



GOLDEN PLAINS SHIRE

MINUTES

Audit and Risk Committee Meeting

9:30am Tuesday 14 May 2024

VENUE:
Golden Plains Civic Centre
Council Chambers
2 Pope Street, Bannockburn

NEXT AUDIT AND RISK COMMITTEE MEETING
9:30am Tuesday 13 August 2024

Copies of Golden Plains Shire Council's Agendas & Minutes
Can be obtained online at www.goldenplains.vic.gov.au

Order Of Business

1 Apologies and Leave of Absence 3

2 Confirmation of Minutes..... 3

3 Declaration of Conflict of Interest..... 3

4 Committee Reports..... 4

4.1 VAGO Status Report - April 2024..... 4

4.2 VAGO Audit Strategy 2023-24..... 4

4.3 Draft Strategic Internal Audit Plan..... 5

4.4 Internal Audit Progress Report and Publications of Interest..... 5

4.5 Audit and Risk Committee Action Items 5

4.6 Draft Budget 2024-25..... 6

4.7 Cyber Security Testing Results 6

4.8 Tree Management Report..... 7

4.9 Instances of Fraud and Corruption and Actions Taken 7

4.10 Quarter 3 Finance Report..... 8

4.11 Quarter 3 Risk Management and Insurance Report 8

4.12 Quarter 3 Governance Report..... 9

4.13 Quarter 3 Safety and Wellbeing Report..... 9

5 DEPARTING Committee Member..... 9

UNCONFIRMED

**MINUTES OF GOLDEN PLAINS SHIRE COUNCIL
AUDIT AND RISK COMMITTEE MEETING
HELD AT THE GOLDEN PLAINS CIVIC CENTRE, COUNCIL CHAMBERS, 2 POPE STREET,
BANNOCKBURN
ON TUESDAY, 14 MAY 2024 AT 9:30AM**

PRESENT: Mr Joe Adamski (Chair), Mr Andrew Pearce, Mr Phil Delahunty, Cr Brett Cunningham (Mayor), Cr Owen Sharkey

IN ATTENDANCE: Michael Tudball (CEO), Phil Josipovic (Director Infrastructure and Environment), Lynne Gray (Director Corporate Services), Kathryn Fulton (Acting Manager Finance), Ann McGrath (Manager People & Performance), Lauren Richardson (Governance & Risk Specialist), Martin Walmsley (Governance & Risk Advisor), Travis Derricott (VAGO), Andrew Zavitsanos (Crowe), Lee Blashki (VAGO), Kelly Scholes (Crowe).

1 APOLOGIES AND LEAVE OF ABSENCE

Nil

2 CONFIRMATION OF MINUTES

COMMITTEE RESOLUTION

Moved: Cr Owen Sharkey
Seconded: Cr Brett Cunningham

That the minutes of the Audit and Risk Committee Meeting held on 13 February 2024 be confirmed.

CARRIED

3 DECLARATION OF CONFLICT OF INTEREST

Committee members must disclose a conflict of interest in accordance with section 130 of the *Local Government Act 2020*.

Nil

4 COUNCIL REPORTS

4.1 VAGO STATUS REPORT - APRIL 2024

EXECUTIVE SUMMARY

VAGO have issued the attached Status Report at April 2024 to provide an update of the status of financial audits, parliamentary reports, performance audits proposed and in progress. A listing of recently tabled Parliamentary reports is provided and Local Government reports finalised within the last 6 months.

COMMITTEE RESOLUTION

Moved: Cr Brett Cunningham

Seconded: Mr Phil Delahunty

That the Audit and Risk Committee note the contents of the Victorian Auditor-General's Office (VAGO) Status Report for April 2024.

CARRIED

ACTION

Management to make the covering report comments in relation to revaluations clearer for Committee members.

4.2 VAGO AUDIT STRATEGY 2023-24

EXECUTIVE SUMMARY

The Victorian Auditor General's Office (VAGO) 2023-24 audit strategy sets out VAGO's approach to the external audit of the financial report and performance statement of Golden Plains Shire Council for the year ending 30 June 2024.

