Vehicle faults actioned and in EAM		100%	On Target			
Station faults actioned and in EAM	14 of 17	82%	On Target	N4/5. D10/12		
ICAM level 2 investigations completed	0 of 0	100%	On Target			
ICAM recommendations Actioned	0 of 0	100%	On Target			
BFMC - Bushfire Risk Management Plan (BFRMP) status	Yes	100%	On Target	Orana BFRMP 2020		
BFMC - Hazard Reductions Completed	2 of 2	100%	On Target	Dubbo		
RFS Hazard Reductions Completed	5 of 7	72%	At Risk	Dubbo (RFS only included)		
RFS Community Engagement Activities Completed	14 of 14	100%	On Target	10 Dubbo/ 4 Narromine		
BFMC - Operations Plan Current	Yes	100%	On Target	Due to be updated 2022		
BFMC - Operations Plan preseason checklist complete	Yes	100%	On Target	Completed August		
District Pre-incident Plan Updated - August	Yes	100%	On Target			
Staff with current work plan	7 of 7	100%	On Target			
Budget- M&R within annual allocation	Yes	1	On Target			
Budget- Tankers allocated delivered and in Service	2 of 6	30%	At Risk	Engineering /COVID		
School Cadets program held	1 of 1	100%	On Target	Dubbo		
District Cadets program	Yes	100%	On Target			
Capital Project 1	1	95%	On Target	Boggy Plains Toilet- Yet to submit RFFF Claim		
Capital project 2	1	95%	On Target	Dripstone Station Floor- Yet to Submit RFFF Claim		
Capital project 3	1	98%	On Target	Eurimbla Station Floor- Awaiting Payment of RFFF Claim		
District Issue or project			On Target	Bodangora and Wuuluman Station Builds- Unable to source suitable land in within financial year- Bodangora seed funds allocated- remainder carried over/ Wuuluman not funded		

**MINUTES OF THE LOCAL EMERGENCY MANAGEMENT COMMITTEE MEETING HELD AT THE
NARROMINE SHIRE EMERGENCY SERVICES COMPLEX ON
THURSDAY, 11 NOVEMBER 2021**

PRESENT: Graham Millgate (LEMO) (Chair), Inspector William Russell (LEOCON) (NSW Police Orana), Sergeant Jacob Cantwell (NSW Police Orana), Wade Haines, (NSW Fire and Rescue), Ewen Jones (NSW Fire and Rescue), Anthony Hojel (NSW Fire and Rescue), Mark Pickford (NSW Rural Fire Service), Andre Pretorius (Director, Infrastructure and Engineering Services, NSC), Tony Coen (Tomingley Gold Operations), Jason Gavenlock (Local Land Services), Chris Robinson (Local Land Services), Lochlan Rush (NSW Ambulance), Danny Bush (Resilience NSW), John Sevil (Timbregongie House), and Sarah Masonwells (Minute Taker).

1. WELCOME

The Chair welcomed those present, and declared the meeting open at 9:36am. The Chair asked everyone to take part in a minute's silence for the passing of a foundation member.

2. APOLOGIES

RECOMMENDED by consensus that the apologies of David Dickey (Traffic NSW), Samantha Reid (NSW SES, Narromine), Sanu Thekkumpurath (Narromine Health Service), Jane Redden (General Manager, NSC), Cr Craig Davies (Mayor, NSC), Lyn Harris (Trangie and Warren Health Service), and Anthony McEachern (VRA) be accepted.

3. CONFIRMATION OF MINUTES

RECOMMENDED by consensus that the Minutes of the meeting held on 13 May 2021 are a true and accurate record of the meeting.

4. BUSINESS ARISING

- Nil

5. CORRESPONDENCE

- November 2021 REMO Report (**attachment No. 1**) was circulated via email

6. CONTACT LIST

- To be resent to all members by Sarah Masonwells

7. AGENCY REPORTS

a) NSW State Emergency Service

- Nil

b) NSW Ambulance Service (Lochlan Rush)

- Some staffing changes and new faces in the coming months. Other services may be called on to assist if required.
- All staff are fully vaccinated.

**MINUTES OF THE LOCAL EMERGENCY MANAGEMENT COMMITTEE MEETING HELD AT THE
NARROMINE SHIRE EMERGENCY SERVICES COMPLEX ON
THURSDAY, 11 NOVEMBER 2021**

7. AGENCY REPORTS CONTINUED

c) NSW Fire and Rescue (Anthony Hojel)

- Narromine has had 14 calls outs since last meeting
- Trangie has had 5 calls outs since last meeting
- Returning to business as usual, with a return to training
- All staff must be fully vaccinated by 17 December. This has been mandated to protect both the staff and the community.
- Fire safety advice to commence in the communities

d) Narromine Volunteer Rescue Association (Graham Millgate)

- Returned to business as usual, with back to training once a week.
- Everyone is fully vaccinated
- A new quick response vehicle was received last Monday from the Minster. Training will be provided in the coming weeks.

e) NSW Rural Fire Service (Mark Pickford)

- There has been a lot of staff movements, with resignations and transfers.
- During COVID, the teams were split, with some working from home, and some working from the office.
- Staff must be vaccinated.
- There is a survey out at the moment regarding volunteers and vaccination.
- No AGM's have been held
- Training is starting back up again, returning to business as usual.
- The office upgrade in the Narromine facilities almost complete
- Trangie and Tomingley are struggling with low volunteer numbers
- Tanker services have been completed, and locally where possible.
- Some good hazard reduction work has been completed on Enmore Road Trangie, with other areas identified to be done.
- A large air tanker is now stationed at Dubbo
- The EOC received \$140k grant for infrastructure upgrades, which are almost complete.
- DGR grant money received to build a training centre. This will be in the form of a transportable house, complete with electronic screens to improve training opportunities. This is still in the development application stage.

f) NSW Police Orana – Narromine (William Russell)

- The new Sector Supervisor has commenced
- Narromine and Trangie are at full strength, although a Trangie officer will be transferring in December. This position will be recruited.
- NSW Police have mandated vaccinations for all staff.
- After solely focusing on COVID compliance, Operation Summer Safe will commence shortly, concentrating on anti-social behaviour.

