



MINUTES OF AUDIT, RISK AND IMPROVEMENT COMMITTEE THURSDAY 6 JULY 2023

MINUTES OF THE **Audit, Risk and Improvement Committee** OF TENTERFIELD SHIRE held via "Zoom", Administration Building, 247 Rouse St, Tenterfield NSW 2372 on Thursday 6 July 2023 commencing at 2.00pm

ATTENDANCE

Members (voting):

Mr Peter Sheville (Chair) – Independent External Member
Mr Tony Harb – Independent External Member
Mr Gurbindar Singh – Manager Finance Southern Downs Regional Council

ATTENDEES (non-voting)

Mr Daryl Buckingham – Chief Executive Officer
Ms Kylie Smith – Chief Corporate Officer
Mr Roy Jones – Manager Finance & Technology
Ms Erika Bursford – Manager Customer Service, Governance & Records

Clause 254(b) of the Local Government (General) Regulation 2005 requires that the names of the mover and seconder of the motion or amendment are recorded and shown in the Minutes of the meeting.

(ITEM CEO14/23) SPECIAL ARIC MEETING – IPART DETERMINATION

SUMMARY

The purpose of this report is to provide the Audit, Risk and Improvement committee a brief on the impact of the Independent Pricing and Regulatory Tribunal (IPART) decision on Tenterfield Shire Council's application for a Special Rates Variation (SRV), key risks and proposed strategies to address risk.

Resolution

Noted the outcome of the IPART determination

Noted the matters assessed by IPART as matters not met by the SRV application were:

- Community Awareness
- Reasonable impact on ratepayers
- Productivity improvement and cost containment

Noted that the rationale, methodology and conclusions by IPART may be questionable in regard to the community consultation.

Agreed the medium-term viability is not secured, and this is noted by the IPART determination.

Supported the following strategies to address the residual risks facing Council:

- Council has very limited revenue growth options due to numbers of rate payers so support applying for a further determination.
- Focus needs to be on expenditure savings;
 - Services must be cut to those that are essential
 - Capacity must be maintained to ensure the legal obligations of Council are met
 - Asset disposal should focus on those that will remove future costs and assets that can reduce need for borrowing
- A further SRV to be undertaken with efforts to address the items noted by IPART as not being met.

Noted Council is currently not meeting some financial metrics that it must, and the high risk of breaching legal obligations around financial management that the risks associated with financial viability of Council represents.

Recommended the Chair ARIC meet with the Mayor to discuss matters associated with the above with view to providing support taking this forward to the whole Council. Noted that this may be as providing/additional to independent support and training/education for Council on reasons for change.

(All Audit Committee members confirmed the resolution)