



# **MINUTES**

## **Audit and Risk Committee Meeting**

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**9:30am Tuesday 13 February 2024**

**VENUE:**  
**Golden Plains Civic Centre**  
**Council Chambers**  
**2 Pope Street, Bannockburn**

NEXT AUDIT AND RISK COMMITTEE MEETING  
9:30am Tuesday 14 May 2024

Copies of Golden Plains Shire Council's Agendas & Minutes  
Can be obtained online at [www.goldenplains.vic.gov.au](http://www.goldenplains.vic.gov.au)

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**MINUTES OF GOLDEN PLAINS SHIRE COUNCIL  
AUDIT AND RISK COMMITTEE MEETING  
HELD AT THE GOLDEN PLAINS CIVIC CENTRE, COUNCIL CHAMBERS, 2 POPE STREET,  
BANNOCKBURN  
ON TUESDAY, 13 FEBRUARY 2024 AT 9:30AM**

**PRESENT:** Mr Joe Adamski, Mr Andrew Pearce, Cr Brett Cunningham (Mayor), Cr Owen Sharkey

**IN ATTENDANCE:** Eric Braslis (CEO), Phil Josipovic (Director Infrastructure and Environment), Lynne Gray (Director Corporate Services), Leanne Wilson (Acting Director Community, Planning and Growth), Fiona Rae (Manager Finance), Ann McGrath (Manager People and Performance), Andrew Zavitsanos (Crowe), Kelly Scholes (Crowe), Sophie Brown (Governance and Risk Specialist), Travis Derricott (VAGO)

**1 APOLOGIES AND LEAVE OF ABSENCE**

Mr Phil Delahunty

**2 CONFIRMATION OF MINUTES**

**COMMITTEE RESOLUTION**

Moved: Cr Brett Cunningham

Seconded: Mr Andrew Pearce

That the ordinary minutes and confidential minutes of the Audit and Risk Committee Meeting held on 14 November 2023 be confirmed.

**CARRIED**

**3 DECLARATION OF CONFLICT OF INTEREST**

Nil

## **4 COMMITTEE REPORTS**

### **4.1 AUDIT AND RISK COMMITTEE ACTION ITEMS**

#### **EXECUTIVE SUMMARY**

This report serves to update the Audit and Risk Committee (Committee) on the progress of all internal and external audit recommendations within the Strategic Internal Audit Plan (SIAP), Internal Risk Management Audit, VAGO Interim Management Letter and Local Government Inspectorate Report.

This report also provides an update to the Committee on the progress and completion of any actions recorded at previous Committee meetings.

#### **COMMITTEE RESOLUTION**

Moved: Cr Brett Cunningham

Seconded: Mr Andrew Pearce

That the Audit and Risk Committee note the progress on:

1. the outstanding actions from previous internal and external audits (Attachment 1); and
2. the outstanding actions from previous Audit and Risk Committee meetings (Attachment 2).

**CARRIED**

#### **ACTIONS**

1. Management to report to the Audit and Risk Committee at the May 2024 meeting with an update on the progress of the tree management actions.
2. Management to update the Actions Register to amend the completion date of the payroll policies and procedures from Crowe's follow-up audit to the end of March 2024.

### **4.2 EXTERNAL AUDIT STRATEGY**

#### **EXECUTIVE SUMMARY**

To review the Victorian Auditor General's Office (VAGO) 2023-24 draft audit strategy prepared by VAGO. The strategy sets out VAGO's approach to the external audit of the financial report and performance statement of Golden Plains Shire Council for the year ending 30 June 2024.

#### **COMMITTEE RESOLUTION**

Moved: Cr Brett Cunningham

Seconded: Mr Andrew Pearce

That the Audit and Risk Committee:

1. receive and note the terms of the Golden Plains Shire Council draft external audit strategy for the year ending 30 June 2024; and
2. approve the external audit strategy in accordance with its delegated authority as outlined in the Audit and Risk Committee Charter, noting the audit timetable is subject to finalisation.

**CARRIED**

#### **4.3 VAGO STATUS REPORT - DECEMBER 2023**

##### **EXECUTIVE SUMMARY**

VAGO have issued the attached Status Report at December 2023 to provide an update of the status of financial audits, parliamentary reports, performance audits proposed and in progress. A listing of recently tabled Parliamentary reports is provided and Local Government reports finalised within the last 6 months.

##### **COMMITTEE RESOLUTION**

Moved: Mr Andrew Pearce

Seconded: Cr Brett Cunningham

That the Audit and Risk Committee note the contents of the Victorian Auditor-General's Office (VAGO) Status Report for December 2023.

**CARRIED**

#### **4.4 INTERNAL AUDIT PROGRESS REPORT AND PUBLICATIONS OF INTEREST**

##### **EXECUTIVE SUMMARY**

Crowe are Golden Plains Shire Council appointed internal audit providers. In accordance with the Council's internal audit contract specification, Crowe has provided a progress report on the current internal audit plan.

##### **COMMITTEE RESOLUTION**

Moved: Cr Brett Cunningham

Seconded: Mr Andrew Pearce

That the Audit and Risk Committee note:

1. the progress of the internal audit program; and
2. Publications of Interest for October-December 2023 prepared by the internal auditors, Crowe.

