



Appendix 1

6.2 Audit & Risk Committee Meeting Minutes from 6 June 2022

Audit & Risk Committee Meeting Minutes from 6 June 2022

Ordinary Meeting of Council

Wednesday 22 June 2022 at 7:00pm

Queenscliff Town Hall



Minutes

Audit and Risk Committee Meeting

Monday 6 June 2022 at 3:30 pm
Queenscliff Town Hall

Distribution

Members

Mr Roland 'Barney' Orchard
Mr Richard Bull
Mr Graeme Phipps
Ms Helen Butteriss
Cr Ross Ebbels
Cr Fleur Hewitt
Cr Isabelle Tolhurst

Officers

Martin Gill, Chief Executive Officer
Gihan Kohobange, Manager Financial and Corporate Services
Jenni Walker, HR and Governance Coordinator
Jodie Hunt, Business Service Accountant

Invitees

External Audit Provider: Crowe Australasia

Cassandra Gravenall, Partner – Audit and Assurance
Felmer Ealdama, Manager – Audit and Assurance

Internal Audit Provider: HLB Mann Judd

Mark Holloway, Engagement Partner
Irene Hills Jones, Assistant Manager Audit & Assurance



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Appendix 1	Agenda Item 3.1 Minutes of the Audit and Risk Committee Meeting 4 April 2022	Issued 21 April 2022
Appendix 2	Agenda Item 4.3 Internal Audit Reviews Review of Rates Revenue (incl. data interrogation)	Under separate cover
Appendix 3	Agenda Item 5.1 External Audit 2021–22, Interim Audit Management Letter	Under separate cover
Appendix 4	Agenda Item 6.1 VAGO Performance Audits – Recommendations and BoQ Responses	Under separate cover
Appendix 5	Agenda Item 6.2 Minutes of Risk and Governance Committee (meetings held between April 2022 to May 2022)	Under separate cover
Appendix 6	Agenda Item 7.2 Updated Strategic Risk Register	Under separate cover
Appendix 7	Agenda Item 9.1 Audit and Risk Committee Charter	Under separate cover
Appendix 8	Agenda Item 9.2 Annual Work Plan	Under separate cover
Appendix 9 (Confidential)	Agenda Item 9.3 Request for quotation for the Provision of Internal Audit Services	Under separate cover



1. OPENING OF MEETING

The Chair, Mr Roland 'Barney' Orchard, opened the meeting at 3:34pm

2. PRESENT & APOLOGIES

Present:

Mr Roland 'Barney' Orchard

Mr Richard Bull

Mr Graeme Phipps

Ms Helen Butteriss

Cr Ross Ebbels

Cr Isabelle Tolhurst

Martin Gill, Chief Executive Officer

Gihan Kohobange, Manager Financial Services

Jodie Hunt, Business Services Accountant

Mark Holloway, Engagement Partner, HLB Mann Judd (internal audit provider) (3.34pm-4.05pm)

Abbey Tatterson, Business Operations Coordinator (minutes)

Apologies:

Cr Fleur Hewitt

Cassandra Gravenall, Partner – Audit and Assurance, Crowe Australasia (external audit provider)

Felmer Ealdama, Manager – Audit and Assurance, Crowe Australasia (external audit provider)

Irene Hills Jones, Assistant Manager Audit & Assurance, Crowe Australasia (external audit provider)

Jenni Walker, HR and Governance Coordinator

3. AUDIT AND RISK COMMITTEE MEETING – 4 April 2022

3.1 Confirmation of Minutes from Audit and Risk Committee Meeting 4 April 2022 (Appendix 1)

Moved: Graeme Phipps / Seconded: Richard Bull

That the Minutes of the Audit and Risk Committee Meeting held on 4 April 2021 be confirmed.



