

## 7.3.2 AUDIT AND RISK COMMITTEE MEETING MINUTES DECEMBER 2024

<b>Responsible Manager:</b>	Kate Heissenbuttel, Manager Corporate Performance
<b>Responsible Director:</b>	Simone Wickes, Director Corporate Services

### RECOMMENDATION

#### That Council

1. Notes the unconfirmed minutes of the 16 December 2024 Audit and Risk Committee (the Committee) and
2. Notes that the minutes will be confirmed by the Chair of the Committee at the next Committee meeting, and any substantive changes to the unconfirmed minutes will be reported to the next Council possible meeting.

### INTRODUCTION

The purpose of this paper is to recommend that Council notes the unconfirmed minutes of the 16 December 2024 Audit and Risk Committee (the Committee), and any substantive changes to the unconfirmed minutes will be reported to the next possible Council meeting.

### COUNCIL PLAN STRATEGIC OBJECTIVES

#### Good Governance

Maintain the highest standards of good governance.

### BACKGROUND

The [Audit and Risk Committee](#) is made up of three independent members and two Councillors. There is an [Audit and Risk Committee Charter](#) (Charter) that provides scope to the Committee. The Charter, requires that the unconfirmed minutes of each Audit and Risk Committee meeting be reported to Council within two months of the relevant meeting. Receiving the unconfirmed minutes ensures Council receives timely advice and guidance rather than waiting for the Committee to confirm the minutes at its next meeting, which typically is three months later.

### DISCUSSION

The Audit and Risk Committee Chair approved the 16 December 2024 Committee minutes on 23 December 2024. All comments provided by the Chair were incorporated into the minutes at Attachment 1. The minutes have been shared with all committee members via email, and no further comments or amendments were received. The unconfirmed minutes of the meeting are attached to this report.

### FINANCIAL IMPLICATIONS

There are no financial implications to this report.

## **POLICY IMPLICATIONS**

There are no policy implications to this report.

## **CONSULTATION**

Community consultation was not required.

## **SOCIAL IMPLICATIONS**

There are no social implications to this report.

## **HUMAN RIGHTS CONSIDERATIONS**

There are no human rights implications to this report.

## **GENDER IMPACT ASSESSMENT**

A GIA was not completed because this agenda item is not a 'policy', 'program' or 'service'.

## **CONCLUSION**

The Audit and Risk Committee recommends that, the unconfirmed minutes of its meeting held on 16 December 2024 be noted by Council. The minutes will be confirmed by the Committee at its next meeting with any substantive changes reported to the next Council meeting.

## **ATTACHMENT LIST**

1. Audit and Risk Committee Minutes 16 December 2024 [**7.3.2.1** - 10 pages]



CITY OF  
MONASH

## AUDIT AND RISK COMMITTEE

16 DECEMBER 2024

MEETING MINUTES





## AUDIT AND RISK COMMITTEE MINUTES

12:00pm – 02:30 pm Monday 16 December 2024

MEETING ROOM 1& 2 (Civic Centre) and via Zoom

Audit and Risk Committee	
Andrew Dix	Independent Chair
Binda Gokhale	Independent Member
John Watson	Independent Member
Councillor Geoff Lake (Online)	Audit and Risk Committee Member
Councillor Nicky Luo	Audit and Risk Committee Member

Other Attendees	
Andi Diamond	Chief Executive Officer
Simone Wickes	Director Corporate Services
Rachel Berhang	Manager Talent and Organisational Development
Russell Hopkins (Online)	Director, Community Services
Beth McIntosh (Left after item 2.2)	Safety Lead
Kate Heissenbuttel	Manager Corporate Performance
Adil Khan (Left after item 4.1)	Chief Information Officer
Jason Farrugia	Manager Strategic Procurement
Emma Anderson	Procurement and Tendering Lead
Barb Wallace	Access and Inclusion Community Development Officer
Sky Wong	Risk Officer
Rebecca Freebody	Coordinator Business Assurance and Risk Management
Sarah Candeland	Coordinator Governance
Richard Wilkins	Client Director Aster Advisory
Zachary Sapoznikoff	Manager, Internal Audit and Risk Advisory Aster Advisory

## 1 Opening of Meeting/Procedural

### 1.1 Apologies

- Tracy Shoshan – Executive Manager People and Safety
- Jessica Kelemen Manager – Workplace Relations and Safety
- Amanda Sapolu – Manager Corporate Governance and Legal
- Jarrod Doake – Director City Services
- Peter Panagakos – Director City Development
- Joanne Robertson – Executive Manager Communications, Customer Experience, Facilities
- Graham Noriskin – Director Aster Advisory

The Committee extended a welcome to Councillor Luo as new Councillor member to the Committee, and welcomed Councillor Lake for another term.

### 1.2 Disclosure of Conflicts of Interest

Independent member, Binda Gokhale, declared she has been appointed to a role at the Transport Accident Commission (TAC). The committee acknowledged the appointment, and no conflicts were identified to be disclosed.