**MINUTES OF THE LOCAL EMERGENCY MANAGEMENT COMMITTEE MEETING HELD AT THE
NARROMINE SHIRE EMERGENCY SERVICES COMPLEX ON
THURSDAY, 11 NOVEMBER 2021**

7. AGENCY REPORTS CONTINUED

g) Local Land Services LLS (Jason Gavenlock)

- Welcomed Chris Robinson, who will be on standby if Jason is unavailable.
- A lot of staff changes.
- Ongoing training, including COVID safety – clean off and clean on training, and locust training.
- Flood preparation - dog cages etc, being prepared for other areas if required.
- Reports of both locust and mice activity, but still unknown if this will increase to be of plague proportions.
- Large bodies of feed on TSR's are a fire hazard concern. Free grazing was offered, but was not taken up. Council have assisted in slashing a TSR of concern. This will be a continuing issue this season.

h) Narromine Shire Council (André Pretorius)

- Graffiti remains a big problem, with theft from remote sites expected to increase again.
- Laneway maintenance has commenced, providing better access to emergency vehicles.
- Council has adopted the Floodplain Risk Management Plan. This will be uploaded to the SES portal in the next week. This will include potential impacts from the Inland Rail development and a potential outbreak from the Macquarie River at Webbs Siding. These were not previously included.
- Hazard Reduction has commenced on various roads around the shire, and will continue whilst safe to do so.

i) Timbregongie House (John Sevil)

- Timbregongie House is open, allowing visitors and excursions
- Continuing to comply with health orders
- Rapid antigen testing is being used
- 100% of permanent residents and staff are fully vaccinated, with booster shots commencing from 6 December.

j) Narromine Health Service

- Nil

k) Tomingley Gold Operations (Tony Coen)

- Exceptional effort with keeping COVID out of the "spin gates", with over 200 staff employed.
- Although vaccination has not been mandated, it has been strongly encouraged, with around a 90% vaccination rate.
- Adopted rapid antigen testing for staff and visitors.
- Emergency response training is ongoing, with block training in underground search and rescue.

**MINUTES OF THE LOCAL EMERGENCY MANAGEMENT COMMITTEE MEETING HELD AT THE
NARROMINE SHIRE EMERGENCY SERVICES COMPLEX ON
THURSDAY, 11 NOVEMBER 2021**

7. AGENCY REPORTS CONTINUED

- Looking at completing Cert 3 training in emergency response, to grow emergency capabilities on site.

l) Transport NSW

- Nil

m) Resilience NSW (Danny Bush)

- A quick rundown on Resilience. It was formed in May 2020, and is headed by Shane Fitzsimmons. It is still in the stepping up in its structure/forming stage, and recruiting is ongoing.
- There are six regions, with this region being in the Orana and Far West Region.
- Primarily, it has been COVID response focused at this stage.
- There is a lot in the pipeline for next year, including a formal presentation for the LEMC's.
- Resilience will be there to support all natural disasters that may occur, and are looking at how they can best support the process, including the recovery phase after an emergency event.
- An online training program with 10 modules in emergency management training will be available shortly.

RECOMMENDED by consensus that the agency reports as presented be received.

8. RESCUE SUB COMMITTEE

Inspector William Russell confirmed the meeting was held at 9am prior to the Local Emergency Management Committee Meeting.

9. REMO REPORT

- Was tabled (**attachment No. 1**)

10. UP COMING EVENTS

- Australia Day activities planned for 26 January 2022, including the inflatable at the Narromine Aquatic Centre, with the Trangie Aquatic Centre having the inflatable the following day, 27 January 2022.
- Generocity Church are proposing an event on Christmas Eve, but no confirmation has been received.

11. GENERAL BUSINESS

- The Chair thanked everyone for their support during the COVID-19 pandemic, with a special mention to the NSW Police, the Narromine Health

**MINUTES OF THE LOCAL EMERGENCY MANAGEMENT COMMITTEE MEETING HELD AT THE
NARROMINE SHIRE EMERGENCY SERVICES COMPLEX ON
THURSDAY, 11 NOVEMBER 2021**

11. GENERAL BUSINESS CONT.

Service, and Narromine Shire Council. It was a real team effort. Also, a thank you to Wade Haines and the team at Trangie for their help at the vaccination clinics, and Mark Pickford for their help at the Narromine Testing Site.

- Inspector William Russell added he would also like to thank everyone for their involvement in the extraordinary meetings, the timely manner in which correspondence was received, in what was sometimes a short timeframe.
- Sergeant Jacob Cantwell provided a COVID-19 update of the area;
 - Narromine Shire is still sitting at zero cases, with an average of 20 tests conducted per day. The testing is currently still 7 days a week from 9:30am – 2:30pm. This will likely change in the coming weeks as the testing numbers continue to drop.
 - Narromine Shire are currently sitting at 95% for second dose.
 - Narromine Pharmacy have done, and continue to do a great job with conducting an incredible amount of vaccinations.
 - The statistics and results speak for themselves and the people of the Shire have done very well.
- The Chair noted the CMG's are due for review and updated if required. These to be finalised by February at the latest, so any changes can be ratified at the REMC in March 2022. Sarah Masonwells will send these out via email.
- Ewen Jones asked if the next meeting would be held at Trangie? Wade Haines noted the Hospital has a conference room that could be used.
- The Chair noted the next meeting might be held at the Tomingley Mine.
- André Pretorius noted the unsealed roads in the Shire may be closed due to ongoing wet weather.
- The Chair noted there is a 4-wheel drive ambulance vehicle based at Trangie.
- Mark Pickford requested no parking signage for the outside of the emergency services shed in Narromine and Trangie be investigated, to stop vehicles parking in front of the doors. Council to investigate options.

12. NEXT MEETING

The next Local Emergency Management Committee Meeting will be held on **Thursday, 10 February 2022**, commencing at 9.30 am; to be preceded by a Rescue Sub Committee Meeting commencing at 9.00 am, venue to be confirmed.

There being no further business, the meeting closed at 10:20am.

The minutes (pages 1 - 5) were confirmed at a meeting held on 2021 and are a full and accurate of the meeting held on 11 November 2021.

Chair



RRC

The next Region Rescue Committee (RRC) meeting will be in Dubbo on Thursday 9 December 2021. This will be a face-to-face meeting with light lunch afterwards.

REMC

The next Far West REMC was scheduled for Brewarrina on 23 November 2022. This is likely to be deferred till the normal meeting in February 2022. I will advise in due course.

The combine CW, FW and NE COVID-focused REMC is still being conducted every second Thursday whilst the COVID-19 Delta response and recovery is underway. The meetings are all virtual. If you desire an invitation, I can refer your request to the meeting organiser.

The 8am morning REOC briefing with LEOCONs and LEMOs is now weekly on Monday mornings. I can send invites to persons as requested.

The combined CW, FW and NE Region emergency Operations Centre (REOC) is still active but operating virtually. Deputy REOCON Danny Sullivan is still in control in the REOC and operating out of the Dubbo Police Station Region Operations Centre (ROC). Any requests for assistance over and above your local capability may be made through your REMO.

I will be covering for the Northern end of the CW EM Region until the REMO role is filled. I will attempt to get to as many LEMC/LRC meetings as I can, especially as we withdraw to a more normal EM footing.

OPERATIONS

Since early August this year I have been supporting the Region EOC in Dubbo. The REOC is now virtual. I will continue to support the REOC virtually out of Parkes until mid-December and then I will return to Broken Hill.

REOC REPORTING

The REOC is still active and reporting to the SEOC weekly. Strategic Update Reports are due from all LEOCONs by 12 midday each Monday. Other Sitreps may be submitted to the #WRREOC as necessary.