3.2 Business Arising from Audit and Risk Committee Meeting 4 April 2022.

Item	Action	Status
April 2022 5.2 Reports from the Risk and Governance Committee	CEO agreed to come up with a process to check with the ARC before any outstanding audit recommendation is signed off by the internal Risk and Governance Committee.	CEO has suggested the following process <ol style="list-style-type: none"> 1. Head of each directorate to present to the Risk and Governance Committee (RGC), details of actions the respective division has taken to complete outstanding internal audit recommendations 2. If RGC is satisfied with the actions taken, make a recommendation to ARC for the consideration of an internal sign-off 3. RGC to sign-off completed internal audit recommendations based on the feedback from the ARC

The Audit and Risk committee accept the process for the Risk and Governance committee to sign off on outstanding internal audit items as outlined above.

4. INTERNAL AUDIT

Council’s annual budget provides for two internal audit reviews to be conducted during the year, with the internal audit service provider reporting through to management and the Audit and Risk Committee at scheduled meetings in June and December of each year.

4.1 Progress by Management on Open Audit Recommendations

Council has not been able to complete any of the outstanding internal audit recommendations since the last Audit and Risk Committee meeting due to staff shortages Council has been experiencing.

Currently, Council has seven (7) high risk and twenty-nine (29) medium risk outstanding internal audit recommendations.

A summary of outstanding internal audit recommendations considered as **high risk** is provided below.

Review	No. of outstanding recommendations	Update
Review of Records Management	3	BoQ is working collaboratively with three other Councils for an EDRMS system. It is a Microsoft Office 365, SharePoint-based solution supported



Review	No. of outstanding recommendations	Update
		with AvePoint Cloud Governance. The tender stage is now complete and the tender will be awarded in June 2022. There was a delay due to the timing of the Rural Councils Transformation Program (RCTP) funding confirmation. Target implementation date 30 September 2022 (3 months delay).
Review of Capital Works Framework	3	BoQ developed a framework and has introduced a phase-gate process for project approval and initiation. Need to develop and implement a framework for monitoring of projects once started/initiated. BoQ is looking for a project management system to be implemented as a part of the new corporate system. Target implementation date 31 December 2023.
Review of Business Continuity Planning and Disaster Recovery	1	Moving all of BOQ's on-premise hosted applications into a vendor-hosted data centre has been identified as an alternative to having a hot (secondary) DR site that BoQ can failover if an incident was to occur. It is a requirement of the BoQ ICT strategy which is being implemented, any new application implemented to be a Software As A Service (SAAS). Target implementation date 31 December 2023. Note: BoQ'S systems are currently being backed up at Visitor Information Centre. The backup schedule operates hourly, performing incremental backups to local network-attached storage. Hourly backups are kept for 15 days, weekly backups for 6 weeks and monthly backups are retained for 12 months However, a server needs to be first configured to failover if an incident was to occur.

Recommendation:

That the Audit and Risk Committee notes the progress on outstanding actions from previous internal audit recommendations.



Moved: Graeme Phipps / Seconded: Richard Bull

The Audit and Risk committee noted the affect that staff absences have had on the Borough of Queenscliffe’s operations and notes the impact on progress on outstanding actions from previous internal audit recommendations. The Audit and Risk committee request extra vigilance and attention on outstanding high risk reccommendations at this time.

4.2 Internal Audit Reviews

Council’s internal auditors, HLB Mann Judd, conducted an internal audit during April/May 2022 covering the review topic of ‘Review of Rates Revenue (incl. data interrogation)’. Officers have since received and provided management comment, where appropriate, in response to the internal audit recommendations. Refer **Appendix 2**.

One (1) of low risk in which opportunities for improvement have been identified by the internal auditor as summarised below.

Review	No. of findings	Risk Rating			
		Extreme	High	Medium	Low
Review of Rates Revenue (incl. data interrogation)	1	0	0	0	1
Total	1	0	0	0	1

Council officers have acknowledged that there are opportunities for improvements in the area of risk identified by the internal auditor. A timeframe for completion of the audit recommendations is included in the management response to the internal audit report.

Moved: Richard Bull / Seconded: Helen Butteriss

That the Audit and Risk Committee confirms and accepts the internal audit report, including management comments, as provided at Appendix 2.