### 1.3 Confirmation of Minutes - (12/09)

#### Audit and Risk Committee Resolution

The minutes of the Audit and Risk Committee meeting of 12 September 2024 were accepted.

**Moved:** Binda Gokhale / John Watson. Carried

**[Action]:** It was noted that the minutes were circulated and approved by the Committee prior to the meeting but were not included in the pack. The committee agreed that steps be taken to ensure the minutes are included in the ARC packs in the future.

**[Officer]:** Coordinator Business Assurance and Risk Management

#### 1.4 Matters Arising

It was noted that all current open actions are completed in the current meeting.

##### Audit and Risk Committee Resolution

The Committee noted the report.

#### 1.5 CEO briefing

Dr Andi Diamond, CEO, provided an update per the agenda report.

##### Audit and Risk Committee Resolution

The Committee noted the report.

## 2 Risk Management/Ethical Behaviour

### 2.1 Risk Update including Strategic Risk Report

Manager Corporate Performance provided an organisational risk update for the reporting period. The Committee discussed the potential to incorporate the current Inquiry into Local Government funding and services into the emerging risk register. The Committee also recommended consideration be given to including risk appetite ratings and target risk movements in the new Strategic Risk Register presented to provide a clearer view of the status of a risk as compared to the risk appetite set by Council. The committee also noted that work was progressing to define/develop metrics in relation to strategic risks.

##### Audit and Risk Committee Resolution

The Committee noted the report.

**[Action]: The Committee recommended updating the new Strategic Risk Register report to include target risk movements. Additionally, the Committee recommended that management include a summary of risk actions, due dates and status, similar to the format used for internal audit actions, to enable monitoring of their progress.**

**[Officer]: Manager Corporate Performance.**

## 2.2 Annual Safety Report FY2023/24

Safety Lead presented the annual safety report to the Committee, providing an overview of:

- Work-related safety incidents and trends
- WorkSafe incidents
- WorkCover claims
- EAP (Employee Assistance Program) utilisation rates and insights into employee support needs.

A new schedule for the annualized report will be implemented in 2025, presenting in both March and September to better coincide with reporting data. The Committee requested to see trends in child safety data in the next report.

### Audit and Risk Committee Resolution

The Committee noted the report.

**[Action]: The Committee requested to see trends in child safety data in the next Annual Safety report.**

**[Officer]: Manager Workplace Relations and Safety.**

## 2.3 Cyber Security Update

Chief Information Officer, provided an update on Cyber Security per the agenda papers.

The Committee discussed and supported Council's pragmatic approach, noting that all domains assessed met the Level 2 Essential Eight requirements except for multi-factor authentication (MFA). It was acknowledged that the criteria for Level 2 recommend transitioning from password-based systems to token-based authentication. Council is awaiting further solution from Microsoft, expected early next year.

The Council currently at 1.5 years into the Cyber Security Strategy and significant progress has been made in strengthening defences against third party incident and enhancing the asset management system.

### Audit and Risk Committee Resolution

The Committee noted the report.

## 2.4 Fraud and Corruption Management Annual Report

Coordinator Business Assurance and Risk Management presented the report.

The Committee discussed perceived issues around enforcement actions relating to parking infringements and requested further thinking on how we might improve systems, triggers and checking areas that are at most risk. Aster Advisory offered to support the Council in reporting this issue to the Committee.

### Audit and Risk Committee Resolution

The Committee noted the report.

**[Action]: Management to present an update to the Committee at its March or June 2024 meeting on the current process for managing infringement notices and a report on lessons learnt from recent matters.**

**[Officer]: Manager Corporate Governance and Legal and Director City Development to action.**

## 3 Internal Audit

### 3.1 Status of delivery of Internal Audit annual plan

Richard Wilson from Aster Advisory provided the Committee with a status update on the current internal audit activities in accordance with the 2024/25 Plan. Aster Advisory advised that the Digital Transformation internal audit is being finalised and the fieldwork for the Safety and Climate Change internal audit is in progress.

The internal audits will be scheduled to report on at the March 2025 meeting.

### Audit and Risk Committee Resolution

The Committee noted the report.

### 3.2 Status of open recommendations

Coordinator Risk Management and Business Assurance, presented the report to the Committee,

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highlighting that since the last meeting the total number of open items has reduced from 15 to 10. This is a result of no new actions arising from finalised audit reports and 5 items being closed out during the reporting period.

Audit and Risk Committee Resolution

The Committee noted the report.

## 4 Internal Control Environment

### 4.1 Annual Business Continuity Crisis Training

Manager Strategic Procurement provided an update to the Committee on Council's 2024 Business Continuity test crisis training. This year, the training was delivered in two parts covering crisis awareness and test crisis scenarios.

The assessment confirmed that the exercise successfully achieved its objectives this year.

Audit and Risk Committee Resolution

The Committee noted the report.

### 4.2 Compliance Management Framework review

Coordinator Governance provided an update on the review of the Legislative Compliance Framework, noting that it is a functioning framework and will be reviewed again for purpose next year.

