



The Committee noted the overview from the CEO on key activities, including an update on the new Council, progress towards the new Council Plan and Budget, strategic challenges, shifts in strategic risk profiles as a result of COVID and long term financial strategy, which included an emphasis on the impacts of parking revenue resulting from people working from home and changing their work habits.

They also noted the Chief Executive Officer's Report 71.

4.2.2 Strategic Risk and Internal Audit (SRIA)

The Committee noted the regular SRIA update, including an update on the significant work being done in returning staff safely to St Kilda Town Hall, the extensive engagement undertaken with staff on the flexible work policy, playground risks (specifically relating to artificial outdoor ground covering) plus a status update on the fraud framework. The Committee also noted the Internal Audit Recommendations Status Report.

4.2.3 Assurance Activities Update

The Committee discussed the audit findings from the following audit: Core Compliance Child Safe Standards #4 and noted the Internal Audit TechOne Financial Controls Scope.

The Committee also noted the Internal Audit Plan status report 2020/21 and the recent Issues Brief as tabled by our Internal Auditor – Pitcher Partners.

4.2.4 External Audit

There were no items for discussion as this meeting.

4.2.5 Compliance Monitoring

The Committee noted the regular compliance and Occupational Health and Safety (OHS) monthly update, as well as the detailed biannual OHS update. The Committee also received a verbal update on the new LGA requirements for both the Employee Code of Conduct and the Councillor Code of Conduct, which were due for adoption by 24 February 2021.

4.2.6 Financial Monitoring

The Committee noted the financial sustainability standing report.

4.2.7 Supplementary Reports

The Committee noted the following reports: Open Data Breach and the ICT Compliance Reporting biannual update.

4.3 Matters considered by the Committee at its 4 May 2021 workshop were:

4.3.1 Assurance Activities Update

The Committee discussed one formal item at this workshop meeting - the audit findings from the Payroll Encoding Internal Audit.

4.3.2 Workshop Discussion

The Committee discussed the business, risk and assurance landscapes to help inform the input into the strategic three-year internal audit plan 2021/22 – 2023/24.



4.4 Matters considered by the Committee at its 12 May 2021 special meeting were:

4.4.1 Child Safe Workshop Discussion

The Committee specifically requested a separate workshop on Child Safe practices to support a robust discussion on this topic and sought an understanding of existing assurance Port Phillip currently has over each activity. Management provided the Committee with an assessment of current state and sought the Committee's advice on what mature compliance might look like, what opportunities exist from a cultural perspective, what current gaps exist and whether any additional external reviews / oversight were needed.

4.4.2 Other Business

At the conclusion of the Child Safe workshop, the following two matters were brought to the Committees attention:

- Combustible Cladding – relating to a building identified in St Kilda as an Extreme Risk. This risk is being monitored by SRIA.
- Occupational Violence – following an increased number of incidents against staff. The Committee agreed that an emerging risk be prepared and tabled with SRIA / ELT and shared with the Committee at its June meeting as part of the regular risk update.

4.5 Matters considered by the Committee at its 22 June 2021 meeting were:

4.5.1 Chief Executive Officer's Report

The Committee noted the overview from the CEO on key activities, including an update on the seamless transition into the organisation's fourth lockdown, the impact on services being delivered by the organisation, the impact on staff wellbeing, the financial status and ongoing effects of COVID, project management capability and psychological safety – with an increase of occupational violence incidents.

They also noted the Chief Executive Officer's Reports 72, 73, 74 & 75.

4.5.2 Strategic Risk and Internal Audit (SRIA)

The Committee noted the regular SRIA update and the continued good culture of reporting on risks, the recent focus on audit extension requests and the development of criteria to help SRIA consider extensions. It was advised Port Phillip insurance brokerage services were currently out to tender and it noted the Internal Audit Recommendations Status Report.

4.5.3 Assurance Activities Update

The Committee discussed the audit findings from the Internal Audit COVID Health Check, reviewed the Internal Audit Plan status report 2020/21 and the proposed three-year rolling plan 2021/22 – 2023/24.

4.5.4 External Audit

External Auditor Mark Peters of HLB Mann Judd presented the Committee with the interim management letter which provides a summary of audit findings from the interim phase of the external audit. The following key messages were discussed with the Committee:



- A small number of issues were raised in relation to general controls in the ICT audit;
- There were no high rated findings with all recommendations accepted;
- Reflected that this has been a big effort considering the busy nature of transformation and challenges of COVID – with only one issue identified relating to the approval of journals;
- Acknowledged the efforts of the finance team.

4.5.5 Compliance Monitoring

The Committee noted the regular compliance and OHS monthly update, an update on Council's proposed approach to the design and development of a Compliance Framework plus an update on Councillor Expenses.

4.5.6 Financial Monitoring

The Committee noted the financial sustainability standing report.

4.5.7 Supplementary Reports

The Committee noted the following reports: Digital Technology Services (DTS) Penetration Testing Program, VAGO Sexual Harassment Response, the South Melbourne Market biannual update, Child Safety (draft) quarterly report and an update on the Policy Framework.

4.5.8 Audit and Risk Committee Charter Review

The Committee were presented with an updated Charter for review, which was approved ahead of tabling with Council at the next available meeting for endorsement.

5. ALIGNMENT TO COUNCIL PLAN AND COUNCIL POLICY

5.1 Strategic Direction 5 - Well-Governed

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

1. Audit & Risk Committee Charter 2021/22