4.3 Meet with Internal Auditor in the Absence of Management

Following a public tender, HLB Mann Judd was appointed as internal audit provider of the Borough for a 3 year period in August 2017.

Subsequently, based on the outcome of the performance review of the Internal Audit Service Provider by the Audit and Risk Committee (formerly Audit Committee), Council extended the period of the contract with HLB Mann Judd to provide internal audit services to 31 August 2022.



During the last five-year period, HLB Mann Judd has conducted sixteen (16) internal audit reviews providing an independent assurance in relation to the internal controls governing key areas of the Council's operations.

Management acknowledges the significant contribution the outgoing internal auditors have made to ensure that Council has a proper system of checks and balances. Further, management recommends the Audit and Risk Committee meets outgoing internal auditors in the absence of the management representatives as a best practice for any feedback that they may wish to share with the Audit and Risk Committee in relation to management practices of Council.

Council officers left the chamber from 3:55pm-4:05pm.

Recommendation:

That the Audit and Risk Committee confirms meeting with HLB Mann Judd, Council's outgoing internal auditors, in the absence of management (officer) representatives.

Moved: Moved: Richard Bull / Seconded: Helen Butteriss

That the Audit and Risk Committee confirms that it held a meeting with HLB Mann Judd, Council's outgoing internal auditors, in the absence of management (officer) representatives. The Audit and Risk committee were pleased to here the strong endorsement of the Borough of Queenscliffe's processes and co-operation with the internal auditors and the overall performance of the internal audits.

5. EXTERNAL AUDIT

Council's annual budget provides for two external audit reviews to be conducted each year, to meet all legislative requirements with respect to the annual financial and performance reports.

An interim audit is conducted in April/May each year, which includes a review of policies, processes and to review progress on actions required to be completed as part of the current year's financial report.

A final audit of Council's annual financial statements (including financial report and performance statement) is completed in August of each year, with the external auditor reporting through to management and the Audit and Risk Committee at a scheduled meeting in September of each year.

5.1 External Audit 2021–22 interim audit management letter



Council's external auditor, Crowe Australasia, conducted an interim audit for the 2021–22 year-end accounts in May 2022. Officers have since received and provided management comment, where appropriate, in response to the external audit recommendations. Refer **Appendix 3**.

The audit has not identified any new audit findings. The management has provided updated comments for the outstanding audit findings as included in the management letter.

Moved: Richard Bull / Seconded: Graeme Phipps

That the interim audit management letter including management comments, included at Appendix 3, be noted.

6. COMPLIANCE MANAGEMENT

6.1 Reports from the Victorian Auditor General's Office (VAGO)

The Victorian Auditor-General's Office (VAGO) provides in its Annual Plan for a range of performance audits to be conducted each financial year. These performance reports typically include state government departments as well as a sample of local councils selected for audit.

The Borough of Queenscliffe was last included in the performance audit conducted in 2018–19 in relation to Reporting on Local Government.

The Victorian Auditor-General's Office (VAGO) has tabled the following reports with Parliament.

- **Fraud Control Over Local Government Grants (May 2022)**

Link to the report: [Report](#)

Background

In 2020–21, Victorian councils distributed more than \$45 million in grants to individuals, businesses and community groups.

It is important that councils have effective controls for their grant programs to prevent fraud and give their communities confidence that public money is spent as intended.

The VAGO looked at whether fraud controls over local government grants are well-designed and operating as intended.

VAGO conclusion drawn from this audit

VAGO's conclusions included: "Councils' fraud controls for their grant programs are not always well designed and operating as intended. In some cases, they are missing."



Councils are not consistently identifying conflicts of interest, assessing applications against criteria, documenting their decisions, checking how funds are used or evaluating their grant programs' outcomes.

This unnecessarily increases the risk of fraud and makes it harder for the audited councils to show that their grant programs are transparent, equitable and benefit the community”.

VAGO Recommendations

VAGO has made nine recommendations to all Victorian councils about strengthening their fraud controls and improving their guidance and training for grant related fraud.

Relevance to BoQ

Council has the following budget allocations in its annual financial budget for community grant and sponsorships programs.

