

# COUNCIL MEETING

## MINUTES

(Open to the public)

**Monday 25 July 2022**

Online - Delivered via Webex Events.

**Commencement** 6.40 pm

**Attendance**

Councillor Jane Addis (Mayor)  
Councillor Jim Parke  
Councillor Felicity Sinfield  
Councillor Victor Franco  
Councillor Wes Gault  
Councillor Di Gillies  
Councillor Lisa Hollingsworth  
Councillor Cynthia Watson  
Councillor Garry Thompson  
Councillor Nick Stavrou

**Apologies** Councillor Susan Biggar

<b><u>Officers</u></b>	Phillip Storer	Chief Executive Officer
	Daniel Freer	Director Places and Spaces
	Carolyn McClean	Director Community Support
	Scott Walker	Director Urban Living
	Mans Bassi	Director Customer and Transformation
	Amy Montalti	Chief Financial Officer
	Bryan Wee	Manager Governance and Legal
	David Cowan	Manager Strategic and Statutory Planning
	George Batsakis	Manager Facilities, Waste & Infrastructure
	Fiona Brown	Manager Community Planning & Development
	Kirstin Ritchie	Coordinator Governance
	Chris Hurley	Integrity Coordinator
	Elizabeth Manou	Senior Governance Officer

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## 1. Adoption and confirmation of the minutes

### MOTION

Moved Councillor Gault

Seconded Councillor Thompson

Moved Councillor

Seconded Councillor

That the minutes of the Council meeting held on 27 June 2022 be adopted and confirmed.

### CARRIED

## 2. Declaration of conflict of interest of any councillor or council officer

Refer to Item 8.1 of General Business - Councillor Watson - Leave of Absence

## 3. Deputations, presentations, petitions and public submissions

### 3.1 Petitions

Council has received one (1) petition. Details of the petition is set out below.

No.	Ref. no.	Title / Description	No. of signatures	Referred to
1	CAS - 1210276	Requesting Council approve the previous draft of the Boroondara Bicycle Strategy	Over 320	DPS

#### Legend:

DCS	Director Support	Community	DUL	Director Urban Living
DC&T	Director Transformation	Customer and	DP&S	Director Places & Spaces
			GOV	Governance & Legal

**MOTION**

**Moved Councillor Thompson**

**Seconded Councillor Hollingsworth**

**That Council resolve:**

- 1. To receive and note the petition.**
- 2. To note that the petition has been referred to the relevant director for consideration and to advise the first named signatory to the petition that they will receive a response from the Mayor in due course advising of Council's action.**

**CARRIED****4. Informal Meetings of Councillors**

Chapter 6 of Council's Governance Rules requires that a summary of matters discussed at Informal Meetings of Councillors be reported to a Council meeting as soon as practicable.

The attached summary of Informal Meetings of Councillors (**Attachment 1**) is reported to Council in accordance with the requirements of the Governance Rules.

**MOTION**

**Moved Councillor Sinfield**

**Seconded Councillor Gillies**

**That Council resolve to receive and note the summary of Informal Meetings of Councillors, as annexed to the minutes.**

**CARRIED****5. Public question time****PQT1 Michael Daly of Balwyn**

The **Mayor, Councillor Addis** read the following question submitted with notice:

*" How much money has been budgeted for this proposed bike path through Macleay / Myrtle Parks? "*

The **Director Places and Spaces** responded as follows:

- The path through Macleay and Myrtle Parks is an informal gravel shared path.
- The proposal for Macleay and Myrtle Parks involves inspecting, assessing and renewing the path where required as an unsealed gravel path.

- No funding has been allocated for these works. This is a longer term initiative subject to future funding as part of Council's Annual Budget process.

The **Mayor, Councillor Addis** informed the meeting all councillors had received a copy of the question and a written response would be provided to **Mr Daly** in due course.