**CARRIED**

#### **4.5 CORE SYSTEM TRANSFORMATION – PROGRESS REPORT**

##### **EXECUTIVE SUMMARY**

The Core System Transformation Project is on track from a financial and scope perspective. The timeline has been impacted for the CRMS solution due to delayed delivery of the SaaS application, where we are the User Acceptance Test partner. The SharePoint Cloud Records component has been impacted by the complexity of the data migration from the legacy product.

The Financial Management solution went live on 23/10/2023 with a minimum viable product.

A final specification is with the vendor for agreement and costing for additional modules.

##### **COMMITTEE RESOLUTION**

Moved: Cr Brett Cunningham

Seconded: Mr Andrew Pearce

That the Audit and Risk Committee note the progress of the Core System Transformation Project.

**CARRIED**

#### **4.6 LOCAL GOVERNMENT PERFORMANCE REPORTING FRAMEWORK (LGPRF) MID-YEAR REPORT**

##### **EXECUTIVE SUMMARY**

Council is required under the *Local Government Act 2020* and Local Government (Planning and Reporting) Regulations 2020 to report on its performance in accordance with the Local Government Performance Reporting Framework (LGPRF).

Council's performance against LGPRF measures is reported to the Audit and Risk Committee and Council on a mid-year basis and included in the Golden Plains Shire Council Annual Report.

##### **COMMITTEE RESOLUTION**

Moved: Cr Brett Cunningham

Seconded: Mr Joe Adamski

That the Audit and Risk Committee receive the mid-year report on the Local Government Performance Reporting Indicators (Attachment 1) for the period 01 July 2023 to 31 December 2023.

**CARRIED**

#### **4.7 INSTANCES OF FRAUD AND CORRUPTION AND ACTIONS TAKEN**

##### **EXECUTIVE SUMMARY**

Fraud and Corruption Awareness training is provided to all staff on a regular basis and also included in staff induction packs.

##### **COMMITTEE RESOLUTION**

Moved: Cr Brett Cunningham

Seconded: Mr Joe Adamski

That the Audit and Risk Committee note:

1. no instances of fraud or corruption were detected; and
2. a theft from the Shelford Depot that was detected in the second quarter of 2023-24.

**CARRIED**

##### **ACTIONS**

1. Management to circulate Council's detailed Fraud Risk Register to the Audit and Risk Committee.

#### **4.8 QUARTER 2 FINANCE REPORT**

##### **EXECUTIVE SUMMARY**

The Quarter 2 Finance Report outlines the financial results for the six months ended 31 December 2023, together with a comparison to the revised budget adopted by Council (inclusive of carry forwards from 2022-23 and additional funding received to complete projects).

This report includes a summary of Council's financial performance and position for the 2023-24 year up to 31 December 2023, and an update on capital projects as at 31 December 2023. A high-level full year forecast is also included in the financial statements.

The Quarter 2 report will be presented to Council at their 20 February 2024 meeting.

##### **COMMITTEE RESOLUTION**

Moved: Mr Andrew Pearce

Seconded: Cr Brett Cunningham

That the Audit and Risk Committee note the Quarter 2 Finance Report for the 6 months ended 31 December 2023.

**CARRIED**

## **4.9 QUARTER 2 RISK MANAGEMENT AND INSURANCE REPORT**

### **EXECUTIVE SUMMARY**

To ensure that Council delivers on its commitment to risk management, the Audit and Risk Committee is provided with a risk report and update at each meeting, including new risks identified, any emerging risk events/issues, audits undertaken during the quarter, upcoming audits, and other items of interest for the Committee.

### **COMMITTEE RESOLUTION**

Moved: Mr Andrew Pearce

Seconded: Cr Owen Sharkey

That the Audit and Risk Committee receive and note the Quarter 2 Risk Management and Insurance Report for 2023-24.

**CARRIED**

### **ACTIONS**

1. Management to present Council's strategic risk register to Councillors upon completion of the risk management project currently taking place with directors and managers to populate the strategic and operational risk registers.

## **4.10 QUARTER 2 SAFETY AND WELLBEING REPORT**

### **EXECUTIVE SUMMARY**

This report is presented to the Audit and Risk Committee to provide an update on safety and wellbeing information and performance for the period of 01 October 2023 to 31 December 2023.

### **COMMITTEE RESOLUTION**

Moved: Cr Brett Cunningham

Seconded: Mr Joe Adamski

That the Audit and Risk Committee receive and note the Quarter 2 Safety and Wellbeing report (Attachment 1) for 2023-24.

**CARRIED**



#### **4.11 QUARTER 2 GOVERNANCE REPORT**

##### **EXECUTIVE SUMMARY**

To ensure that Council delivers on its commitment to Governance and compliance, the Audit and Risk Committee is provided with a governance update at each meeting, including an update on the Governance Reform and Improvements Program and other items of interest for the Committee. The governance update is also presented to Councillors on a quarterly basis.

##### **COMMITTEE RESOLUTION**

Moved: Cr Brett Cunningham

Seconded: Mr Joe Adamski

That the Audit and Risk Committee receive the Quarter 2 Governance Report, noting the actions that continue to be taken to improve governance practices.

**CARRIED**

**The Meeting closed at 11.08am.**

**The minutes of this meeting were confirmed at the Audit and Risk Committee Meeting held on 14 May 2024.**

.....  
**CHAIRPERSON**