- a) Community Grants : \$20,000
- b) Community Events – Sponsorship :\$20,000
- c) Community Environment Alliance Seeding Grants: \$3,400

Officers have reviewed those recommendations and summarised the relevance of recommendations to the Borough in **Appendix 4**.

Moved: Graeme Phipps / Seconded: Helen Butteriss

That the Audit and Risk Committee notes the summary provided by Council officers, with respect to the above VAGO Reports. The ARC noted that the External Auditor was not present at the meeting and requested the CEO send an email to them noting that there were no additional items discussed at the meeting for their action.

6.2 Reports from the Risk and Governance Committee

The minutes of April 2022 to May 2022 Risk and Governance Committee meetings are provided at **Appendix 5**.

Moved: Graeme Phipps / Seconded: Richard Bull

That the Audit and Risk Committee notes the minutes of Risk and Governance Committee meetings held between April 2022 to May 2022 provided at Appendix 5.



7. CONTROL FRAMEWORK AND RISK MANAGEMENT

Review of Council Policies

Council policies are reviewed by officers and adopted by Council on a rolling basis, with most policies scheduled for review every three years, noting that some policies require review every year (e.g. Procurement). It is preferred that policies with a financial and risk management focus be reviewed by the Audit and Risk Committee prior to being forwarded to Council for adoption, however this is dependent on the timing of scheduled Audit and Risk Committee meetings and the allocation of staff resources to undertake the policy review work.

7.1 Council Policies adopted by Council

Council has adopted the following policies since the last Audit and Risk Committee meeting in December 2021.

- **CP004 Community Grants – revised**

Link to the [Policy](#)

This policy was first adopted by Council in December 1998. The purpose of this policy is to provide a Community Grants Program that aims to enable community groups to further meet the needs of the wider community in a partnership relationship with Council.

Officers have reviewed the CP004 Community Grants policy with the key focus on aligning the program with Council's vision and objectives in its 2021–2025 Council Plan.

Key changes:

- Change priorities to directly align with 2021–2025 Council Plan, including clarifying that strong consideration will be given to projects that support the principles of Council's Climate Emergency Response Plan (CERP);
- Minor rewording of project examples under the existing funding categories;
- Clarify that religious groups are not eligible to seek funding for equipment or assets.

- **CP006 Customer Service Charter – revised**

Link to the [Policy](#)

This policy was first adopted by Council in June 2010. The purpose of this policy is to clearly articulate to customers Council's service standards and expectations.

Key changes:

- Update to the current Council vision and values;
- Clearly articulate the options around the methods of contacting Council;
- Update to ensure our service standards are based on mode of contact, rather than the type of enquiry;



- Reduce response times where appropriate;
 - Removed repetitive or out of date information regarding Council's complaint handling process and referred the reader to the CP035 Complaint Handling policy which clearly outlines how to lodge a complaint.
- **CP053 Chief Executive Officer (CEO) Employment and Remuneration – revised**
Link to the [Policy](#)

This policy was first adopted by Council on 24 November 2021. The purpose of this policy is to provide arrangements for CEO recruitment, appointment, contract arrangements, performance monitoring and performance appraisal.

The policy outlines that Council will establish two committees, the CEO Employment and Remuneration Committee and the CEO Recruitment Committee and provides, in line with the requirements of the Local Government Act 2020, that a suitably qualified independent person be appointed to both these committees.

The existing policy provides for Council to determine the terms of the appointment of the independent person and therefore does not provide a framework as to the terms of the appointment. It is now proposed that the existing policy be amended to now document the terms on which a suitably qualified independent person be appointed to both the CEO Employment and Remuneration Committee and the CEO Recruitment Committee.

Moved: Richard Bull / Seconded: Graeme Phipps

That the Audit and Risk Committee notes the revised policies recently adopted by Council.

7.2 Strategic Risk Register

The strategic risk register is reviewed as a standard agenda item at the Risk and Governance Committee meeting held each month. The strategic risk register provided at **Appendix 6** has been updated to reflect the following changes since the last updated version provided to the Audit and Risk Committee in April 2022.