## **PQT2 Michael Daly of Balwyn**

The **Mayor, Councillor Addis** read the following question submitted with notice:

*“How can you guarantee the safety of walkers [including those that are elderly or hearing impaired] who are going to use this shared bike path along its route through Boroondara parks?”*

The **Director Places and Spaces** responded as follows:

- Council's role is to provide services and infrastructure for the benefit and wellbeing of the broader community.
- Amongst many wide-ranging responsibilities under the Victorian legislation, Council is also responsible for land use planning and development of relevant local laws and enforcement in line with powers given to Council.
- In line with the above, Council has developed and adopted an Amenity Local Law which guides residents of their roles and responsibilities and Council officers in managing Council managed land.
- The Victorian Road Safety Road Rules (2017) establishes rules and specify behaviour for all road and path users to support the safe and efficient use of roads and paths in Victoria. Council however, is not empowered to enforce moving violations such as those involving cyclists riding fast on shared paths. This responsibility rests with Victoria Police.
- In order to promote safer use of our footpaths and shared path network and to educate users of their roles and responsibilities, Council officers install various regulatory and behavioural message signs.
- Compliance with standards involving, inspecting, maintaining and if required, renewing our infrastructure is also undertaken in line with funding allocations.
- In summary, Council does what it can to mitigate risks in our parks and open spaces, however, it cannot eliminate all risks in parks, open spaces or for that matter roads and other public spaces.

The **Mayor, Councillor Addis** informed the meeting all councillors had received a copy of the question and a written response would be provided to **Mr Daly** in due course.

**PQT3 Carol Hunt of Balwyn**

The **Mayor, Councillor Addis** read the following question submitted with notice:

*“When is it proposed that the Signalised Pedestrian Crossing in Balwyn Road North Balwyn, to be funded by the Victorian Government, will be installed?”*

The **Director Places and Spaces** responded as follows:

- Installation of the pedestrian operated signals on Balwyn Road at Gordon Barnard Reserve is expected by mid 2023.

The **Mayor, Councillor Addis** informed the meeting all councillors had received a copy of the question and a written response would be provided to Mrs Hunt in due course.

**PQT4 Geraldine Hopper of Kew East**

The **Mayor, Councillor Addis** read the following question submitted with notice:

*“Has the Council done any assessment of the numbers of walkers and cyclists who are using Hays Paddock each day and, if so, could you please make the information available?”*

The **Director Places and Spaces** responded as follows:

- Council officers arranged for surveys of path users in Hays Paddock to be undertaken on Thursday 24 March and Saturday 26 March 2022 between the hours of 7:30am and 7:30pm.
- For the gravel path along the eastern side of the south oval, a total of 517 pedestrians and 77 cyclists were recorded during the 12-hour period on Thursday. Weekend volumes recorded on the Saturday were slightly higher with 624 pedestrians and 93 cyclists over the 12-hour period.
- Surveys were also undertaken near the Glass Creek wetlands, just north of the bridge over the creek. At this location, a total of 416 pedestrians and 95 cyclists were recorded on Thursday. Weekend volumes were again slightly higher with a total of 539 pedestrians and 106 cyclists.

The **Mayor, Councillor Addis** informed the meeting all councillors had received a copy of the question and a written response would be provided to Mrs Hopper in due course.

**PQT5 Ian Hundley of Balwyn North**

The **Mayor, Councillor Addis** read the following question submitted with notice:

*“Please advise on the numbers of cyclists currently travelling in Hays Paddock as identified by photographic imaging installed in Hays Paddock and any other measures employed by Council for this purpose in 2022?”*

The **Director Places and Spaces** responded as follows:

- Council officers arranged for surveys of path users in Hays Paddock to be undertaken on Thursday 24 March and Saturday 26 March 2022 between the hours of 7:30am and 7:30pm.
- For the gravel path along the eastern side of the south oval, a total of 517 pedestrians and 77 cyclists were recorded during the 12-hour period on Thursday. Weekend volumes recorded on the Saturday were slightly higher with 624 pedestrians and 93 cyclists over the 12-hour period.
- Surveys were also undertaken near the Glass Creek wetlands, just north of the bridge over the creek. At this location, a total of 416 pedestrians and 95 cyclists were recorded on the Thursday. Weekend volumes were again slightly higher with a 12-hour total of 539 pedestrians and 106 cyclists.

The **Mayor, Councillor Addis** informed the meeting all councillors had received a copy of the question and a written response would be provided to Mr Hundley in due course.

