

Borough of Queenscliffe

Audit & Risk Committee Meeting

Minutes – DRAFT

Tuesday 10 June 2025 at 2:30PM

Wirrng Wirrng



Borough of Queenscliffe

Queenscliff & Point Lonsdale, Victoria, Australia



Community Vision

The Borough is a special and restorative place, renowned for its distinctive coast, rich living heritage and vibrant culture. Our community is caring, and welcoming to visitors. We have a deep respect for the Wadawurrung People and are taking action to protect Country.

Our Values

1. **Integrity:** We take ownership and responsibility for our decisions and are accountable for all that we do.
2. **Respect:** We treat everyone with dignity, fairness and empathy, look out for the safety and wellbeing of others, and nurture positive and inclusive relationships.
3. **Community Focus:** We always work with our community's experience in mind and take pride in supporting our community.
4. **Sustainability:** We place climate change risks at the core of our decision-making, and take extensive action to protect our natural environment.
5. **Openness:** We actively engage with our community and are transparent in our decision-making.

Acknowledgement of Country

Bellawiyn is the Wadawurrung name for the lands where the Borough of Queenscliffe is located.

Council acknowledges the Traditional Owners of these lands, waters and skies, the Wadawurrung People.

We acknowledge and respect their continuing connections to their lands, waters, skies, culture and the contribution they make to the life and spirit of our community.

We pay respect to their past and present Elders and extend this respect to all Aboriginal and Torres Strait Islander peoples.



1. Committee In-Camera Session	5
2. Opening of Meeting	5
3. Present & Apologies	5
4. Conflict of Interest Disclosures.....	6
5. Previous Audit & Risk Committee Meetings	6
5.1. Audit & Risk Committee Meeting 14 April 2025	6
5.2. Business Arising from Audit & Risk Committee Meeting on 14 April 2025	6
6. Internal Audit	7
6.1. Progress on Open Audit Recommendations	7
6.2. Internal Audit Review	8
6.3. Internal Audit Plan	8
7. External Audit.....	8
7.1. External Audit Interim Report 2024 – 2025 Financial Year	8
8. Compliance Management	9
8.1. Reports from the Victorian Auditor General's Office (VAGO)	9
8.2. Risk & Governance Committee Meetings	9
9. Control Framework & Risk Management	10
9.1. Council Policies Adopted by Council	10
9.2. Strategic Risk Register	10
9.3. Proposed insurance arrangements for 2025 - 2026	11
10. Council Financial & Performance Reporting	11
10.1. Draft Budget 2025 - 2026	11
10.2. Property, Plant, Equipment, and Infrastructure Assets - Fair Value Assessments	12



11. Chief Executive Officer update.....	12
11.1. Chief Executive Officer Update	12
12. Audit & Risk Committee	13
12.1. Annual Work Plan.....	13
13. Information to Note	13
13.1. Other Information to Note	13
14. General Business	14
14.1. Internal Audit Contract.....	14
14.2. General Business.....	15
15. Close of Meeting.....	15



1. Committee In-Camera Session

All members of the Committee, along with representatives of the external auditor, VAGO, and internal auditors, RSD, met at 2.30pm in-camera prior to the full meeting, without officers, to discuss a range of matters listed on the agenda.

2. Opening of Meeting

Richard Davies declared the full meeting open at 3:09 pm.

3. Present & Apologies

Present:

Committee members

Cr Di Rule, Mayor

Cr Isabelle Tolhurst

Richard Davies (Chair)

Rebecca Brezzi (left the meeting 3.46pm-3.53pm due to a potential conflict of interest – see note under items 4 and 11.1)

Richard Bull

Michael Tehan

Auditors

Kathie Teasdale, Engagement Partner (Internal Audit Provider: RSD Audit) (until 4.34pm) via MS Teams

Lee Blashki, Manager – Financial Audit (External Auditor: VAGO) (until 3.40pm) via MS Teams

Anoja Bandara – Financial Audit (External Auditor: VAGO) (until 3.40pm) via MS Teams

Officers

Martin Gill, Chief Executive Officer

Gihan Kohobange, Manager Finance & ICT Services

Jenni Walker, HR & Governance Coordinator

Belinda Bennett, HR & Organisational Development Advisor

Apologies

Paul Harrison, Internal Audit Manager (Internal Audit Provider: RSD Audit)

Abbey Tatterson, Manager Customer Experience



4. Conflict of Interest Disclosures

Councillors and Members of the Audit & Risk Committee must disclose a conflict of interest in accordance with section 130 of the *Local Government Act 2020*.