Risk Title: Financial / Risk Event (revised an existing event with further details)

FI04 Fraudulent/corrupt behaviour by a member of staff, councillors and/or 3rd party (in relation any operation of Council e.g. procurement, community grant, sponsorships to community organisations, payments, cash receipt, use of Council credit card, use of Council fuel card, staff/councillors expenses reimbursement, etc.)

Risk Title: Financial / Planned Control (revised an existing planned control with further details)

FI04 1. Structured/formalised staff awareness and training sessions in relation to policies and processes (specifically in relation to declaring and managing conflicts of interest, fraud risks etc.)



Risk Title: Service / Risk Event (new risk item added)

Risk of not managing trees situated within Council's properties (including Crown land that Council manage).

Risk Title: Service / Planned Control (new item added)

Develop a comprehensive tree management system.

Risk Title: Environmental / Planned Control (new item added)

EN01 4. Continue to work in collaboration with Bellarine and Bayside councils and relevant state government agencies to prepare, plan and implement remediation and adaption strategies to address coastal inundation due to sea level rise.

Recommendation:

That the Audit and Risk Committee notes the strategic risk register provided at Appendix 6.

Moved: Richard Bull/ Seconded: Graeme Phipps

That the Audit and Risk Committee notes the strategic risk register provided at Appendix 6. The Audit and Risk committee request a regular update on any active lawsuits or potential lawsuits, insurance claims that may affect Councils operations or budget.

7.3 Business Continuity Plan (BCP) and Testing Regime

Council's business continuity plan and the disaster recovery plan were reviewed and updated in October 2019.

A mock BCP/DR incident response drills/testing exercise has not been carried out by the BoQ since June 2016. (Note that annual mock exercises are conducted of Council's Municipal Emergency Management Plan.) However, on 13 September 2021 the Business Continuity Committee reviewed the effectiveness of the business continuity plan in light of the COVID-19 global pandemic. The Committee considered that the real life situation presented an opportunity to assess the plan's performance rather than performing a mock exercise, and therefore the review was conducted in lieu of a testing exercise. The review indicated that the plan had performed well mainly in that it designated specific roles of officers who, when faced with the pandemic, performed their roles quickly, coherently and confidently. However, it was considered that the plan was too prescriptive and that the real life scenario required a more nuanced response, and the plan will be revised based on this feedback.



Note the Business Continuity Committee met regularly throughout the global COVID-19 pandemic and still meets on an as needed basis.

Moved: Richard Bull / Seconded: Helen Butteriss

That the Audit and Risk Committee notes the summary provided by Council officers, with respect to business continuity planning and testing regime.

7.4 Reports on any instances of unethical behaviour, fraud and corruption

There was one instance of potential fraud reported (after the May 2022 Risk and Governance Committee meeting) to the HR & Governance Coordinator which was immediately reported to the fraud officer of the Council. Subsequently, this matter was promptly investigated by the CEO and the HR & Governance Coordinator and concluded that the fraud had not occurred. This conclusion was reported to the Council’s fraud officer immediately after the investigation.

There has not been any other unethical behaviour, fraud and corruption reported or suspected since the last Audit and Risk committee meeting.

Moved: Graeme Phipps / Seconded: Helen Butteriss

That the Audit and Risk Committee notes the update provided by Council officers, with respect to unethical behaviour, fraud and corruption.

7.5 General Ledger Reconciliations

Reconciliations are a fundamental control check for fraudulent activity and to prevent financial statement errors. An update on the status of the bank and general ledger reconciliations has been provided at 31 March 2022. Reconciliations have been categorised into three risk categories based on the value of the unreconciled items as a percentage (%) to the ledger balance of the each reconciliation.