#### **PQT6 Ian Hundley of Balwyn North**

The **Mayor, Councillor Addis** read the following question submitted with notice:

*“Please advise why it is that in the report of representations by identified community groups on the proposed bicycle strategy, contained in the agenda paper for the Services Delegated Committee meeting of 11 July 2022, that written representations by the Lighter Footprints Local Government Group in opposition to the cycleway through parks in East Kew, Balwyn and North Balwyn were not acknowledged?”*

The **Director Places and Spaces** responded as follows:

- Pages 15 and 27 of the Council report for the Services Delegated Committee meeting of 11 July 2022 acknowledged correspondence received from Lighter Footprints dated 5 April 2022:
- *Correspondence supporting the draft strategy has been received co-signed by the Boroondara Bicycle Users Group, Lighter Footprints, Kooyong Climate Change Alliance and ACF Community Boroondara.*
- This was the latest correspondence received from the group which was included in the Council report as the first one may have been superseded by the latter joint statement by Lighter Footprints.
- Council received a very high volume of submissions from a wide range of community members and groups and did not make reference to every individual submission received in the Council report.

The **Mayor, Councillor Addis** informed the meeting all councillors had received a copy of the question and a written response would be provided to Mr Hundley in due course.

## 6. Notices of motion

Nil

## 7. Presentation of officer reports

### 7.1 Boroondara Volunteer Resource Centre Strategic Service Plan 2022

#### Purpose

The purpose of this report is to present to Council the Boroondara Volunteer Resource Centre (BVRC) Strategic Service Plan 2022 (**Attachment 1**) for adoption.

#### Background

The BVRC is Council's dedicated function for supporting volunteering in the community and provides tailored support to the local volunteer sector through a suite of free programs, services, community events and resources designed to encourage and facilitate volunteering.

In 2020-21, the BVRC assisted over 2,400 prospective volunteers to find relevant and meaningful volunteer opportunities while providing volunteer management support to more than 320 local volunteer-involving organisations (VIOs) and programs.

The BVRC Strategic Service Plan 2016 has been refreshed to drive the direction for the next four years.

The BVRC Strategic Service Plan 2022 (the Plan) builds on the achievements of the 2016 Plan, such as the development of a skilled volunteering program and the implementation of a nationally recognised online volunteer management system, 'VIKTOR/VIRA', and outlines Council's continued commitment to respond to the needs of the local volunteer sector through targeted services, programs and events. This Plan will also focus on supporting VIOs to engage people living with a disability, new migrants, culturally diverse communities and Aboriginal and Torres Strait Islander peoples, and identifying opportunities to facilitate informal volunteering in the community, building on learnings from skill-sharing initiatives such as Timebanking.

**Attachment 2** details the achievements of the 2016 BVRC Strategic Service Plan.

#### Key Issues

Building on the existing work of the BVRC, the Plan outlines how essential support will continue to be provided to local VIOs, including Council volunteer programs, which rely on the BVRC's services to enhance their capacity to operate, deliver community health and wellbeing outcomes and increase opportunities for residents to participate in community life.

The COVID-19 pandemic has presented many challenges for the local volunteer sector. The Plan outlines the role the BVRC will play in COVID-19 community recovery, providing support to VIOs in rebuilding volunteer workforces and reshaping volunteer opportunities to align with changing prospective volunteers' motivations and expectations of the volunteer experience.

Over the last four years, the BVRC has observed how technology has rapidly changed the volunteer landscape. The BVRC will play a critical role in supporting



VIOs in identifying, reshaping and promoting opportunities, while ensuring volunteer roles are attractive and accessible to Boroondara's diverse community.

The Plan is underpinned by strategic objectives, which are:

- **Strategic objective 1:** BVRC activities contribute to a sustainable and inclusive community in Boroondara
- **Strategic objective 2:** The BVRC identifies and promotes flexible volunteer opportunities for people of all ages, cultural backgrounds, abilities and Aboriginal and Torres Strait Islander peoples that reflect their values, interests and skills
- **Strategic objective 3:** The BVRC builds the capacity of volunteer involving organisations by responding to contemporary trends in volunteering

### Next Steps

Once adopted, the BVRC Strategic Service Plan 2022 will be available on Council's website.

## **MOTION**

**Moved Councillor Gillies**

**Seconded Councillor Thompson**

**That Council resolves to adopt the BVRC Strategic Service Plan 2022.**

## **CARRIED**

## **7.2 Serpells Lane Strategic Property Project**

### Purpose

The purpose of this report is to seek a resolution of Council to proceed with a strategic property project involving the rezoning and sale of Council owned land at 399 Burwood Road, Hawthorn, also known as the Serpells Lane car park. The report also establishes project objectives to guide the future development of the site and outlines the key stages and processes involved with delivering this project.