The Committee discussed the review and agreed that it be treated as a work in progress at this stage. They also requested the Committee responsibilities as currently proposed be reviewed to ensure appropriate to our Charter responsibilities.

The Committee requested a revision to be brought to the March ARC, including the findings of the 2018 internal audit on Legislative Compliance, and the recommendations and resultant actions.

Audit and Risk Committee Resolution

The Committee noted the report as a current work in progress and therefore did not support final endorsement in its current form. A further update was requested for March 2025 ARC meeting.

**[Action]: The Committee requested that Management:**

- Revisit the Legislative Compliance Framework to ensure its purpose is clear and present back to the Committee
- Seek advice from Aster Advisory on what an appropriate Framework should include.
- If deemed appropriate (based on the Framework's roles and responsibilities for the ARC) consider and recommend impacts to the Audit and Risk Committee Charter; and
- Provide a review of the actions from the 2018 internal audit on Legislative Compliance at the same meeting.

[Officer]: Manager Corporate Governance and Legal.

## 5 Executive Briefings

### 5.1 Presentation from Senior Officers; Strategic Risk #2 Talent Attraction & Retention to enable Council to support community needs

Manager Talent and Organisational Development provided an update on talent attraction and retention strategic risks components and how the relevant metrics are proposed to be reported.

#### Audit and Risk Committee Resolution

The Committee noted the report.

## 6 Integrity Body Reports

### 6.1 Operation Leo Self Assessment

Manager Corporate Performance provided an overview of the key findings from IBAC's investigation into Operation Leo.

The Committee reflected on the Councillor Inductions undertaken recently and it was noted that the insights gained could serve as valuable material for future Councilor Inductions.

#### Audit and Risk Committee Resolution

The Committee noted the report.

## 7 Governance

### 7.1 Bi-annual report to CEO on activities of ARC

The Committee noted the six-monthly ARC activity report.

Audit and Risk Committee Resolution

The Committee endorsed the report for the Chief Executive Officer to table at the next Council meeting.

**7.2 Audit and Risk Committee annual self assessment**

The Chair provided an update to the Committee on the results of the 2023/24 annual survey on the performance of Audit and Risk Committee. Discussion took place on the observations and learning from the survey. The Committee (independent and Councillor members) agreed to discuss out of session.

*Notes provided by the Chair from the in-camera discussion are below:*

- 1. Refocus the agenda to allow for more discussion and input on key items*
- 2. Agree that certain agenda items will be taken as read to free up time*
- 3. Review the ARC Charter to ensure it is appropriately focused on key risk items*
- 4. Collaborate with management to reduce the pack size to ideally less than 200 pages in total*
- 5. Amend the survey form to require comments for any rating less than "fully satisfactory"*
- 6. The consideration of a rating system from 1 to 5, where 1 represents "fully dissatisfied" and 5 represents "fully satisfied" to enhance the evaluation process*

Audit and Risk Committee Resolution

The Committee noted the report.

**8 Other Business**

**8.1 Identify confidential matters for separate minuting**

There was no confidential items brought to the Committee's attention.

Audit and Risk Committee Resolution

The Committee noted the report.

**9 Meeting Schedule**

**9.1 Confirmed Meeting Schedule for 2025**

The following meeting dates were confirmed by members:

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- Thursday, 13 March 2025, 8.00am - 10.30am
- Thursday, 19 June 2025, 9.30am - 11.00am
- Thursday, 18 September 2025, 9.30am - 11.00am
- Thursday, 11 December 2025, 8.00am - 10.30am

## 10 Meeting Close

The meeting was closed at 02.00pm.

Confirmed by Chair (Mr Andrew Dix):

It is noted that after the meeting was formally closed, the Committee members met separately to discuss the findings of item 7.2. Management was not included in discussion and minutes were not taken.

## 11 Items for Noting Only

1. 2024 - Co M - IAS - Climate Change ( Adaptation) - Scope [**11.1.1** - 6 pages]
2. 2024 - Co M - IAS - Digital Transformation ( Final) [**11.1.2** - 6 pages]
3. 2024 - Co M - IAS - Safety ( OH S) - Scope [**11.1.3** - 6 pages]
4. 2025 - Co M - IAS - Volunteer Management ( Updated Draft) [**11.1.4** - 6 pages]
5. MINUTES Risk Management Committee Nov 2024 [**11.1.5** - 2 pages]
6. Monash Fraud and Corruption Prevention Steering Committee Minutes Oct 2024 Final [**11.1.6** - 4 pages]
7. Quarterly Finance Report [**11.1.7** - 31 pages]
8. ARC Workplan 2024 25 [**11.1.8** - 3 pages]
9. BC I- Horizon- Scan- Report-2023 [**11.1.9** - 92 pages]
10. Digital Technology Steering Committee - Minutes 21 November 2024 [**11.1.10** - 5 pages]
11. LGPRF 2023-24 Comparisons [**11.1.11** - 18 pages]