BORDER, QUARANTINE AND VACCINATION WORKERS CELEBRATION

NSW Government are hosting a celebration to thank Border, Quarantine and Vaccination workers next Monday 8 November at Qudos Bank Arena. The RSVP is 5 November. There are only 2000 spaces and booking is essential.

LEOCONS

Bourke LGA welcomes Superintendent Tim Chinn as the LEOCON. Insp Peter Walton is the nominated Deputy LEOCON. Insp Kevin Day is the LEOCON for Brewarrina.

AAR

After Action Reviews are to be organised by LEOCONs in each LGA in the state, AARs must be submitted to #WRREOC by 10 December 2021. AAR guides are being circulated for all LEOCONs.

REMOs

I would like to welcome Andrew Elms to the REMO role in Bathurst. Andrew replaces the late Craig Bowra and will be looking after the southern end of the Central West EM Region. Andrew comes recently from the RFS and has diverse EM and training experience in RFS, Ambulance and NSW Health. Andrew retains Craig's same phone number - 0417 438 845, and his email address is elms1and@police.nsw.gov.au.

REMO Kel Wise left the REMO role in Dubbo in early September and has moved to Resilience NSW. We will still see lots of Kel whilst he represents his new organisation. The Dubbo REMO role has been advertised. It is possible we may have a replacement in the Dubbo REMO Office before Xmas.

TRAINING

ResNSW courses are now listed on the emtraining.nsw.gov.au website.

EM training has been cancelled for 2021. ResNSW are very keen to have face to face training reinstated. They are also changing their portfolio of on-line training courses and webinars. See ResNSW Quarterly Report.

Note: All courses must have at least 10 persons booked on them at least 2 weeks prior to the course or they will be cancelled. All participants must book onto each course, including each of the back-to-back courses. Prerequisites must be completed.

Next training planned is

Bathurst – Introduction to Emergency Management – 1/2/2022



Bathurst – Emergency Operations Centre Concepts – 2/2/2022

Other training courses are available around the state and the Central West.

EXERCISESConducted

Nil during Delta CV-19 outbreak.

Planning

PORGERA – Broken Hill ~~24/8/2021~~ – REMC Discussion Exercise. Ammonium Nitrate Explosion on a mine site. New date tba.

AIRPORT – Wentworth ~~15/10/2021~~ – Airport Field Exercise. New date tba.

CULGOA – Bourke and Brewarrina – new date 2/5/2022 – Cross LGA Field exercise. Minibus and Stock truck collision.

Proposed

TBA

Greg McMahon
0427 662 493
Far West Region Emergency Management Officer,
3 November 2021

**MINUTES OF THE NARROMINE SHIRE COUNCIL INTERNAL AUDIT COMMITTEE
MEETING HELD VIA AUDIO/VISUAL LINK ON MONDAY 8 NOVEMBER 2021**

PRESENT: Ron Gillard (Chair) – Independent External Member, Neil Maltby–Independent External Member, Cr James Craft NSC, Jane Redden - General Manager NSC, Jeanette Coen – Acting Director Finance & Corporate Strategy NSC, Marion Truscott - Director Governance NSC, Unaib Jeffrey – NSW Audit Office, Gabriel Faponle – Crowe (Internal Audit) and Sally McDonnell (Minute Taker)

1. WELCOME

The Chair welcomed everyone to the Narromine Shire Council Internal Audit Committee meeting and declared the meeting open at 12.01pm.

2. APOLOGIES

Alex Hardy and Luke Malone - Prosperity Advisers Group

3. DISCLOSURES OF INTEREST

Nil

4. CONFIRMATION OF PREVIOUS MINUTES 26 JULY 2021

RECOMMENDED Neil Maltby/Cr Craft that the Minutes of the Narromine Shire Council Internal Audit Committee Meeting held 26 July 2021 be adopted as a true and correct record of the meeting.

5. BUSINESS ARISING FROM MINUTES

Nil

6. AUDITED FINANCIAL STATEMENTS (NSW AUDIT OFFICE)

The Chair of the Internal Audit Committee raised his concerns that the RFS Assets had now been recognised in NSC's financial statements after the Committee provided its 'conditional in principle consent' on 7 September 2021 via circular resolution for draft financial statements that specifically noted the exclusion of RFS Assets in line with accounting policy from previous years.

The Chair stated that for at least the past 3 years the RFS Assets had not been recognised in NSC's financial statements that the Committee had supported management's position to not include them. It was estimated that the inclusion of RFS Assets now overstates Council's operating result and assets by \$3m. Inclusion of the RFS Assets provides no benefit to Council, unexplainably impacts Council's cash flow statements though no cash transactions occurred, and impacts Council's future results in terms of an additional circa \$300,000 annual depreciation cost to the operations of Council.

The General Manager advised the Committee that the RFS Assets were recognised in accordance with the recommendation from the External Auditors on the basis that to not do so would continue to result in an uncorrected misstatement; and further that Narromine Shire Council would be included in the Auditor General's Annual Report for non-compliance with the Accounting Standard.

**MINUTES OF THE NARROMINE SHIRE COUNCIL INTERNAL AUDIT COMMITTEE
MEETING HELD VIA AUDIO/VISUAL LINK ON MONDAY 8 NOVEMBER 2021**

6 AUDITED FINANCIAL STATEMENTS (NSW AUDIT OFFICE) (Cont'd)

The Chair of the Committee stated that he could not support acceptance of the audited financial statements or associated reports as the presented statements were considerably different to the statements that were referred to audit, and to include the RFS Assets without consulting the Committee and providing fundamental reasons supporting such a move, fails the adherence to all process, policy and procedure tests that are the foundation to the Committees responsibilities. Further, it was noted that the change of accounting policy to now recognise RFS Assets, along with its impact to the operating results and balance sheet of the Council, is not appropriately disclosed in the presented financial statements nor the associated reports from the External Auditor, and as such, is misleading to Council and ratepayers.

RECOMMENDED Ron Gillard/Neil Maltby:

1. That management immediately corrects the accounts presented to the Committee today, reversing the impact from the single transaction of recognising the RFS Assets which is a significant and an unnecessary, and potentially unauthorised, change in Council's accounting policies and historical position.
2. That Council is duly notified of this matter and that the proposed 'authorisation for issue' of the current accounts be deferred from 10th November to a later meeting when corrected accounts are available.
3. That the Audit Office of NSW works with management to fast-track the correction of this single transaction matter, including amending and reissuing their associated reports.
4. That due to the facts of the matter, the Audit Office of NSW will not charge Council for any additional audit fees.
5. That the Audit Office of NSW ensure that the Chair of this Committee is provided with all future documents where the Chair is listed in them as being cc'd.

Unaib Jeffrey – NSW Audit Office left the meeting at 1.05pm

7. INTERNAL AUDIT - Workforce Planning, Recruitment and Retention Review**RECOMMENDED** Cr Craft/Neil Maltby:

1. That the Workforce Planning, Recruitment and Retention Review report be received and noted along with the presentation from the Internal Auditor. The Committee appreciates the efforts on presenting a good and thorough report.
2. The referenced Detailed Findings to be included on the Action List.