### Background

Serpells Lane car park is an at-grade car park accessed from Burwood Road, Hawthorn. It provides a total of 89 car spaces including two disabled spaces, three loading zone spaces and one Flexi-car space. The car park is owned and maintained by Council, and currently offers free un-metered parking. Although most of the parking spaces are limited to 3 hours (during business hours), recent parking surveys show it is predominantly used for longer term parking by Swinburne University students and staff.

### Key Issues

The current use of the site as a car park is considered an underutilisation of the land as envisaged by the adopted Glenferrie Structure Plan (2011). Student parking is available within the Swinburne multi-deck car park nearby. Provision of student car parking is not a responsibility of Council. The Draft Glenferrie Place Plan also proposes to provide alternative car parking facilities at sites that better align with the needs of local traders, rendering Serpells Lane surplus to parking requirements.

This presents a strategic property opportunity that can generate additional funding to deliver key projects and initiatives throughout the municipality that will benefit the Boroondara community, including those detailed in the draft Glenferrie Place Plan.

To ensure a positive outcome is achieved for the community, it will be important for the Serpells Lane Strategic Property Project to be guided by the following objectives for the future of the site:

- Enables a high quality, integrated development that responds to site features and constraints and is consistent with the Glenferrie Structure Plan and Boroondara Planning Scheme.
- Creates a positive interface with adjacent public realm, considering issues of safety and surveillance.
- Achieves the optimal commercial return for the land to enable investment in new projects to the benefit of the Boroondara Community.

To proceed with this strategic property project, Council needs to carry out a planning scheme amendment to rezone the land from the current Public Use Zone 6. Council will also need to issue a notice of intention to sell and follow due process in taking the property to market. The formal transfer of land can be completed over a period of approximately 18 months, and the future owner can then pursue the redevelopment of the site, which will need to fully accord with Council's planning scheme.

#### Next Steps

Officers recommend that Council resolve to commence with the Serpells Lane Strategic Property Project, including the planning scheme amendment process to rezone the land, and the commencement of sale of the land notification for 399 Burwood Road, Hawthorn at the appropriate time. Officers will provide further reports to Council as these processes progress.

### **MOTION**

**Moved Councillor Gault**

**Seconded Councillor Thompson**

**That the Council resolve to:**

- 1. Commence the Serpells Lane Strategic Property Project, including the rezoning and sale of the land at 399 Burwood Road, Hawthorn.**
- 2. Establish the following project objectives to guide the future outcomes on the Serpells Lane site:**
  - **Enables a high quality, integrated development that responds to site features and constraints and is consistent with the Glenferrie Structure Plan and Boroondara Planning Scheme.**
  - **Creates a positive interface with adjacent public realm, considering issues of safety and surveillance.**
  - **Achieves the optimal commercial return for the land to enable investment in new projects to the benefit of the Boroondara Community.**

### **Planning Scheme Amendment**

- 3. Write to the Minister for Planning to request authorisation to prepare an amendment to the Boroondara Planning Scheme in accordance with**

**Section 4B and 8A(4) of the *Planning and Environment Act 1987* to rezone land at 399 Burwood Road, Hawthorn from PUZ6 to C1Z.**

- 4. Following receipt of authorisation from the Minister for Planning, exhibit the amendment in accordance with Section 19 of the *Planning and Environment Act 1987*.**
- 5. Authorise the Director Urban Living to undertake administrative changes to the amendment that do not change the intent of the amendment or any changes required under the Minister for Planning's Authorisation prior to the commencement of exhibition.**

### **Sale of Land**

- 6. Undertake further site investigations and other preparations to enable a future sale of the land.**
- 7. Acting under section 114 of the Local Government Act 2020:**
  - a. Commence the statutory procedures to sell the land at 399 Burwood Road, Hawthorn known as Serpells Lane car park.**
  - b. Give notice of Council's intention to sell the land inviting submissions on the proposal.**
  - c. If any submissions are received following publication of the notice of intention to sell the land, note that a further report will be presented to a future meeting of the Services Delegated Committee of Council to enable consideration of submissions and for a decision on whether or not to proceed with the sale of the land.**
  - d. If no submissions are received following publication of the notice of intention to sell the land, note that a further report will be presented to a future meeting of Council for a decision on whether or not to proceed with the sale of the land.**
- 8. Obtain from a person who holds the qualifications or experience specified under section 13DA(2) of the *Valuation of Land Act 1960* a valuation of the land which is made not more than 6 months prior to the sale.**

### **CARRIED**

## **7.3 Recommendations of Audit and Risk Committee Meeting**

### Purpose

This report presents the recommendations of the most recent Audit and Risk Committee meeting for consideration by Council. A schedule of reports and committee recommendations is presented as an attachment to this report.

