

AUDIT & RISK MANAGEMENT COMMITTEE BIANNUAL REPORT

Report Author: Coordinator Risk & Infringements for David Ashmore, Chair of the Audit and Risk Management Committee

Responsible Officer: Director Corporate Services

Ward(s) affected: All

The author(s) of this report and the Responsible Officer consider that the report complies with the overarching governance principles and supporting principles set out in the Local Government Act 2020.

CONFIDENTIALITY

This item is to be considered at a Council meeting that is open to the public.

SUMMARY

The Local Government Act 2020 (the Act) requires that Council's Audit and Risk Management Committee (Committee) prepare a biannual report that describes its activities and achievements over the last 6 months.

This report is the biannual report of the Committee for the six-month period ending 30 June 2025.

RECOMMENDATION

That Council note the Yarra Ranges Audit and Risk Management Committee Biannual Report for the six-month period ending 30 June 2025.

RELATED COUNCIL DECISIONS

A biannual report was previously provided to the Council Meeting on 11 February 2025.

DISCUSSION

This report provides Council with an update and progress against the Committee's Annual Work Plan, which complies with its requirements under the Committee Charter.

Specifically, the Committee assists Council and Council officers by providing advice relating to:

- Compliance management.

- Risk management and fraud prevention.
- Oversight of the internal audit activity, external audit, and other providers of assurance.
- Financial and performance statements.

COMMITTEE STRUCTURE AND MEETINGS

Membership of the Committee during the reporting period has been as follows:

- Mr Stephen Schinck - Independent Member (ceased 30 June 2025).
- Mr David Ashmore - Independent Member (appointed Chair 24 June 2025).
- Ms Katie Baldwin - Independent Member.
- Mr Jonathan Kyvelidis – Independent Member (appointed 13 May 2025).
- Cr Fiona McAllister - Councillor Member.
- Cr Jim Child (Mayor) - Councillor Member.

The Committee has met twice in this reporting period on 17 February 2025 and 2 June 2025, with no member apologies for these meetings.

Council Officers

The Committee has been supported by Council officers who have attended all meetings during the reporting period.

External Service Providers

Both the Internal Audit team (HLB Mann Judd) and the External Audit team as agent of the Victorian Auditor General's Office (VAGO) (Crowe Australia) have attended meetings as required during the reporting period, with Crowe Australia an apology for the February 2025 meeting.

BUSINESS OF THE COMMITTEE

Key activities and reviews undertaken by the Committee during the reporting period include.

- Review of Quarterly Financial Reports and Internal Audit Charter.
- Consideration of CEO and Councillors updates.
- Development of the Strategic and Annual Internal Audit Plan.
- Reviewed scopes, activities and recommendations associated with internal audits.
- Considered updates on the organisation's risk management approach and including Cyber Security maturity program.
- Considered updates on Information Technology, Financial management and Health & Safety reporting.
- Considered updates on the External Audit.

- Considered the draft Councillor Internal Resolutions Procedure.
- Endorsement and monitoring of the Committee Annual Work Plan.

FINANCIAL ANALYSIS

There are no financial implications identified because of this report.

APPLICABLE PLANS AND POLICIES

This report contributes to the Council Plan specifically Council's Commitment to Excellence which underpins all Council's Strategic Objectives. The oversight mechanism provided by the Committee serves to provide confidence in Council's practices and supports Council's commitment to good governance, excellence and public transparency.

RELEVANT LAW

It is a requirement of the Act that Council establish a committee, appoint Independent Committee Members, adopt, and maintain a Committee Charter and provide a bi-annual report to Council.

SUSTAINABILITY IMPLICATIONS

Environmental Implications

There are no foreseeable environmental impacts arising from this report.

Social Implications

The oversight mechanism provided by the Committee serves to provide confidence in Council's practices and supports Council's commitment to good governance, public transparency, and accountability to the community.

Economic Implications

The Committee assists Council by providing advice and guidance on the adequacy of initiatives including financial statements and performance.

COMMUNITY ENGAGEMENT

Not applicable to this report.

COLLABORATION, INNOVATION AND CONTINUOUS IMPROVEMENT

The Independent Committee members provide insights and advice gathered from their vast experiences, as well as from sitting on Advisory and Audit and Risk Committees for other Councils and Government agencies.

RISK ASSESSMENT

The establishment of the Committee, the appointment of Independent Committee members and the adoption of the Charter enables Council to meet its obligations under the Act and provides oversight and monitoring that Council has appropriate mechanisms in place to manage its risk.

CONFLICTS OF INTEREST

No officers and/or delegates acting on behalf of the Council through the Instrument of Delegation and involved in the preparation and/or authorisation of this report have any general or material conflict of interest as defined within the Local Government Act 2020.

CONCLUSION

The Committee's overall assessment is that Council is continuing to manage its responsibilities regarding risk, financial control and compliance well. The Committee is satisfied that it has fully discharged its responsibilities as set out in its Charter.

The Committee would like to recognise the substantial contribution over nine years made by recently departed Committee Chair Stephen Schinck.

David Ashmore
Chair, Audit and Risk Management Committee

ATTACHMENTS TO THE REPORT

Nil