It was noted that the Follow Up review be deferred and clarified at a future meeting.

Gabriel Faponle - Crowe left the meeting at 1.22pm

**MINUTES OF THE NARROMINE SHIRE COUNCIL INTERNAL AUDIT COMMITTEE
MEETING HELD VIA AUDIO/VISUAL LINK ON MONDAY 8 NOVEMBER 2021**

8. REPORT TO INTERNAL AUDIT COMMITTEE

8.1 Committee Action Tracking List

RECOMMENDED Cr Craft/Neil Maltby that progress with implementation of actions be considered and noted.

8.2 Legislative Compliance - Exception Reporting

RECOMMENDED Cr Craft/Neil Maltby that the report be noted with nil exceptions.

8.3 Draft Annual Report 2020/2021

RECOMMENDED Neil Maltby/Cr Craft that the verification and endorsement of the financial information included in the Draft Annual Report be deferred until such time that the issues surrounding the financial statements are addressed.

8.4 Compliance Monitoring – Office of Local Government Circulars

RECOMMENDED Cr Craft/Neil Maltby that the report be considered and noted.

8.5 Internal Audit and Risk Management Framework

RECOMMENDED Neil Maltby/Cr Craft

1. That the Committee note the proposed changes to the Internal Audit and Risk Management Framework and thank the Director Governance for the succinct report highlighting the decision-making requirements.
2. That the Committee supports the 'Considerations for Councils' and the respective recommendations.
3. That Council makes a formal submission to the Office of Local Government in response to the proposed framework changes that it is concerned with.

8.6 Legislative Compliance Register - Update

RECOMMENDED Cr Craft/Neil Maltby that the Committee note the report, acknowledge the completion of the task and thank the Director Governance for her role in driving this to completion.

8.7 Risk Management

RECOMMENDED Neil Maltby/Cr Craft that the report be considered and noted.

8.8 Extension of Tenure – Independent Committee Members

RECOMMENDED Ron Gillard/Neil Maltby

1. That the Committee formally note the Council approved extension of tenure and membership fee for the Independent Members.
2. That the Independent members thank Council for their consideration and support.

8.9 Referral of Draft 2020/2021 Financial Statements to Audit

RECOMMENDED Neil Maltby/Cr Craft that the Committee formally endorse the circular resolution providing conditional 'in principle consent' to refer the Draft 2020/2021 Financial Statements to Audit.

**MINUTES OF THE NARROMINE SHIRE COUNCIL INTERNAL AUDIT COMMITTEE
MEETING HELD VIA AUDIO/VISUAL LINK ON MONDAY 8 NOVEMBER 2021**

REPORT TO INTERNAL AUDIT COMMITTEE (Cont'd)

8.10 Policy Register

RECOMMENDED Neil Maltby/Cr Craft:

1. That the Committee consider and note the report.
2. That the updated policy register be provided to the Committee at its second meeting of 2022.

8. PROPOSED IAC/ARIC DATES FOR 2022

It was noted that Management have recommended to move to four meetings in the 2022/2023 financial year, in accordance with the draft Internal Audit and Risk Management Framework 2021.

RECOMMENDED Ron Gillard/Neil Maltby:

1. That the dates for the 2022 calendar year be 7 March 2022, 4 July 2022 and 7 November 2022.
2. That the meetings commence at 10.00 am rather than 12 noon.

The Committee moved into Confidential Session at 1.48pm.

**MINUTES OF THE NARROMINE SHIRE COUNCIL INTERNAL AUDIT COMMITTEE
MEETING HELD VIA AUDIO/VISUAL LINK ON MONDAY 8 NOVEMBER 2021**

OPEN SESSION

11 ANY OTHER BUSINESS

Cr Craft announced that this would be his last meeting as he did not stand for the next term of Council.

The Chair thanked Cr Craft on behalf of the Committee for his service and wished him all the best in the future.

12. DATE FOR NEXT MEETING

The next Internal Audit Committee meeting will be held on Monday 7 March 2022.

13. CONCLUSION OF MEETING

The Chair thanked all members for attending.

There being no further business the meeting concluded at 2.15pm.

The Minutes (pages 1 to 6) were confirmed at a meeting held on the day of _____ 2021, and are a full and accurate record of proceedings of the meeting held on 8 November 2021.

CHAIR

**NARROMINE SHIRE COUNCIL
INTERNAL AUDIT COMMITTEE MEETING REPORT – 8 NOVEMBER 2021**

Items from the Director Governance

1. COMMITTEE ACTION TRACKING LIST

The Internal Audit Committee Action Tracking List is attached (*see Attachment No. 1*).

RECOMMENDATION

That progress with implementation of actions be considered and noted.

2. LEGISLATIVE COMPLIANCE – EXCEPTION REPORTING

There are no identified issues to be reported.

RECOMMENDATION

That the report be considered and noted.

3. DRAFT ANNUAL REPORT 2020/2021

Section 428 of the Local Government Act 1993 states that Councils must prepare an Annual Report within 5 months after the end of each year reporting as to its achievements in implementing its delivery program and the effectiveness of the principal activities undertaken in achieving the objectives at which those principal activities are directed. The report must contain a copy of Council's audited financial reports as well as the statutory information required under section 217 of the Local Government (General) Regulation 2021.

The Internal Audit Guidelines issued by the Office of Local Government state one of the Committee's roles and responsibilities is to ensure the financial information included in the Annual Report is consistent with the signed financial statements.

Accordingly, a copy of Council's Draft Annual Report 2020/2021 is provided under separate cover for consideration by the Committee.

Council's Annual Report for the 2020/2021 financial year must be published by 30 November 2021.

RECOMMENDATION

That the Committee endorses the financial information included in the draft Annual Report 2020/2021 as being consistent with the signed financial statements.

NARROMINE SHIRE COUNCIL
INTERNAL AUDIT COMMITTEE MEETING REPORT – 8 NOVEMBER 2021

4. COMPLIANCE MONITORING - OFFICE OF LOCAL GOVERNMENT CIRCULARS

A number of Circulars have been issued by the Office of Local Government since the Internal Audit Committee Meeting held in July 2021. **Attachment No. 2** provides information relating to each circular and Council's actions taken to date.

RECOMMENDATION

That the report be considered and noted.

5. INTERNAL AUDIT AND RISK MANAGEMENT FRAMEWORK

The Office of Local Government (OLG) has now refined the proposed Model – *A New risk Management and Internal Audit Framework for Local Councils in NSW*. The framework will be governed by the regulations and *Guidelines for risk management and internal audit for local councils in NSW* which will prescribe the minimum standards for each council's audit, risk and improvement committee, risk management framework and internal audit function.