Risk Category	No. Reconciliations	Comment
Low risk – zero unreconciled value	51	
Medium risk – less than 5% and \$5,000 unreconciled value	3	<ul style="list-style-type: none"> Payables – Creditors Control, duplicated payment of \$1,820 (have contacted the recipient to have the payment returned) Pensioner Rebate an unreconciled difference of \$247 (balance \$21,242)



		<ul style="list-style-type: none"> Rates debtors reconciliation has an unreconciled difference of \$23 (balance \$1,740,291)
High risk – more than 5% and \$5,000 unreconciled value	0	
Total	54	

Moved: Richard Bull / Seconded: Helen Butteriss

That the Audit and Risk Committee notes the update provided by Council officers, with respect to general ledger reconciliations.

8. COUNCIL FINANCIAL AND PERFORMANCE REPORTING

8.1 2021–22 Quarterly Financial Report as at 31 March 2022

The 31 March 2022 quarterly financial report was issued to Council at its Ordinary Meeting on 27 April 2022. This report can be accessed via the following link:

[Quarterly Financial Report as at 31 March 2022](#)

The **forecast accumulated cash surplus for the financial year 2021–22 is \$813,000**; a \$579,000 increase from the quarter two forecast.

Early receipt (received in the 2021–22 financial year) of the Financial Assistance Grant (FAG), 2022–23 allocation in full and a part of the 2023–24 allocation, has contributed to the increase in the forecasted cash surplus for the year.

Council **forecasts an underlying surplus of \$852,000 (6.0%) (LGPRF based)** for the 2021–22 financial year which is driven by the net increase in operating income (essentially due to the receipt of FAG in advance) and decrease in operating expenses (due to temporary staff vacancies and cancelled events due to COVID restrictions).

As evident in 2021–22, in most instances, the reported underlying result is impacted by the timing of recurrent operating grants (especially FAG), non-recurrent operating grants and non-recurrent operating expenses included in the budget of a particular year. As a result, the underlying result is more meaningful when it is assessed excluding the impact of non-recurrent operating income and expense items, and adjusted for the timing of recurrent operating grants where applicable as defined in the Council Plan of the Borough.



The forecasted adjusted underlying result (Council Plan based) for the year 2021–22 is a deficit of \$177,000 (-1.8%). The forecasted reduction in recurring operating income (income from tourist parks, interest income, lease income, and environmental health fees), resulted in a negative adjusted underlying result for the year.

Total financial assets (cash and cash equivalents and financial assets) as at **31 March 2022** is **\$11.7 million**. A significant part of the total financial assets represents grants received in advance for the Queenscliff Boat ramp upgrade and Queenscliffe Cultural Hub projects.

*Council has a **debt free balance sheet**.*

During the last nine months, **\$4.9 million** has been spent in **capital projects** against the **forecast of \$9.5 million for the year**.

Moved: Helen Butteriss / Seconded : Richard Bull

That the Audit and Risk Committee notes the 2021–22 Quarterly Financial Report as at 31 March 2022.

8.2 Draft Financial Budget 2022–23

Officers provided an update in relation to the 2022–23 draft budget at the Audit and Risk Committee meeting held on 4 April 2022. Officers also requested the committee to provide any feedback that the committee wish to be incorporated into the 2022–23 draft budget, before 13 April 2022.

Subsequently, the draft financial budget 2022–23 was endorsed by Council at its Ordinary Council Meeting on 27 April 2022. This document was out on exhibition for public comment until the public submission period closed Monday 23 May 2022.

[Draft Financial Budget 2022-23](#)

Moved: Richard Bull / Seconded: Helen Butteriss

That the Audit and Risk Committee notes the Draft Budget 2022–23.

8.3 Draft Financial Plan 2022–23 to 2031–32

Although the *Local Government Act 2020* only requires Council to adopt the Financial Plan by 31 October in the year following a general election, Councillors and officers have considered the Financial Plan as well during the 2022–23 draft budget process and have proposed changes (updated) to ensure it remains up to date. Further, Council has decided to provide an opportunity



for the community to make submissions for any proposal contained in the updated Financial Plan, as a part of the annual budget process.

The Draft Financial Plan 2022–23 to 2031–32 was endorsed by Council at its Ordinary Council Meeting on 27 April 2022. This document was also out on exhibition for public comment until the public submission period closed Monday 23 May 2022.

