



13.1 AUDIT AND RISK COMMITTEE BIENNIAL REPORT

EXECUTIVE MEMBER: JOANNE MCNEILL, GENERAL MANAGER, GOVERNANCE CAPABILITY AND EXPERIENCE

PREPARED BY: JULIE SNOWDEN, COORDINATOR RISK AND ASSURANCE

1. PURPOSE

1.1 To present the Audit and Risk Committee Biennial Report as at 30 June 2023.

2. EXECUTIVE SUMMARY

- 2.1 Council is required by the Local Government Act (LGA) 2020 to establish an Audit and Risk Committee (the Committee) as an advisory committee of Council.
- 2.2 Under the LGA, the Audit and Risk Committee must prepare a biennial report on activities to Council.
- 2.3 This paper satisfies this reporting requirement.
- 2.4 The last update provided to Council was the presentation of the Audit and Risk Committee Biennial report to 31 December 2022 on 1 March 2023.

3. RECOMMENDATION

That Council:

- 3.1 Notes the Audit and Risk Committee Biennial Report as at 30 June 2023, which details activities of the Committee covering scheduled meetings held on 21 February 2023, 23 May 2023 (annual workshop) and 27 June 2023.

4. KEY POINTS/ISSUES

4.1 Matters considered by the Committee at its 21 February 2023 meeting were:

4.1.1 Chief Executive Officer's Report

The Committee noted the overview from the CEO on key activities, including an update on Resourcing, being the highest risk in terms of delivering on the Council Plan, the steady improvement in Customer service requests / complaints, the success of the St Kilda Festival, priority focus on Risk & Compliance generally, delivery of the Council Plan and minor organisational restructure (realignment).

4.1.2 Strategic Risk and Internal Audit (SRIA)

The Committee noted the regular SRIA update, the Internal Audit Recommendations Status Report, an updated Risk Management Policy and Framework and the six-monthly update on DTS Internal Controls.

4.1.3 Assurance Activities Update

The Committee discussed the core compliance audit findings from the Food Safety Inspections audit and the Working from Home audit and agreed the scopes for audits in the following areas: Immunisations, Climate Change and



Data Security and Retention. The Committee also noted the Internal Audit Plan status report 2022/23.

4.1.4 External Audit

There were no items for discussion at this meeting.

4.1.5 Compliance Monitoring

The Committee noted the regular Compliance update, the Occupational Health and Safety (OHS) 6 monthly update and an interim report on Procurement Compliance, with agreement that a full update be shared at the next full meeting.

4.1.6 Financial Monitoring

The Committee noted the financial sustainability standing report.

4.1.7 Supplementary Reports

There were no items for discussion at this meeting.

4.2 Matters considered by the Committee at its 23 May 2023 workshop were:

4.2.1 Workshop Discussion

The Committee discussed the business, risk and assurance landscapes to help inform the input into the strategic three-year internal audit plan 2023/24 – 2025/26 and focus for the 2023/24 internal audit plan.

4.3 Matters considered by the Committee at its 27 June 2023 meeting were:

4.3.1 Chief Executive Officer's Report

The Committee noted the overview from the CEO on key activities, including an update on the continuing challenge of project delivery and proposed improvements, cultural change in OHS, the adoption of the budget, compliance framework implementation and cladding safety.

4.3.2 Strategic Risk and Internal Audit (SRIA)

The Committee noted the regular SRIA update including an update on improvements to the SRIA agenda with the introduction of deep dives on key risks and issues and a stronger compliance focus and the Internal Audit Recommendations Status Report.

4.3.3 Assurance Activities Update

The Committee discussed the audit findings from the following audits: Capital Project Management, Building Services, Human Resource Management and Immunisations.

The Committee also adopted the 2023/24 Internal Audit Plan pending some minor changes and noted the 2022/23 Internal Audit Plan status update.

4.3.4 External Audit

External representative from BDO, the agent appointed by the Victorian Auditor Generals Office (VAGO) discussed the audit strategy for year ending 30 June 2023 and status of the audit, noting they're in the process of drafting the interim Management Letter and to date, there were no outstanding control weaknesses.



4.3.5 Compliance Monitoring

The Committee noted the regular Compliance update, the Occupational Health and Safety (OHS) update, and a further update on Procurement Compliance including targets.

4.3.6 Financial Monitoring

The Committee noted the financial sustainability standing report.

4.3.7 Supplementary Reports

The Committee noted the South Melbourne Market six monthly update.

4.3.8 Audit and Risk Committee Charter Review

The Committee noted the proposed changes to the Audit and Risk Committee Charter, requesting clarity on Councillor representative WWCC requirements before adopting for subsequent endorsement by Council at the next available meeting.

5. ALIGNMENT TO COUNCIL PLAN AND COUNCIL POLICY

5.1 Strategic Direction 5 – Well Governed Port Phillip: Supporting sound decision-making through transparency, accountability, community participation, risk management and compliance.

6. OFFICER DIRECT OR INDIRECT INTEREST

6.1 No officers involved in the preparation of this report have any material or general interest in the matter.

ATTACHMENTS

Nil