The OLG is seeking views and feedback of councils and other stakeholders on the draft guidelines prior to finalising them. Submissions should be made before close of business on 26 November 2021.

The draft guidelines have previously been forwarded to members of the committee for consideration.

In accordance with section 428A of the Local Government Act, the Internal Audit and Risk Management Committee (ARIC) is to review: -

- Legislative compliance
- Risk management
- Performance measurement
- Service Delivery
- Internal and External Audit
- Fraud and Corruption Controls
- Financial Management and Performance

A summary of the changes to the proposed new risk management and internal audit framework in response to the submissions includes: -

Audit, Risk and Improvement Committees (ARIC)

- More 'principles-based' approach to reduce prescription and assist councils and ARICs to focus on desired outcomes
- New tiered ARIC model for metropolitan, regional and rural/remote councils and joint organisations and county councils with reduced prequalification requirements to better reflect the different needs of councils and their ability to attract ARIC members
 - enables a mix of prequalified, non-prequalified, independent and councillor members
 - new eligibility criteria for non-prequalified and councillor members

NARROMINE SHIRE COUNCIL
INTERNAL AUDIT COMMITTEE MEETING REPORT – 8 NOVEMBER 2021

5. INTERNAL AUDIT AND RISK MANAGEMENT FRAMEWORK (Cont'd)

- More flexibility in ARICs' role:
 - ARIC provides limited assurance rather than full assurance – role and reporting terminology changed to reflect this
 - ARIC reviews all matters listed in s428A of the Local Government Act 1993 over the council term, rather than annually, and focuses on systems/controls in place
 - more flexibility for councils to shape ARICs' role depending on council needs
- More information about ARICs' new assurance role in relation to integrated planning and reporting, service delivery and performance measurement
- Clearer links between the ARIC and the governing body to ensure the governing body receives maximum value from ARIC's expertise:
 - workplans developed by ARIC and noted by the governing body
 - new annual and four-yearly assurance meetings between the ARIC and governing body to discuss ARIC opinions, workplans, charter, terms of reference etc
 - councils can appoint a non-voting councillor member to their ARIC (optional)
- Reduced ARIC costs:
 - ARIC member fees at council's discretion
 - reduced external review requirements
- Revised term limits to make it easier to appoint ARIC members:
 - ARIC member terms coincide with council terms
 - longer maximum terms
 - possible exemption from term limits where a tier 1 council can't find new ARIC members
- New information about ARICs' role and key relationships with other stakeholders
- ARIC members can have more local government experience:
 - some independence requirements reduced
 - new ability to allow local community perspective/knowledge as a criteria for appointment to an ARIC
- Stronger ARIC member appointment and induction processes
- Enhanced leadership role for the chair over the ARIC and ARIC meetings
- More flexibility for councils regarding confidentiality of ARIC agendas and minutes
- ARIC given unrestricted access to general manager and senior staff only – access to other staff requires general manager's approval
- New 'further resources' section that provides examples/templates/information regarding implementation of ARICs

Risk management

- More 'principles-based' approach to remove prescription and assist councils to focus on desired outcomes
- Clarification on how risk management requirements apply to joint organisations and county councils, and the role of internal audit and ARICs in risk management
- New ability for shared arrangements for county councils and joint organisations to reduce costs

NARROMINE SHIRE COUNCIL
INTERNAL AUDIT COMMITTEE MEETING REPORT – 8 NOVEMBER 2021

5. INTERNAL AUDIT AND RISK MANAGEMENT FRAMEWORK (Cont'd)

- More flexibility in implementation and workforce resourcing:
 - risk management refocused as a 'function' rather than a dedicated position so it can be shared with other council roles and fit into council's existing organisational structure
 - general manager can delegate risk management to any staff member
 - removed need for responsibilities to be included in senior staff contracts
- More accountability by the council to the governing body and ARIC for risk management:
 - ARIC reviews risk management framework each council term – highest risks reviewed as required
 - effectiveness of risk management framework formally discussed with the governing body and ARIC annually and each council term
- New 'further resources' section that provides examples/templates/information regarding risk management implementation

Internal audit

- More 'principles-based' approach to remove prescription and assist councils to focus on desired outcomes
- Clarification of dual reporting line to the ARIC and general manager
- More flexibility to implement the internal audit function within council's existing organisational structure and attract internal audit staff:
 - new tiered model for in-house and outsourced internal audit functions to reflect practical requirements of councils and the varied roles required of the head of internal audit function in different councils
 - specific role title for the head of the internal audit function removed
 - internal audit function can report to a staff member other than the general manager
 - detailed eligibility criteria for internal audit staff replaced with requirement that they be able to fulfil their role
 - ability to combine head of internal audit function role with any other role in council provided safeguards are met
- Shared arrangements simplified:
 - oversight by councillor committee and administrative committee removed
 - prescription of practical arrangements removed
- New ability for ARIC Chair to refuse a person's future access to internal audit information where they make unauthorised disclosures of internal audit information
- Performance review process streamlined to reduce costs:
 - removed annual review report by head of internal audit function to ARIC
 - ARIC conducts annual and four-yearly strategic assessment of internal audit function
- New 'further resources' section provides templates, examples, checklists, tools etc that can be used when performing audits and assessing the performance of the internal audit function

Attestation

- Annual attestation to key non-negotiable requirements of the Guidelines
- General manager to consult with ARIC on annual attestation before it is published (co-signing removed)

NARROMINE SHIRE COUNCIL
INTERNAL AUDIT COMMITTEE MEETING REPORT – 8 NOVEMBER 2021

5. INTERNAL AUDIT AND RISK MANAGEMENT FRAMEWORK (Cont'd)

- Increased accountability and transparency:
 - Department of Planning, Industry and Environment's response to attestation exemption to be published in annual report
 - ARIC member details to be published in attestation certificate
 - Attestation certificate template clarifies what councils are attesting to

Implementation timeline

- Act amendments commenced 18 August 2021.
- 3-month consultation on new guidelines and model documents 24 August – 26 November
- All councils must appoint an ARIC from 4 June 2022
- All councils have until 2024 to establish their risk management framework and internal audit function – attestation commences 2024
- Councils have until 2027 to ensure ARIC membership complies with the Guidelines, allowing councils to transition into the new membership requirements as and when membership of existing ARICs expire – attestation commences 2027

Considerations for Council

1. Council has a formally established Internal Audit Committee operating under the 2010 guidelines.
2. The OLG has determined that the mandatory guidelines for the operation of its ARIC will be prescribed before June 2022.

Recommended

Council continues to operate its Internal Audit Committee under the 2010 guidelines until the new mandatory guidelines are prescribed, following which the Internal Audit Committee is renamed and commences its transition under the new requirements. This will include a review and endorsement of the ARIC Charter/Terms of Reference.

3. Council can share its ARIC, Chief Audit Executive, Internal Audit Function and Secretariat with another Council or Joint Organisation.

Whilst Council is a member of the Orana Joint Organisation, this entity is in abeyance and is awaiting dissolution by the Minister.

