

# **MINUTES**

## **Audit and Risk Committee Meeting**

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**1.10 pm - Monday 03 March 2025**

**VENUE:**

**Yarriambiack Shire Council Office, Meeting Room (Online vis MS Teams)**

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**NEXT MEETING: Monday 05 May 2025 at 12pm**  
**In Person/Online**  
**Yarriambiack Shire Council office**

## ACKNOWLEDGEMENT OF TRADITIONAL OWNERS

We acknowledge that the activities of Yarriambiack Shire Council are held under the traditional skies and in the waterways and lands within Wotjobaluk Country and Council pays respects to their Elders past, and present.

### 1 WELCOME

Welcome by Bruce Potgieter Chairperson

### 2 PRESENT

Bruce Potgieter, Michael Ulbrick, Peter Johnston, Cr Karly Kirk, Paul Harrison (Internal audit) Tammy Smith (CEO), Anita McFarlane (Manager Corporate Services), Bernadine Schilling (Manager People and Culture), Daniel Brandon (Manager Business Systems), Peter Schnorrenberg (Asset Coordinator), Vanessa Lantzakis (Business Projects Consultant) and Joel Turner (Chief Engineering Officer) Tim Rose (COO).

Bruce Preston (Crowe) & Travis Derricott (VAGO) – pre-meeting attendance.

### 3 APOLOGIES

Cr Kylie Zanker, Kathie Teasdale (RSD Internal audit),

### 4 CONFLICTS OF INTEREST

Nil

### 5 MINUTES OF PREVIOUS MEETING

#### Resolution

That the minutes from the October meeting be adopted by the Audit and Risk Committee.

### 6 BUSINESS ARISING FROM MINUTES OF PREVIOUS MEETING

6.1 Schedule of Matters Carried Forward	Update / Outcome	Status
July Minutes: Management to provide the committee with the results of detailed internal review of key challenges with service delivery and capital delivery over the next 5 years. The review should consider service delivery and identify core vs non-core services. It should also consider capital works expenditure level in comparison to depreciation and what the minimum spending needed to maintain the assets in their current state.	Detailed review to be presented in July 2025 after budget completed.	Open

6.1 Schedule of Matters Carried Forward	Update / Outcome	Status
The report is to be presented at the February 2025 meeting of the committee.		
July Minutes: <ul style="list-style-type: none"> <li>• Management to present findings from – Recommendation #3 - Service Plan consolidation and review at October 2024 meeting</li> <li>• Management to present findings from Recommendation #4- Review of centralised costing and actions undertaken at October 2024 meeting.</li> </ul>	February 2025 (delayed) Agenda Item 9.3	Closed 10/02/25)
List of Land for consideration for Sale	Update to be presented by management in February 2025 – as part of budget process. Agenda Item 9.4	Open
July Minutes: DRFA Claim updates standard item for committee agenda	Update included in Financial and Non-Financial Performance Reporting. Agenda Item 9.1	Closed 10/02/25)
October Minutes: Annual Financial Statements	External Auditor to provide update. Agenda Item 15.1	Open
October Minutes: Management to present a roadmap at the next meeting on how the assurance map is intended to be utilised. This roadmap will consider the committee reviewing the assurance map on an annual basis through the agreed workplan.	Updated included in this Agenda. Agenda Item 11.2	Closed
October Minutes: The Committee Chair and the Manager Corporate Services collaborate to complete VAGO Survey feedback when received.	Chair and Manager Corporate Services completed survey.	Closed
October Minutes: A self-assessment against the Child Safe Standards be presented to the Committee.	This will be presented in April 2025.	Open
October Minutes: Presentation; Manager Infrastructure and Works on Asset Vision. How we will capture road data to inform future Disaster Recovery Claims.	Presentation included as part of this Agenda. Agenda Item 6.1	Closed

**6.2 Presentation** –The purpose of the presentation was to provide the Audit and Risk Committee with an update on how Council is planning to mitigate the Disaster Recovery Claim response risks.

### Resolution

The Audit and Risk Committee noted the presentation.

## 7 ANNUAL WORK PLAN

The annual workplan was attached in the Agenda.

7.1 Items Deferred to Future Meetings	Date	Outcome / Action
NIL		

7.2 Items Brought Forward	Date in AWP	Outcome / Action
NIL		

7.3 Plan Revisions	Date in AWP	Outcome / Action
NIL		

### Resolution

The Audit and Risk Committee endorsed the Annual work plan 24/25.

## 8 COMMITTEE MANAGEMENT

Nil

## 9 FINANCIAL AND PERFORMANCE REPORTING RESPONSIBILITIES

### 9.1 Financial and Non-Financial Performance Report

A report was provided that presented both the Financial and Non-Financial Performance indicators as adopted in Council's Performance Management Framework and Risk Appetite.

### Resolution

That the Audit and Risk Committee noted the Financial and Non-Financial Performance Report.

**Action:** Requested the financial break up of restricted and unrestricted cash to be included in the Financial and Non-Financial Performance Report into the future.

## 9.2 Service Level Plans Consolidation and Review

Council undertook a review of its service levels and has implemented several changes, which aligns with the Internal Audit recommendations.

- The number of Service Level Plans have reduced.
- The changes have been summarised as attached and
- The template has been revised for the 25/26 financial year.

In addition, the Service Level Plans are focusing on achieving cost savings and efficiency gains.

### Resolution

That the Audit and Risk Committee note the Service Level Plan changes for the 25/26 financial year.