### Background

The most recent meeting of the Audit and Risk Committee was held on 1 June 2022. This report presents the findings and recommendations from that meeting for consideration by Council.

### Key Issues

As recorded in the minutes of the Audit and Risk Committee meeting held on 1 June 2022 the following reports were tabled:

- A5.1 Standard Questions for Tabling at Audit and Risk Committee Meetings
- A5.2 March 2022 Quarterly Performance Report
- A5.3 Business Arising June 2022
- A5.4 External Audit Plan for Year Ending 30 June 2022
- A5.5 Audit and Risk Committee Administrative Matters
- A5.6 COVID-19 Update June 2022
- A5.7 Internal Audit Report - HR Management
- A5.8 Follow Up Review - Internal Audit Report
- A5.9 Asset Accounting Policy 2021-22
- A5.10 Internal Audit Update June 2022
- A5.11 Implementation of Actions contained within the Risk Management Framework
- A5.12 Audit and Risk Committee Charter 2022 and Annual Work Program 2022-23
- A5.13 Update on Clearance of prior year Management Letter & Security update

A summary of the content of the reports tabled and identification of the required Council action is contained in **Attachment 1**.

### Next Steps

The next meeting of Council's Audit and Risk Committee will be held 8 September 2022.

## **MOTION**

**Moved Councillor Stavrou**

**Seconded Councillor Thompson**

**That Council resolve to adopt the resolutions recommended to Council contained in Attachment 1 (including Attachments 2 and 3), as annexed to the minutes, reflecting the recommendations from the Audit and Risk Committee meeting held on 1 June 2022.**

## **CARRIED**

## **7.4 May 2022 Monthly Financial Report**

### **Purpose**

The purpose of this report is to provide Council the Monthly Financial Report for May 2022. The Monthly Financial Report is designed to identify and explain major variances at an organisational level and is provided in **Attachment 1**.

## **Background**

The year to date annual budget referred to in this report reflects the October 2021 Amended Budget, approved by Council on 25 October 2021 which includes the carry forward funding for 2020-21 priority projects and capital works forward commitments.

The 2021-22 Full Year Forecast reflects the final result of the full year review of the annual financials to be undertaken during the year.

## **Key Issues**

### **Year to date actuals vs. October Amended Budget**

Council's favourable operating result against year to date budget of \$39.04 million is \$20.10 million or 106% above the October Amended Budget of \$18.94 million primarily due to a number of factors which are outlined in **Section 2 of Attachment 1 - Financial Overview**.

Capital works actual expenditure is \$62.80 million which is \$19.58 million below year to date budget phasing of \$82.38 million. Year to date actual and commitments as at 31 May 2022 equates to \$105.69 million and includes committed expenditure for multi-year projects with the most significant being Kew Recreation Centre and Canterbury Community Precinct.

Priority projects expenditure of \$21.68 million is \$13.76 million below year to date budget phasing of \$35.44 million.

Council's Balance Sheet and cash position are sound and depict a satisfactory result. At the end of May Council's cash position stood at \$109.85 million or \$54.01 million above year to date budget.

## **MOTION**

**Moved Councillor Sinfield**

**Seconded Councillor Hollingsworth**

**That Council resolve to receive and note the Monthly Financial Report for May 2022 (Attachment 1).**

## **CARRIED**

### **8. General business**

#### **8.1 Councillor Watson - Leave of Absence**

Councillor Watson declared a General Conflict of Interest in Item 8.1 General Business in accordance with section 127 of the Local Government 2020 and the Governance Rules.

Councillor Watson advised that the nature of the interest was the request is for personal leave for dates requested.

*Councillor Watson left the chamber at 7.41pm prior to the consideration and vote on this item.*

Councillor Parke queried Council's power to approve a retrospective request for a leave of absence. The Chief Executive Officer agreed to obtain advice on the matter.