[Draft Financial Plan 2022-23 to 2031-32](#)

Moved: Richard Bull / Seconded: Graeme Phipps

That the Audit and Risk Committee notes the Draft Financial Plan 2022–23 to 2031–32.

9. AUDIT AND RISK COMMITTEE

Council's Audit and Risk Committee membership comprises Councillors nominated by Council and four independent members.

9.1 Council Representatives on Council's Audit and Risk Committee

At the Ordinary Council Meeting held on 25 May 2022, Council resolved to appoint Cr Isabelle Tolhurst as a Council representative to the Audit and Risk Committee.

9.2 Audit and Risk Committee Charter

Annual review of the Audit and Risk Committee Charter is a requirement stated in the Annual Work Plan of the Audit and Risk Committee.

The Audit and Risk Committee Charter was adopted by Council at its 27 August 2020 Ordinary Meeting. Officers have again reviewed the Charter but no change is proposed.

A copy of the Audit and Risk Committee Charter is provided at **Appendix 7**.

Recommendation:

That the Audit and Risk Committee notes the officers' review of the Audit and Risk Committee Charter and that no changes to the Charter are proposed.

Moved: Graeme Phipps / Seconded: Helen Butteriss

That the Audit and Risk Committee notes the officers' review of the Audit and Risk Committee Charter and that no changes to the Charter are proposed.



The Audit and Risk committee are of the view that it was timely to perform a review of the Charter for discussion and tabling at the next September or December 2022 meeting. External members will consider changes and these will be collated to be sent to the CEO.

9.3 Annual Work Plan

The *Local Government Act 2020* requires Audit and Risk Committee to adopt an annual work plan for each financial year. The draft work plan for the 2022–23 financial year is provided at **Appendix 8**.

Moved: Graeme Phipps / Seconded: Richard Bull

That the Audit and Risk Committee reviews and approves the 2022–23 Annual Work Plan of the Audit and Risk Committee given at Appendix 8.

9.4 Appointment of an Outsourced Internal Auditor

The contract with HLB Mann Judd to provide internal audit services expires on 31 August 2022.

As per the Audit and Risk Committee Charter, the committee needs to make its recommendations to the Chief Executive Officer of Council for the appointment of an outsourced Internal Auditor.

Accordingly, officers have developed a Request for Quotation (RFQ) to initiate an open tender process to select an internal audit service provider. The draft RFQ is provided at **Appendix 9 (confidential)**.

Recommendation:

That the Audit and Risk Committee reviews and approves the request for quotation for the provision of internal audit services given at confidential Appendix 9.

Moved: Richard Bull / Seconded: Graeme Phipps

That the Audit and Risk Committee reviews and notes the request for quotation for the provision of internal audit services given at confidential Appendix 9.

10. INFORMATION TO NOTE

ICT Transformation Project

Officers provided an update (verbal) to the Committee on the progress Council has been making in relation to the ICT transformation project.



Moved: Richard Bull / Seconded: Helen Butteriss

That the Audit and Risk Committee notes the information provided.

11. GENERAL BUSINESS

Nil

12. DATES OF FUTURE AUDIT AND RISK COMMITTEE MEETINGS

Audit and Risk Committee meetings are scheduled to occur at least one week prior to an Ordinary Council Meeting, in order for the Minutes of the Audit and Risk Committee meeting to be finalised and included in the Agenda for the Ordinary Council Meeting, for acceptance by Council.

All meetings of the Audit and Risk Committee will commence at 3:30pm.

The September meeting of the Audit and Risk Committee each year is for the specific purpose of reviewing the draft financial statements and recommending that Council consider adoption of the financial statements, in principle, at its Ordinary Council Meeting in September.

Audit and Risk Committee Meeting	Ordinary Council Meeting
Monday 5 September 2022	Wednesday 21 September 2022
Monday 5 December 2022	Wednesday 14 December 2022

13. CLOSE OF MEETING

Meeting Closed at __5:27__pm