COMMITTEE RESOLUTION

Moved: Mr Phil Delahunty

Seconded: Cr Owen Sharkey

That the Committee:

1. Receive and note the finalised VAGO Audit Strategy 2023-24 as attached; and
2. Approve the external audit strategy in accordance with its delegated authority as outlined in the Audit and Risk Committee Charter

CARRIED

ACTION

VAGO and Management to revise the audit timetable offline due to the recently announced changes to the Caretaker Period.

4.3 DRAFT STRATEGIC INTERNAL AUDIT PLAN

EXECUTIVE SUMMARY

Crowe are Golden Plains Shire Council internal audit provider, reappointed in November 2023. In accordance with the Council's internal audit contract specification the three-year strategic internal audit plan (SIAP) presents both:

- An Annual Internal Audit Plan for 2024.
- Indicative Strategic Internal Audit Plan (SIAP) for 2024-26

COMMITTEE RESOLUTION

Moved: Mr Phil Delahunty
Seconded: Cr Brett Cunningham

That the Audit and Risk Committee note the draft Strategic Internal Audit Plan as presented by recently re-appointed internal auditors, Crowe.

CARRIED

4.4 INTERNAL AUDIT PROGRESS REPORT AND PUBLICATIONS OF INTEREST

EXECUTIVE SUMMARY

Crowe are Golden Plains Shire Council appointed internal audit providers. In accordance with the Council's internal audit contract specification, Crowe has provided a progress report on the current internal audit plan.

COMMITTEE RESOLUTION

Moved: Cr Owen Sharkey
Seconded: Mr Phil Delahunty

That the Audit and Risk Committee note:

1. the progress of the internal audit program; and
2. Publications of Interest for January-March 2024 prepared by the internal auditors, Crowe.

CARRIED

4.5 AUDIT AND RISK COMMITTEE ACTION ITEMS

EXECUTIVE SUMMARY

This report serves to update the Audit and Risk Committee (Committee) on the progress of all internal and external audit recommendations within the Strategic Internal Audit Plan (SIAP), Internal Risk Management Audit, VAGO Interim Management Letter and Local Government Inspectorate Report.

This report also provides an update to the Committee on the progress and completion of any actions recorded at previous Committee meetings.

COMMITTEE RESOLUTION

Moved: Cr Owen Sharkey
Seconded: Mr Phil Delahunty

That the Audit and Risk Committee note the progress on:

1. the outstanding actions from previous internal and external audits (Attachment 1); and
2. the outstanding actions from previous Audit and Risk Committee meetings (Attachment 2).

CARRIED

ACTION

Management to revise the dates for the internal and external action items that have expired dates listed.

4.6 DRAFT BUDGET 2024-25

EXECUTIVE SUMMARY

The 2024/25 Draft Budget has been prepared in accordance with the requirements of the *Local Government Act 2020*. The budget seeks to achieve the actions and activities set out in the Council Plan by balancing the demand for services and infrastructure with the community's capacity to pay. At the 23 April 2024 Council meeting, Council endorsed the draft budget to be placed on public exhibition for the month of May for community feedback with submissions to be heard at a meeting on 4 June 2024 before the budget is proposed to be adopted at the 25 June 2024 Council meeting.

COMMITTEE RESOLUTION

Moved: Mr Phil Delahunty
Seconded: Mr Andrew Pearce

That the Audit and Risk Committee note the status of the 2024-25 Draft Budget.

CARRIED

4.7 CYBER SECURITY TESTING RESULTS

COMMITTEE RESOLUTION

Moved: Mr Andrew Pearce
Seconded: Mr Joe Adamski

That the Audit and Risk Committee note the Cyber Security Testing Results and Web Application Test Report.

CARRIED

4.8 TREE MANAGEMENT REPORT

EXECUTIVE SUMMARY

This report serves to provide an update to the Audit and Risk Committee (the Committee) on the status of tree management audit actions, as agreed in the February 2024 Audit & Risk Committee meeting.

This report also provides advice to the Committee on actions constrained by staff and budget resourcing that will not progress within the 2024/2025 financial year.