No vote was had on the item.

*Councillor Watson entered the chamber at 8.42pm and resumed her seat.*

## **9. Urgent business**

Nil

## **10. Confidential business**

### **10.1 Contract No 2021/144 Processing Services**

#### **Procedural Motion - Closure of meeting to the public**

##### **MOTION**

**Moved Councillor Hollingsworth**

**Seconded Councillor Gillies**

- 1. That, in accordance with sections 66(1) and 66(2)(a) of the Local Government Act 2020, the meeting be closed to members of the public for the consideration of the agenda item titled '10.1 Contract No 2021/144 Processing Services.'**
- 2. This agenda item is confidential information for the purposes of section 3(1) of the Local Government Act 2020 because:**
  - a) it is council business information, being information that would prejudice the Council's position in commercial negotiations if prematurely released (section 3(1)(a)).**
  - b) It is private commercial information being information provided by a business, commercial or financial undertaking that relates to trade secrets or if released, would unreasonably expose the business, commercial or financial undertaking to disadvantage (section 3(1)(g)).**
- 3. These grounds apply because the agenda item concerns commercial negotiations, and the premature disclosure of information would be prejudicial to the interests of the Council.**

##### **CARRIED**

*The Council meeting was closed to the public at 7:49PM.*

#### **Procedural Motion - Reopening of meeting to the public**

##### **MOTION**

**Moved Councillor Sinfield**

**Seconded Councillor Hollingsworth**

**That the Council meeting be reopened to the public.**

**CARRIED**

*The Council meeting reopened to the public at 7.55pm with all councillors present except for Councillor Biggar.*

**The meeting concluded at 7.56pm**

**Confirmed**

**Chairperson**

\_\_\_\_\_

**Date**

\_\_\_\_\_

# MINUTES ATTACHMENTS



## Council

**Monday 25 July 2022**

**Attachments annexed to the minutes for the following items:**

4.1 Informal Meetings of Councillors

7.3 Recommendations of Audit and Risk Committee Meeting



# Record of Informal Meetings of Councillors

Assembly details	Councillor attendees	Officer attendees	Matters discussed	Conflict of Interest disclosures
Councillor Briefing & Discussion <b>20 June 2022</b>	Cr Jane Addis Cr Jim Parke Cr Felicity Sinfield Cr Wes Gault Cr Di Gillies Cr Cynthia Watson Cr Susan Biggar Cr Nick Stavrou	Phillip Storer (CEO) Daniel Freer (DPS) Carolyn McClean (DCS) Scott Walker (DUL) Mans Bassi (DCT) Amy Montalti (CFO) Bryan Wee (MG&L) David Cowan (MS&SP) Fiona Brown (MCPD) Caddy Purdy (SCCS) Georgia Lukacs-Rotow (VSDO)	<ul style="list-style-type: none"> <li>Development proposal</li> <li>Draft Boroondara Volunteer Resource Centre Strategic Service Plan 2022</li> <li>Ministerial powers</li> <li>Community consultation</li> <li>MAV State Council motions</li> <li>Staff</li> </ul>	Nil
Councillor Briefing & Discussion <b>27 June 2022</b>	Cr Jane Addis Cr Jim Parke Cr Felicity Sinfield Cr Wes Gault Cr Di Gillies Cr Lisa Hollingsworth Cr Cynthia Watson Cr Susan Biggar Cr Garry Thompson Cr Nick Stavrou Cr Victor Franco	Phillip Storer (CEO) Daniel Freer (DPS) Nick Lund (aDCS) Mans Bassi (DCT) Scott Walker (DUL) Amy Montalti (CFO) Kirstin Ritchie (COG) Elizabeth Manou (SGO) Liam Merrifield (SGO) Karina Piaia (ACEO) Nathan Gee-Landman (TECH)	<ul style="list-style-type: none"> <li>Open space</li> </ul>	Nil

# MINUTES ATTACHMENTS



## Council

**Monday 25 July 2022**

Attachments as annexed to the resolution:

7.3 Recommendations of Audit and Risk Committee Meeting

## Summary of reports tabled at Audit and Risk Committee meeting held 1 June 2022

Agenda No	Report Title	Summary of Content	Recommended Council Resolution
4	Chief Executive Officer Update	<p>The Chief Executive Officer informed the Audit and Risk Committee of the Level Crossing Removal Project's proposal to shift the maintenance responsibility of the new Surrey Hills Trunk Surface Drainage to Council. The following matters were discussed:</p> <ul style="list-style-type: none"> <li>• Council's ability to share any costs of construction</li> <li>• Discussed asset responsibility considering: <ul style="list-style-type: none"> <li>○ Local Government Act</li> <li>○ Ownership of land</li> <li>○ Council has no control over construction or other matters</li> </ul> </li> <li>• Stability of drain due to moisture</li> <li>• Request for indemnity from State Government to accept responsibility</li> </ul>	The Audit and Risk Committee noted the Chief Executive Officer's update, and the risks contained therein, and recommended Council continue its strong advocacy on the matter.
A5.1	Standard Questions for Tabling at the Audit and Risk Committee meetings.	<p>Audit and Risk Committee Members were given the opportunity to:</p> <ol style="list-style-type: none"> <li>1. Ask Auditors present, if their work had been obstructed in any way. Auditors present responded that no obstructions had been experienced.</li> <li>2. Ask if there were any matters such as breach of legislation or practices that need to be brought to the attention of the Audit and Risk Committee. No matters were identified.</li> <li>3. Request a discussion of any matter with the Auditors in the absence of management and other staff. No discussion was held and no matters were identified.</li> </ol>	Council note the Officers, Auditors and Members had no matters to raise in response to the standard questions outlined in this report.

## Summary of reports tabled at Audit and Risk Committee meeting held 1 June 2022

Agenda No	Report Title	Summary of Content	Recommended Council Resolution
A5.2	Quarterly Performance Report	This report provided the Audit and Risk Committee the opportunity to review and discuss the Quarterly Performance Report for the quarter ended 31 March 2022.	Council receive and accept the report.
A5.3	Business Arising	This report updated the Audit and Risk Committee on matters raised at previous meetings and provided follow up information on queries raised by Committee members. The Committee noted the actions taken in response to matters arising from the minutes of the previous meeting.	Council note the actions taken in response to matters arising from the minutes of previous meetings as outlined in Attachment 1 (as annexed to the Audit and Risk Committee minutes).
A5.4	External Audit Plan for Year Ending 30 June 2022	The Victorian Auditor General's Office (VAGO) will perform the audit field work for the year ending 30 June 2022. VAGO informed the Audit and Risk Committee as to the nature, scope and extent of audit fieldwork to be conducted as part of the 30 June 2022 audit of Council's Financial and Performance Statements.	Council receive and accept the report.
A5.5	Audit and Risk Committee Administrative Matters	This report updated the Audit and Risk Committee regarding administrative matters identified at previous Audit and Risk Committee meetings.	Council receive and accept the report.
A5.6	COVID-19 Update	<p>Inclusion of this item in the agenda for the Audit and Risk Committee meeting provides an opportunity for the Committee to be briefed on Council's response to the COVID-19 Pandemic.</p> <p>Due to the dynamic nature of the Pandemic and Council's response, a verbal update is provided at each Audit and Risk Committee meeting.</p> <p>Explanatory notes to support the verbal updates were provided by the Manager Liveable Communities (Municipal Pandemic Coordinator) and Executive Manager, People Culture and Development.</p>	Council receive and accept the report.

## Summary of reports tabled at Audit and Risk Committee meeting held 1 June 2022

Agenda No	Report Title	Summary of Content	Recommended Council Resolution
A5.7	Internal Audit Report - HR Management	<p>This report updated the Audit and Risk Committee on the outcomes of the Internal Audit review of Council's Human Resources Management processes and key controls. The review was conducted in accordance with the Council adopted Strategic Internal Audit Plan.</p> <p>The internal audit report assessed the maturity of Council's policies, processes and structures to govern Human Resources Management as being within the 'Established' threshold. Based on Council's Risk Management Framework the report assigned the residual risk as 'Moderate'.</p> <p>The report provided three audit recommendations to further strengthen controls and processes over Human Resources Management. Management has agreed with the audit recommendations and provided commentary and implementation dates in the report.</p>	Council receive and accept the report.
A5.8	Internal Audit Report - Follow Up	<p>This report updated the Audit and Risk Committee on the outcomes of Internal Audit's review to assess the completed recommendations arising from internal audits undertaken in prior years. Specifically, this internal audit assessed the 'High' and 'Medium' rated internal audit recommendations that have been completed since the prior follow up internal audit. The review was conducted in accordance with the Council adopted Strategic Internal Audit Plan.</p> <p>The follow-up internal audit confirmed that internal audit recommendations had been appropriately actioned and are confirmed to be closed.</p>	Council receive and accept the report.