4. Council is required to have a Chief Audit Executive – this member of staff is to have no other council responsibilities other than internal audit.

Recommended

Council is not required to establish its internal audit function until 2024. For cost and administrative efficiency, it is recommended that Council continues to outsource its internal audit function to an external provider. It is further recommended that when required, Council shares a Chief Audit Executive with another Council. Consideration of the Internal Audit Charter for Local Councils can be made at this time. The General Manager will raise this matter at the next General Managers Advisory Committee meeting.

NARROMINE SHIRE COUNCIL
INTERNAL AUDIT COMMITTEE MEETING REPORT – 8 NOVEMBER 2021

5. INTERNAL AUDIT AND RISK MANAGEMENT FRAMEWORK (Cont'd)

6. Council is classified as a Tier 1 Council for the purposes of determining the size and composition of its ARIC –
- 1 chair prequalified under the NSW government's prequalification scheme
 - 2 independent members that meeting the eligibility criteria for non-prequalified committee members
 - 1 non-voting Councillors (optional)
7. Members are to be appointed for a 4-year period and can be reappointed for a further 4 years.

Recommended

Councils have until 2027 to ensure the membership of their committees comply with the guidelines. This additional transition time provides existing committee members the ability to serve their current terms. The guidelines recommend staged compliance to provide greater stability in membership of existing committees and reduce demand on the prequalification scheme.

8. Meetings are to be held quarterly.

Recommended

Council's Audit Committee currently meets three times a year. An additional meeting will need to be budgeted for in the 2022/2023 financial year.

9. Council has until 30 June 2027 to ensure its risk management framework complies with the guidelines.

Recommended

The Committee considered Council's Risk Management Framework at its previous meeting. It is recommended that Council reviews its Risk Management Framework once the mandatory guidelines have been prescribed to ensure that it accords with best practice.

10. Attestation requirements will commence in 2024 for risk management and internal audit, and 2027 for audit, risk and improvement committees. Council will be required to publish its attestation certificates commencing with the 2024-2025 annual report.

Recommended

Further consideration will be given to this requirement following the prescribing of the mandatory guidelines.

11. The Framework provides that Councils are obliged to make compulsory superannuation guarantee contributions on behalf of their members.

Recommended

Council does not currently pay superannuation contributions to its independent members and will need to account for this.

**NARROMINE SHIRE COUNCIL
INTERNAL AUDIT COMMITTEE MEETING REPORT – 8 NOVEMBER 2021**

5. INTERNAL AUDIT AND RISK MANAGEMENT FRAMEWORK (Cont'd)

Submission to Office of Local Government

The Committee may wish to consider making a submission to the Office of Local Government largely based on the increased costs which will need to be budgeted for under the proposed framework: -

- Increase in membership of the committee – Council will need to budget for an additional independent member. The fees paid to the independent members are in accordance with the current prequalification fee; however, at present Council does not pay an additional fee to the Chair.
- Council does not pay its independent members superannuation. Independent members may wish to comment on this.
- Increase in number of meetings to be held and its associated costs.
- Requirement for Chief Audit Executive and its associated costs.

RECOMMENDATION

That the committee note the proposed changes to the Internal Audit and Risk Management Framework.

6. LEGISLATIVE COMPLIANCE REGISTER - UPDATE

At the July Meeting, the Committee recommended that management provide a progress report update at the next meeting.

In accordance with Issue No 2 of the Interim Management Letter of 26 June 2020, Council has adopted a Legislative Compliance Policy and has developed its legislative compliance register.

The legislative compliance register has now been uploaded into the Pulse delegation's module, with a separate component developed for compliances. The compliance component functions in the same manner as the policy and delegation's management system, whereby relevant legislation and officers responsible for enacting and/or enforcing the provisions of the Acts, Regulations etc are assigned and are required to acknowledge them.

Council will continue to monitor compliance with legislative obligation/deadlines using the Legislative Compliance Checklist, with all identified non-compliance reported to the Internal Audit Committee as is current practice.

RECOMMENDATION

That the Committee note that the actions required in relation to Issue No 2 of the Interim Management Letter have been finalised.

NARROMINE SHIRE COUNCIL
INTERNAL AUDIT COMMITTEE MEETING REPORT – 8 NOVEMBER 2021

7. RISK MANAGEMENT

The Committee considered Council's Enterprise Risk Management Framework at its July 2021 meeting.

It is noted that the draft Enterprise Risk Management Plan and draft Strategic Risk Register 2021 have been finalised and approved by the General Manager.

As requested by the Committee a sample of the Operational Risk Register is attached under separate cover.

The formatting issues in the Business Continuity Plan have been corrected.

RECOMMENDATION

That the committee consider and note the report.

8. EXTENSION OF TENURE – INDEPENDENT COMMITTEE MEMBERS

The Committee at its meeting held on 26 July 2021 considered the committee membership, noting at the time that the currently extended tenure of the independent members expired on 31 August 2021.

In addition, the Committee recommended that the remuneration for the independent members be reviewed at a later date once proposed regulatory changes were formalised.

These two matters were presented to Council for consideration, with Council subsequently resolving that the tenure of the Independent Members be extended to 31 August 2022, and that the membership fee for the Independent Members be increased to \$1255.00 per meeting (excluding GST).

RECOMMENDATION

That the committee formally note the extension of tenure and membership fee for the Independent Members.

9. REFERRAL OF DRAFT 2020/2021 FINANCIAL STATEMENTS TO AUDIT

The Draft 2020/2021 Financial Statements were provided to the Committee for 'in principle' consent to put the statements before Council to be formally referred to audit.

On 7 September 2021 the Committee provided conditional 'in principle consent' via circular resolution on the basis of: -

NARROMINE SHIRE COUNCIL
INTERNAL AUDIT COMMITTEE MEETING REPORT – 8 NOVEMBER 2021

9. REFERRAL OF DRAFT 2020/2021 FINANCIAL STATEMENTS TO AUDIT (Cont'd)

1. That a formal audit log be created and maintained to record **every** adjustment, regardless of materiality, that is made to the provided draft statements (inclusive of GPFS, SPFS, and Special Schedules) through to final audit sign-off.
2. That **each** logged adjustment (or related group of adjustments) is to include:
 - a. succinct, but sufficient, detail and explanation of the required adjustment, including references to all schedules/notes that are impacted;
 - b. justification, supported by appropriate professional standards, should the adjustment be a change to prior year reporting; and,
 - c. formal approval (signed and dated) by the Responsible Accounting Officer **and** the General Manager **before** the adjustments are made.
3. That a copy of the complete audit log be provided for review by the Internal Audit Committee (in electronic form) as part of the business papers to their next meeting.
4. That additional audit fees (if any) and contractor costs associated with the FY21 audit are reported to the next meeting of the Internal Audit Committee.

RECOMMENDATION

That the committee formally endorse the circular resolution providing conditional 'in principle consent' to refer the Draft 2021/2021 Financial Statements to Audit.