Independent Members & Councillors:

Rebecca Brezzi noted a potential general conflict of interest due to her husband's recent appointment as a judge on the Victorian Supreme Court. This is currently a potential conflict of interest which may arise if there is a Council matter before, or likely to be before, the Supreme Court. Rebecca noted she would leave the meeting when the Murray Road matter was discussed.

Officers: Nil.

5. Previous Audit & Risk Committee Meetings

5.1. Audit & Risk Committee Meeting 14 April 2025

RESOLUTION

That the minutes of the Audit & Risk Committee Meeting 14 April 2025, as distributed, be confirmed as an accurate record.

Moved: Michael Tehan

Seconded: Rebecca Brezzi

CARRIED

5.2. Business Arising from Audit & Risk Committee Meeting on 14 April 2025

RESOLUTION

Item	Action	Status
April 25		
6.1. Progress on Open Audit Recommendations	Provide a confidence level in achieving the	Complete, refer to item 6.1



	implementation timelines of the planned controls.	
April 25 6.3. Internal Audit Charter	A copy of relevant documentation be provided to those members as confirmation of the liability insurance	Complete, a copy was circulated via an email and have included under item 13.1 as well
April 25 9.2. Strategic Risk Register	Provide a confidence level in achieving the implementation timelines of the planned controls.	Complete, refer to item 9.2

That the table above be confirmed as an accurate record.

Moved: Richard Davies

Seconded: Richard Bull

CARRIED

6. Internal Audit

6.1. Progress on Open Audit Recommendations

Presenter: Manager Finance & ICT Services

RESOLUTION

That the Audit & Risk Committee notes the progress on the outstanding Actions from previous internal audit recommendations.

Moved: Cr Isabelle Tolhurst

Seconded: Cr Di Rule

CARRIED



6.2. Internal Audit Review

Presenter: Internal Auditor

The committee noted RSD's commentary regarding the delay in the current project concerning project management and the proposed timeline now for completion and reporting of that work.

RESOLUTION

That the Audit & Risk committee notes the update provided.

Moved: Rebecca Brezzi

Seconded: Richard Bull

CARRIED

6.3. Internal Audit Plan

Presenter: Internal Auditor

RESOLUTION

That the Audit & Risk committee notes the update provided.

Moved: Rebecca Brezzi

Seconded: Richard Bull

CARRIED

7. External Audit

7.1. External Audit Interim Report 2024 – 2025 Financial Year

Presenter: External Auditor

RESOLUTION

That the Audit & Risk Committee notes the update provided.

Moved: Michael Tehan

Seconded: Rebecca Brezzi



CARRIED

8. Compliance Management

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

Presenter: Manager Finance & ICT Services

RESOLUTION

That the Audit & Risk Committee notes the update provided.

Moved: Rebecca Brezzi

Seconded: Richard Davies

CARRIED

8.2. Risk & Governance Committee Meetings

Presenter: HR & Governance Coordinator

Rebecca Brezzi left the meeting at 3.46pm - 3.53pm during item 8.2 and 11.1 during a discussion about Murray Road only.

The Risk & Governance Committee met on:

- 23 April 2025; and
- 21 May 2025.

Officers have attached a confidential report on matters arising from these meetings of the Risk & Governance Committee that require the attention of the Audit & Risk Committee.

Matters of risk and liability were discussed with management.

This report included any reported or suspected cases of unethical behaviour, fraud and/or corruption, or lack of integrity reported or suspected since the last Audit & Risk Committee meeting.



RESOLUTION

That the Audit & Risk Committee notes the report from the Risk & Governance Committee.

Moved: Michael Tehan

Seconded: Richard Bull

CARRIED

9. Control Framework & Risk Management

9.1. Council Policies Adopted by Council

Presenter: HR & Governance Coordinator

RESOLUTION

That the Audit & Risk committee notes the revised policies recently adopted by Council as below:

- CP001 Asset Management
- CP024 Memorials and Plaques
- CP037 CCTV in Public Places
- CP053 CEO Employment and Remuneration
- CP057 Vegetation Management

Moved: Michael Tehan

Seconded: Richard Davies

CARRIED

9.2. Strategic Risk Register

Presenter: Manager Finance & ICT Services

Management discussed the timeline for the next register review and the issue of acceptable risk levels on various risk categories.