## 9.3 Land List for Review and consideration

Council has 103 parcels of land listed in its Asset Register. A detailed assessment is required to assess what land parcels are surplus to Councils requirements. Council has two surplus depots identified in Hopetoun. Further investigation is required to assess their suitability for sale.

### Resolution

That the Audit and Risk Committee note that a report will be presented to the July Audit and Risk Committee to action the two surplus depots.

## 10 INTERNAL CONTROL ENVIROMENT

### 10.1 Significant Changes to Key Systems and Risk Profile Considerations

A report was provided that identified key changes to systems that may impact Council's strategic and operational risks.

### Resolution

That the Audit and Risk Committee noted the report.

## 11 RISK MANAGEMENT

### 11.1 Review Council's Risk Profile, Treatment Plans and Risk Register Reports

A report was provided to outline the effectiveness of Council's Risk Management Framework. The report included a status of Council's Strategic Risk register following quarterly review. The report provided details of Council's High and Extreme Operational risks, along with further details on the control measures in place for these risks.

### Resolution

That the Audit and Risk Committee noted the report.

## **11.2 Assurance Mapping**

A report will be presented each quarter to Councillors, via Forum, the Leadership Team and the Audit and Risk Committee reporting on exceptions and where the lines of defence are not being met or pose a risk to Council.

### **Resolution**

That the Audit and Risk Committee noted the report.

## **12 FRAUD PREVENTION SYSTEMS AND CONTROLS**

### **12.1 Review Councils Fraud Prevention Policies, Controls and Instances of Fraud**

In accordance with section 54 (2) (c) of the *Local Government Act 2020* the Audit and Risk Committee is to monitor and provide advice on risk management and fraud prevention systems and controls. Management reported no instances of fraud or corruption and no official reports of such matters to integrity bodies as of the meeting date.

### **Resolution**

That the Audit and Risk Committee noted the report.

## **13 INTERNAL AUDIT**

### **13.1 Update on Status of Annual Internal Audit Plan**

The following program is scheduled completed this financial year:

- Roads and Associated Infrastructure Construction Projects
  - hold points and quality assurance.
  - Report presented to Committee: February 2025
- Fraud, Corruption and Financial Internal Controls.
  - Scope to be presented October 2024.
  - Report presented to Committee: April 2025

### **13.2 Reports on Completed Reviews**

#### **13.2.1 Roads and Footpath Construction Projects**

The Roads and Associated Infrastructure Construction Projects audit has been completed.

### **Resolution**

That the Audit and Risk Committee noted the report.

## **14 REGISTER OF OPEN AUDIT ACTIONS**

### **14.1 Report on status of Open Audit Actions (Internal and External)**

A report was presented to update the Committee on the status of Open Internal and External Audit Actions and recommend actions for close out.

There are a total of 20 audit actions open, with 10 classified as overdue. 4 overdue actions and 2 current actions have now been addressed, which will reduce the total open audit actions to 14.

The remaining open actions relate to Asset Management (4) – overdue to be closed out by end of the year, and Social Media, System Access and IT Controls (10) – 8 current and 2 overdue with all being actionable during 2025.

#### **Resolution**

That the Audit and Risk Committee approve the actions presented in the report be marked as closed and note the Audit Task Report.

## **15 EXTERNAL AUDIT**

### **15.1 External Audit Update**

This update was provided prior to the meeting commencing.

### **15.2 Asset Management Update**

An update was provided on the status of our asset management processes.

#### **Resolution**

That the Audit and Risk Committee note the report and monitor the status of the asset management systems and processes review with specific focus on the 24/25 audit program.

### **15.3 VAGO Reports**

To review VAGO Reports and assess if there are any impacts on Council.

#### **Resolution**

That the Audit and Risk Committee noted the report.

## **16 COMPLIANCE & GOVERNANCE MATTERS**

### **16.1 Management Reporting**

A report presented a summary of the management reporting on key performance indicators that impact the delivery of the Council Plan objectives, Council's other adopted strategies and compliance and legislative obligations. Monitoring such activities enables the CEO, COO and Councillors to address, and to understand and manage compliance and liability risks.

#### **Resolution**

That the Audit and Risk Committee noted the report.

### **16.2 RSD Update – Hot Topics**

A report was presented to identify integrity agency and governing body reports that may impact on Local Government.

#### **Resolution**

That the Audit and Risk Committee noted the report.

**Action** Council are working toward providing a new high level and streamlined management report to the Audit and Risk Committee going forward.

### **16.3 Gifts Benefits and Hospitality Report**

A report was provided to provide an update on the gifts, benefits and hospitality that has been received over the last 12 months.

#### **Resolution**

That the Audit and Risk Committee noted the report.

## **17 REPORTING TO COUNCIL**

The Audit and Risk Committee Chair reported to Councillors on 12 February 2025.

## **18 OTHER MATTERS**

### **18.1 Report to Councillors – Meeting with A&R Committee Resolution**

Proposal to set up in person meeting for September 2025

#### **Resolution**

That the Audit and Risk Committee noted the report.

## **19 GENERAL BUSINESS**

### **19.1 Meeting Dates discussed**

Next Meeting date moved to 05 May at 12pm

#### **Resolution**

That the Audit and Risk Committee agreed on the change of date.

## **20 REFLECTION ON MEETING OUTCOMES**

The committee members expressed appreciation to management for all the recent work toward updating the Asset Management financials. Appreciation was extended to the Audit and Risk Committee Chair from the CEO.



**21 AGENDA FOR NEXT MEETING**

**22 DATE OF NEXT MEETING**

05 May 2025 at 12pm

**23 MEETING CLOSE**

The meeting was closed at 2.23PM