10. POLICY REGISTER

The Committee considered Council's policy register at its meeting held on 26 July 2021, and noted that management expects all outstanding policies to be reviewed by the end of the calendar year.

The policy register is provided to the Committee under separate cover, and notes that a number of the policies are best reviewed by the newly elected Council.

In the first 12 months following the election Council's local approvals and local orders policies are automatically revoked unless readopted after the ordinary election. In addition, Council must review and adopt its Code of Meeting Practice and Code of Conduct.

All other policies are currently being reviewed by management.

RECOMMENDATION

That the committee consider and note the report.

Marion Truscott
Director Governance

Narromine Shire Council

Internal Audit Committee – Action List As At November 2021

Action No	Action	Responsible Officer	Due Date	Status	Comment
Infrastructure Management Review Report					
1	Review and update of Integrated Water Cycle Management Strategy to include a 30-year Total Asset Management Plan, Long Term Financial Plan and Drought Management Plan	Director Infrastructure and Engineering Services	Dec 2023	In progress	Consultant recently appointed. Gannt Chart provided to Internal Audit Committee meeting.
2	Full utilisation of infrastructure and asset data to manage the life, condition and full potential of existing infrastructure, including justifications for future planning infrastructure maintenance and investment decisions	Director Infrastructure and Engineering Services	Mar 2022	In progress	
3	Asset Management documentation to be reviewed as part of IP&R process after new Council is elected.	Director Infrastructure and Engineering Services	Mar 2022	Not due	
Community Safety					
1	Council prioritise and attend to all outstanding works recorded and produced through monitoring reports in Authority. Individual officers recording lower performance targets should be brought to the Executive Leadership Team for closer scrutiny and decision making.	Director Governance	31.10.2022	Completed	Full report provided to General Manager for inclusion on Executive Leadership Team agenda items.

Action No	Action	Responsible Officer	Due Date	Status	Comment
Interim Management Letter					
1	Director Finance and Corporate Strategy will no longer have full administrative rights. All change requests to go to IT support system and action changes. Manager Accounting Services will maintain administration rights but only use as back up.	Director Finance and Corporate Strategy	31 October 2021	Full administrative rights removed from Director Finance and Corporate Strategy.	Change requests to be undertaken by IT support system.

OFFICE OF LOCAL GOVERNMENT CIRCULARS

Circular No.	Date	Title	Related Issue	Council Action
21-18	19 July 2021	Calendar of Compliance and Reporting Requirements	The Calendar of Compliance and Reporting Requirements for councils and county councils has been updated for the 2021-22 financial year.	Forwarded to Councillors and Executive Leadership Team. Reviewed with legislative compliance checklist.
21-19	19 July 2021	Joint Organisation Calendar of Compliance and Reporting Requirements 2021-22	The Joint Organisation Calendar of Compliance and Reporting Requirements has been updated for the 2021-22 financial year.	Not Applicable Forwarded to Executive Leadership Team for information.
21-20	25 July 2021	Postponement of the local government elections to 4 December 2021	The decision has been made in consultation with and on the advice of the NSW Electoral Commissioner to postpone all council elections in response the escalating outbreak of the Delta variant of the COVID-19 virus in Greater Sydney	Notification sent to all Staff. Website and documentation adjusted accordingly.
21-21	6 August 2021	Accounting and Financial Reporting Fundamentals – Information Session	The Office of Local Government (OLG) has developed a 1-hour information session about the fundamental aspects of accounting and financial reporting.	Forwarded to Director Finance and Corporate Services for action. Forwarded to Executive Leadership Team for information
21-22	10 August 2021	Updated guidance on the appointment and dismissal of senior staff	The purpose of this Circular is to provide updated guidance to councils on the requirements of the Local Government Act 1993 (the Act) relating to the appointment and dismissal of senior staff other than the general manager.	Forwarded to Executive Leadership Team and Manager Human Resources for information.

Circular No.	Date	Title	Related Issue	Council Action
21-23	10 August 2021	End of Year Financial Reporting 2020-21	End of year financial reporting information for 2020/21 to be reviewed when completing Financial Statements and Financial Data Return.	Forwarded to Director Finance and Corporate Strategy for action. Forwarded to Executive Leadership Team for information.
21-24	13 August 2021	September 2021 Mayoral Elections	Information with regards to Mayoral Election given the postponement of the government elections til December 2021	Forwarded to Executive Leadership Team for information. Report presented to Ordinary Council Meeting in September where it was resolved to extend the Deputy Mayor's term until the election.
21-25	20 August 2021	Job Retention Allowance 2021-22	The Office of Local Government (OLG) has released updated resources that will assist councils to apply for the Council Job Retention Allowance Subsidy for the first quarter 2021-22 (Q1).	Forwarded to Manager Human Resources for action. Forwarded to Executive Leadership Team for information.
21-26	24 August 2021	New risk management and internal audit framework for councils and joint organisations	As of 4 June 2022 all councils must have an ARIC in accordance with Sections 428A and 428B of the Local Government Act 1993. The OLG has recently issued new risk management and internal audit framework for councils and joint organisations. The circular requires that Councils should inform their Internal Audit Committee about the draft guidelines to give the members the opportunity to provide comment.	Forwarded to Executive leadership Team. Emailed to Internal Audit Committee members for comment. Included in agenda for 8 November 2021 meeting

Circular No.	Date	Title	Related Issue	Council Action
21-27	2 September 2021	Review of the tendering provisions of the Local Government (General) Regulation 2005	The OLG has undertaken a review of the tendering provisions of the Local Government (General) Regulation 2005, to identify possible amendments that would support councils to make better use of technology when tendering and to achieve greater efficiencies. Councils have been invited to make submissions on the discussion paper.	Forwarded to Executive Leadership Team for information. No submissions made.
21-28	7 September 2021	Updated Integrated Planning and Reporting Guidelines and Handbook	The OLG has revised the Integrated Planning and Reporting Guidelines. To support councils in implementing these changes in their future integrated planning and reporting practice, the Integrated Planning and Reporting Manual has been updated and renamed as the Integrated Planning and Reporting Handbook (Handbook).	Forwarded to Executive Leadership Team for information and preparation of IP&R documents.
21-29	13 September 2021	Release of the Guidelines on the Use and Management of Credit Cards	The OLG has developed the 'Guidelines on the Use and Management of Credit Cards' under section 23A of the Local Government Act. Councils must take this Guideline into consideration when developing or reviewing their credit card policy. This will ensure greater consistency across the sector in terms of how credit cards are managed, and inherent risks are minimised.	Forwarded to Director Finance and Corporate Strategy for review of policy. Forwarded to Executive Leadership Team for information.