COMMITTEE RESOLUTION

Moved: Mr Andrew Pearce

Seconded: Cr Owen Sharkey

That the Audit and Risk Committee:

1. Note progress on the tree management actions.
2. Note actions to "Pause" or "Phase" that will not progress in the next twelve (12) months due to organisational constraints and amend the quarterly tree report target dates accordingly.

CARRIED

4.9 INSTANCES OF FRAUD AND CORRUPTION AND ACTIONS TAKEN

EXECUTIVE SUMMARY

Fraud and Corruption Awareness training is provided to all staff on a regular basis and also included in staff induction packs.

COMMITTEE RESOLUTION

Moved: Mr Andrew Pearce

Seconded: Cr Owen Sharkey

That the Audit and Risk Committee note that no instances of fraud have been detected in the third quarter of 2023-24.

CARRIED

4.10 QUARTER 3 FINANCE REPORT

EXECUTIVE SUMMARY

The Quarter 3 Finance Report outlines the financial results for the nine months ended 31 March 2024, together with a comparison to the revised budget adopted by Council (inclusive of carry forwards from 2022-23 and additional funding received to complete projects).

This report includes a summary of Council's financial performance and position for the 2023-24 year up to 31 March 2024, and an update on capital projects as at 31 March 2024. A high-level full year forecast is also included in the financial statements.

The Quarter 3 report will be presented to Council at their May 2024 meeting.

COMMITTEE RESOLUTION

Moved: Mr Phil Delahunty
Seconded: Mr Andrew Pearce

That the Audit and Risk Committee note the Quarter 3 Finance Report for the 9 months ended 31 March 2024.

CARRIED

ACTION

Management to share with Committee the shell Performance Statement and shell Financial Statements when available.

4.11 QUARTER 3 RISK MANAGEMENT AND INSURANCE REPORT

EXECUTIVE SUMMARY

To ensure that Council delivers on its commitment to risk management, the Audit and Risk Committee is provided with a risk report and update at each meeting, including new risks identified, any emerging risk events/issues, audits undertaken during the quarter, upcoming audits, and other items of interest for the Committee.

COMMITTEE RESOLUTION

Moved: Cr Owen Sharkey
Seconded: Mr Andrew Pearce

That the Audit and Risk Committee receive and note the Quarter 3 Risk Management and Insurance Report for 2023-24.

ACTION

Management to provide a copy of the Strategic and Risk Registers to Committee members to enable progressive review and comment as the Registers are developed.

CARRIED

4.12 QUARTER 3 GOVERNANCE REPORT

EXECUTIVE SUMMARY

To ensure that Council delivers on its commitment to Governance and compliance, the Audit and Risk Committee is provided with a governance update at each meeting, including an update on the Governance Reform and Improvements Program and other items of interest for the Committee. The governance update is also presented to Councillors on a quarterly basis.

COMMITTEE RESOLUTION

Moved: Cr Brett Cunningham
Seconded: Mr Andrew Pearce

That the Audit and Risk Committee receive the Quarter 3 Governance Report, noting the actions that continue to be taken to improve governance practices.

CARRIED

4.13 QUARTER 3 SAFETY AND WELLBEING REPORT

EXECUTIVE SUMMARY

This report is presented to the Audit and Risk Committee to provide an update on safety and wellbeing metrics for the period of 1st of January to 31st of March 2024. The report helps to ensure that Council delivers on its commitment to risk management, incident reporting, claims, current critical risk priorities and hazard management.

COMMITTEE RESOLUTION

Moved: Cr Brett Cunningham
Seconded: Mr Phil Delahunty

RECOMMENDATION

That the Audit and Risk Committee receive and note the Quarter 3 Safety and Wellbeing report (Attachment 1) for 2023-24.

CARRIED

5 DEPARTING COMMITTEE MEMBER

The Chair, on behalf of the Committee, thanked Andrew Pearce for his valuable contribution to the Audit and Risk Committee during his 7 year tenure which included time as Chair.

The Meeting closed at 11.51am.

The minutes of this meeting were confirmed at the Audit and Risk Committee Meeting held on 13 August 2024.

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CHAIRPERSON