

OFFICIAL



Mansfield Shire

MINUTES

Audit and Risk Committee

Monday 26 February 2024

Our aspiration for our Shire and its community

We live, work and play in an inclusive, dynamic and prosperous place where community spirit is strong and people are empowered to engage in issues that affect their lives.

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1. Opening of the Meeting

Peter Johnston, Chairperson, opened the meeting at 3:05 pm.

2. Present

External Members:

Jane Watson
Peter Johnston (Chair)
Moh-Lee Ng

Councillors:

Mayor Steve Rabie

Officers:

Acting Chief Executive Officer: Melissa Crane
General Manager Business & Economic Development: Julie Williams
Acting General Manager Infrastructure & Planning: Ari Demasi
Interim Coordinator Governance & Risk: Jane Carter
Financial Controller: Michael McCormack
Coordinator Compliance: Michael Richards
Governance & Risk Officer: Chelsea Young
AFS and Associates – Internal Auditor: Bradley Ead
VAGO: Travis Derricott

3. Apologies

Councillor Mark Holcombe & Chief Executive Officer, Kirsten Alexander.

4. Acknowledgement of Country

Peter Johnston recited Council's Acknowledgement of Country:

"Our meeting is being held on the lands of the Taungurung people and we wish to acknowledge them as Traditional Owners. We would also like to pay our respects to their Elders, past and present, and Aboriginal Elders of other communities who may be here today."

5. Disclosure of Conflicts of Interest

Nil

6. Confirmation of Minutes

THAT the Minutes of the Mansfield Shire Council Audit and Risk Committee Meeting held on 27 November 2023 be confirmed as an accurate record.

CARRIED

7. Administrative Items

7.1. Review of Audit and Risk Committee Charter

THAT THE AUDIT AND RISK COMMITTEE endorse the updated Audit and Risk Committee Charter for consideration at the March 2024 Council Meeting noting the following clarifying rewording of clause 7 Term of Appointment – Independent Members:

- 7.1 The terms of appointment for independent members should be arranged to ensure a staggered rotation and continuity of membership. The initial terms of appointment may be for a period of one, two or three years to achieve the staggered rotation, and thereafter members be reappointed for a term of three years.
- 7.2 Independent members of the committee shall be eligible for appointment for up to a maximum of three, full three-year terms each.
- 7.3 Council may use its discretion to directly appoint an independent member for a second and/or third term without going through a public recruitment process.

CARRIED

7.2. Annual Work Plan 2023-24

THAT THE AUDIT AND RISK COMMITTEE note the Annual Work Plan update.

CARRIED

7.3. Action Item and Open Audit Recommendations Registers

THAT THE AUDIT AND RISK COMMITTEE notes the Action Register and the Audit Recommendations Register as of 20 February 2024. Noting that the status of Action Register item Nov 24.09 (item 11.2) is OPEN and requires actioning.

CARRIED

Item 12.1. External Audit – VAGO Reports, was brought forward in the agenda to provide Travis Derricott of the Victorian Auditor-General's Office with the opportunity to leave the meeting post discussion of the VAGO reports.

Following the discussion on Item 12.1. External Auditor, Travis Derricott excused himself from the meeting at 3.50pm.

7.4. Council Service Area Presentations

THAT THE AUDIT AND RISK COMMITTEE note the presentations to the Committee to date and future presentations as follows:

- May 2024: Digital Transformation Project
- August 2024: Planning - Strategic and Statutory
- November 2024: Financial Forecast and Plan

CARRIED

7.5. Compliance & Local Laws Presentation

THAT THE AUDIT AND RISK COMMITTEE receive and note the presentation on the Compliance and Local Law Program.

CARRIED

7.6. Audit and Risk Committee Report to Council

THAT THE AUDIT AND RISK COMMITTEE provide a report describing the activities, findings and recommendations for the six months ending 31 December 2023 to the Chief Executive Officer for tabling at the 19 March 2024 Council Meeting.

CARRIED

8. Financial and Performance Reporting

8.1. Quarterly Finance Report

THAT THE AUDIT AND RISK COMMITTEE notes the Budget Report for the period 1 July 2023 – 31 December 2024.

CARRIED

8.2. Investment Schedule

THAT THE AUDIT AND RISK COMMITTEE receive and note the Investment Portfolio Report as at 31 January 2024.

CARRIED

8.3. Debt Schedule

THAT THE AUDIT AND RISK COMMITTEE receive and note the Loan Portfolio report as at 31 January 2024.

CARRIED

9. Internal Control Environment

9.1. Policy Register Status Update

THAT THE AUDIT AND RISK COMMITTEE note the Policy Register as of 12 February 2024 with an update on the Risk Management Policy status as under review for Audit and Risk Committee feedback.

CARRIED

9.2. Fraud and Corruption Control Policy

THAT THE AUDIT AND RISK COMMITTEE: note the revised Fraud and Corruption Control Policy for review and approval by Council.

CARRIED

10. Risk Management

10.1. Occupational Health and Safety Management Report

THAT THE AUDIT AND RISK COMMITTEE receive this report.

CARRIED

10.2. Risk Management Report

THAT THE AUDIT AND RISK COMMITTEE note the information contained in the Risk Register.

CARRIED

10.3. Related Parties Disclosures

THAT THE AUDIT AND RISK COMMITTEE notes the related party disclosures report.

CARRIED

11. Internal Audit

11.1. Internal Audit Status Reports

THAT THE AUDIT AND RISK COMMITTEE receives and notes the Internal Audit Program Status Report and Industry Update – Recent Reports and Publications of Interest.

CARRIED

11.2. Internal Audit Performance Self-Assessment

THAT THE AUDIT AND RISK COMMITTEE note the proposed timing of the 2024 self-assessment.

CARRIED

11.3. Internal Audit Service Provision Tender

THAT THE AUDIT AND RISK COMMITTEE note the provision of Internal Audit Services procurement proposal.

CARRIED

11.4. Internal Audit Completed Report - Procurement

THAT THE AUDIT AND RISK COMMITTEE notes the AFS Procurement report and identified action items

CARRIED

12. External Audit

12.1. VAGO Reports

THAT THE AUDIT AND RISK COMMITTEE note the VAGO Status Report for January 2024, and the Systems Auditor.

CARRIED

12.2. External Auditor Performance Review

THAT THE AUDIT AND RISK COMMITTEE note the review of the external auditor and audit process.

CARRIED

13. Compliance Management

13.1. Procurement Exemptions

THAT THE AUDIT AND RISK COMMITTEE notes that one Procedural Exemption was authorised by the Chief Executive Officer between 1 October 2023 to 31 December 2023.

CARRIED

13.2. Gifts, Benefits and Hospitality Annual Report

THAT THE AUDIT AND RISK COMMITTEE receive and note the Gifts, Benefits and Hospitality Annual Report 2023.

CARRIED

14. Other Business

- Modern slavery
- Sexual harassment

15. Next Meeting

The next meeting of the Audit and Risk Advisory Committee will be held Monday 27 May 2024 online via ZOOM.

16. Close of meeting

The Audit and Risk Committee Meeting Agenda 26 February 2024 was closed at 4:50 pm.