Circular No.	Date	Title	Related Issue	Council Action
21-30	5 October 2021	Pre-Election Guide for Councils	The OLG has prepared a Pre-Election Guide for Councils on the rules, restrictions and other considerations that apply to the decision's councils make and the way they exercise their functions in the lead up to the elections.	Key dates emailed to Executive Leadership Team and relevant staff. Email forwarded to Councillors for information.
21-31	5 October 2021	Post-Election Guide on key decisions and activities for councils, county councils and joint organisations following the local government elections	There are several key decisions and activities that need to occur at the first meetings of council following the elections and in the 12 months that follow. The Office of Local Government (OLG) has prepared a <i>Post-Election Guide for Councils</i> to assist them to comply with these requirements.	Email forwarded to Councillors and Executive Leadership Team for information. Notation made to include in January Council Meeting.
21-32	5 October 2021	Government endorses new rate peg methodology to support growing councils	The Independent Pricing and Regulatory Tribunal (IPART) has completed its review of the local government rate peg methodology to include population growth.	Email forwarded to Executive Leadership Team for information.
21-33	21 October 2021	Compliance with records management provisions and transfer of local government records to the State Archives Collection	DPC has issued a circular providing advice on the making, keeping, and safeguarding of records. To assist NSW State Archives and Records have released Records Management Assessment Tool (RMAT) for assessing records management performance and a Transfer Tool to identify and forecast records required to be transferred to the State Archive Collections	Email forwarded to Executive Leadership Team with request to remind staff of the importance of keeping records Email forwarded to Corporate Information Team Leader with request for review of policy and procedures against advice and assessment tool. Email forwarded to Councillors with notation of Council records to be sent to Council for registration in our EDRMS.

Circular No.	Date	Title	Related Issue	Council Action
21-34	27 October 2021	Updated guidance on COVID-19 restrictions and council meetings.	Amendments to the Public Health Order. Resumption of in-person meetings	Email forwarded to Councillors and Executive Leadership Team for information.
21-35	29 October 2021	2021 Model Code of Meeting Practice for Local Councils in NSW	The new Model Code of Meeting Practice for Local Councils in NSW (Model Meeting Code) has been finalised.	Forwarded to Executive Leadership for information. To be considered by the new Council.

**MINUTES OF THE NARROMINE SHIRE COUNCIL EXTRAORDINARY
INTERNAL AUDIT COMMITTEE MEETING HELD VIA AUDIO/VISUAL LINK ON
WEDNESDAY 10 NOVEMBER 2021**

PRESENT: Ron Gillard (Chair) – Independent External Member, Neil Maltby – Independent External Member, Cr James Craft NSC, Jane Redden - General Manager NSC, Jeanette Coen – Acting Director Finance & Corporate Strategy NSC, Marion Truscott - Director Governance NSC, Unaib Jeoffrey – NSW Audit Office, Aaron Green – NSW Audit Office, Alex Hardy - Prosperity Advisers Group.

Meeting opened at 11.42am

1. SUPPLEMENTARY REPORT TO COUNCIL - FINANCIAL STATEMENTS

The Chair welcomed Aaron Green from the NSW Audit Office, along with Alex Hardy from Prosperity.

The Chair noted the proposed Supplementary Report to Council, which was provided by the General Manager to Members via email at 10:38am today, as read.

The Chair stated there was nothing new in the report and that despite the reporting of a misstatement and inclusion in the Auditor-General's Report to Parliament, other Councils, including large Regional Councils, are not still recognising the RFS Assets in their Financial Statements.

The General Manager stated that she was not in a position to provide additional information to the Committee at the meeting held 8 November 2021. Further research has now been undertaken to fully understand the implications of the Committee's recommendations to Council.

The Chair stated that this was a major change to the accounting policy of Council and no explanation nor support had been provided in the audit log. The Chair reiterated that the 'conditional in principle consent' for referral to audit of the draft financial statements was given on the basis that the audit log was to include succinct but sufficient details and explanation of the required adjustment, including references to all schedules/notes that are impacted. Further, the Committee was not consulted on the inclusion of the RFS Assets and therefore could not provide proper advice at the appropriate time.

Aaron Green – NSW Audit Office advised that there are limited avenues to legally recall the accounts, given there was no intention to coerce Management and it was the General Manager's decision to include the RFS Assets. He also advised that should there be an attempt to recall the accounts it would be at a cost, and Council will be charged accordingly.

Discussion ensued on when the Committee meetings should be held in future in order for the Committee to review the draft workings prior to finalisation of the accounts.

**MINUTES OF THE NARROMINE SHIRE COUNCIL EXTRAORDINARY
INTERNAL AUDIT COMMITTEE MEETING HELD VIA AUDIO/VISUAL LINK ON
WEDNESDAY 10 NOVEMBER 2021**

1. SUPPLEMENTARY REPORT TO COUNCIL - FINANCIAL STATEMENTS (Cont'd)

Aaron Green – NSW Audit Office noted that as the RFS Assets represent 0.4% of the overall IPPE balance for the financial year, the recognition of the assets is not considered significant for financial statement purposes. The Chair disagreed with this as the impact to the operating result is quite material and misleading should the statements and associated reports remain as presented and not specifically and transparently disclose the change in accounting policy and the impact of the policy change.

Aaron Green – NSW Audit Office left the meeting at 12.01pm

The Chair noted that the operating results will be overstated by \$2.6m and if Management had presented the change earlier, the prior year opening balance could have been restated.

The Chair raised his concerns with Management's consideration of the Internal Audit Committee. The General Manager suggested that this matter could be discussed at another time.

Cr Craft reiterated that the timing of the meetings should be reviewed.

RECOMMENDED Ron Gillard/Neil Maltby:

1. That the Committee notes the additional information provided by management and the discussion that ensued in respect of their position to change the longstanding accounting policy of Council to not recognise RFS Assets.
2. That despite the additional information provided and the discussion that has ensued today, the Committee reaffirms their recommendations that were passed at their meeting of 8th November 2021.
3. That the Committee is unable to endorse, in good conscience or with any integrity, the current version of the financial statements and the associated audit reports, which in their view contains a significant error and creates unintended misstatements and confusion as a result of the unjustified change of accounting policy and the subsequent recognition of RFS Assets.
4. That Council be promptly advised of the outcomes from both of this week's Committee meetings, mindful that today's scheduled Council meeting includes the agenda item 'Annual Financial Statements' with the drafted intention being to 'authorise for issue' the financial statements and audit reports that this Committee is unable to endorse.
5. That Council requests the creation or amendment of a policy document to address [REDACTED] being able to change historical accounting policies without due notification or consideration.

**MINUTES OF THE NARROMINE SHIRE COUNCIL EXTRAORDINARY
INTERNAL AUDIT COMMITTEE MEETING HELD VIA AUDIO/VISUAL LINK ON
WEDNESDAY 10 NOVEMBER 2021**

2. CONCLUSION OF MEETING

There being no further business the meeting concluded at 12.12pm.

The Minutes (pages 1 to 3) were confirmed at a meeting held on
day of _____ 2021, and are a full and accurate record of proceedings
of the meeting held on 10 November 2021.

CHAIR