The committee was briefed on the process and timing underway for 'on-boarding' the new Managed Services Provider.



RESOLUTION

That the Audit & Risk Committee notes the update provided by Council officers, with respect to the Strategic Risk Register.

Moved: Michael Tehan

Seconded: Richard Bull

CARRIED

9.3. Proposed insurance arrangements for 2025 - 2026

Presenter: Manager Finance & ICT Services

The committee discussed the overall insurance arrangements with management, including the current re-insurance environment and current excess levels of a number of policies.

RESOLUTION

That the Audit & Risk committee notes the update provided by Council officers, with respect to proposed 2025–2026 insurance arrangements.

Moved: Richard Bull

Seconded: Michael Tehan

CARRIED

10. Council Financial & Performance Reporting

10.1. Draft Budget 2025 - 2026

Presenter: Manager Finance & ICT Services

RESOLUTION

That the Audit & Risk Committee notes the update provided.



Moved: Rebecca Brezzi

Seconded: Richard Davies

CARRIED

10.2. Property, Plant, Equipment, and Infrastructure Assets - Fair Value Assessments

Presenter: Manager Finance & ICT Services

The committee was briefed the position paper covering the new Fair Value Assessment approach required by VAGO under AASB 13, noting the support of VAGO for the approach to be taken by Council.

RESOLUTION

That the Audit & Risk committee notes the update provided by Council officers, with respect to the fair value assessment of Property, Plant, Equipment, and Infrastructure assets for the 2024–2025 financial year.

Moved: Michael Tehan

Seconded: Rebecca Brezzi

CARRIED

11. Chief Executive Officer update

11.1. Chief Executive Officer Update

Presenter: Chief Executive Officer

Discussion

The Chief Executive Officer provided a verbal update in relation to the following areas at the meeting:

- Murray Road
- Formal Complaint against CEO



Prior to this presentation member Rebecca Brezzi notified the meeting of a potential conflict-of-interest with respect to the Murray Road matter. She excused herself from the meeting for this item.

RESOLUTION

That the Audit & Risk Committee notes the Chief Executive Officer update.

Moved: Richard Davies

Seconded: Michael Tehan

CARRIED

12. Audit & Risk Committee

12.1. Annual Work Plan

Presenter: Manager Finance & ICT Services

RECOMMENDATION

That the Audit & Risk Committee reviews and approves the Annual Work Plan of the Audit & Risk Committee as presented.

RESOLUTION

That the Audit & Risk Committee reviews and approves the Annual Work Plan of the Audit & Risk Committee as presented, subject to the changes which will be confirmed by the Chair.

Moved: Michael Tehan

Seconded: Richard Davies

CARRIED

13. Information to Note

13.1. Other Information to Note

Presenter: Manager Finance & ICT Services



Discussion

The following additional information is attached for the Audit & Risk Committee's reference.

- Investment in Term Deposits
- May Council Meeting **Confidential Agenda Item** - Award Contract Provision of ICT Managed Service Provider to Globalnet Solutions Australia Pty Ltd
- RSD Audit - Local Government IA Update Report - Q3 FY25
- Councillors' & Officers' Liability Insurance Policy (Policy Wordings)
- VAGO - Impact of AASB 13 amendments – FinPro Presentation
- VAGO - Local Government update

RESOLUTION

That the Audit & Risk Committee notes the information provided.

Moved: Rebecca Brezzi

Seconded: Richard Davies

CARRIED

14. General Business

14.1. Internal Audit Contract

Presenter: Manager Finance & ICT Services

Internal Auditor representative Kathie Teasdale left the meeting prior to this item.

It was agreed the committee Chair will circulate a process for comment on RSD performance on matters where members are able to contribute, and will then inform management of that collective feedback.

RESOLUTION

That the Audit & Risk Committee notes the update provided and provide feedback about performance of Council's Internal Auditors.

Moved: Richard Bull

Seconded: Rebecca Brezzi



CARRIED

14.2. General Business

The Chair will call for General Business items:

No further general business items were discussed.

15. Close of Meeting

Richard Davies declared the meeting closed at 4.43pm.