## Summary of reports tabled at Audit and Risk Committee meeting held 1 June 2022

Agenda No	Report Title	Summary of Content	Recommended Council Resolution
A5.9	Asset Accounting Policy	<p>This report updated the Audit and Risk Committee on the draft Asset Accounting Policy.</p> <p>Council is required to comply with the Australian Accounting Standards. As Council's largest account balance is Fixed Assets, in previous years, the Audit and Risk Committee has reviewed and endorsed the Asset Accounting Policy prior to preparation of the Annual Financial Statements. The Asset Accounting Policy has been reviewed by officers and changes were provided to the Audit and Risk Committee for review and endorsement.</p>	Council receive and accept the report.
A5.10	Internal Audit Update	This report updated the Audit and Risk Committee on the progress of the internal audit plan and status of audit recommendations arising from finalised internal audit reports.	Council receive and accept the report.
A5.11	Risk Management Update - Implementation of Risk Management Framework	<p>This report updated the Audit and Risk Committee on the implementation of Council's Business Continuity Planning processes and summarised key activities Council has undertaken during the period to further prepare the business in the management of an incident or business disruption.</p> <p>The activities and continuous improvements reported are aimed at ensuring Council is able to recover and restore key business processes after an incident or business disruption, ensuring Council's capacity to deliver services and activities to the community is not interrupted or compromised.</p> <p>The report also provided an update to the Audit and Risk Committee on training activities conducted and the lessons and improvement opportunities identified.</p>	Council receive and accept the report.

## Summary of reports tabled at Audit and Risk Committee meeting held 1 June 2022

Agenda No	Report Title	Summary of Content	Recommended Council Resolution
A5.12	Annual Review of Audit and Risk Committee Charter and Annual Work Plan 2022-23	<p>The Audit and Risk Committee Annual Work Program provides the Committee an annual opportunity to review the Audit and Risk Committee Charter and prepare an Annual Work Program for the upcoming year.</p> <p>Officers have completed a review of the Audit and Risk Committee Charter adopted by Council in June 2021. No substantive required changes were identified.</p> <p>Officers presented the Draft Annual Work Program for 2022-23 in accordance with section 54 (3) of the Local Government Act 2020. The Draft Annual Work Program 2022-23 also reflected a recent request from the Committee regarding consideration of Council's Quarterly Performance Report.</p>	Council adopt the Annual Work Program 2022-23 (Attachment 2) and Audit and Risk Committee Charter 2022 (Attachment 3).
A5.13	Update on Clearance of prior year Management Letter & Security update	As part of ongoing cyber risk assurance and compliance activities, Council undertook and reported on annual IT Security Testing and the IT General Controls audit during FY20-21. This report provided an update on the status of risks identified during those activities.	Council receive and accept the report.

**Attachment 2**

**CITY OF BOROONDARA  
AUDIT & RISK COMMITTEE ANNUAL WORK PROGRAM -  
2022-23**

**(in accordance with section 54 (3) Local Government Act 2020 ('LGA 2020'))**

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1. Audit and Risk Committee Functions
2. Risk Management Assessment
3. External Audit
4. Internal Audit
5. End of Financial Year Accounting and Reporting
6. Management Accounting, Budgeting and Financial Reporting Practices
7. Compliance with laws and regulations



## City of Boroondara Audit & Risk Committee Annual Work Program – 2022-23

### 1. Audit and Risk Committee Functions

August meeting	November meeting	March meeting	May meeting
	Bi-Annual audit and risk report that describes the activities of the Audit and Risk Committee and includes its findings and recommendations to be provided to the CEO for tabling at the next Council meeting.  (per section 54 (5) of the LGA 2020)		Bi-Annual audit and risk report that describes the activities of the Audit and Risk Committee and includes its findings and recommendations to be provided to the CEO for tabling at the next Council meeting.  (per section 54 (5) of the LGA 2020)
Copies of all Audit and Risk Committee reports, agendas, minutes and formal resolutions are to be provided to Council.	Copies of all Audit and Risk Committee reports, agendas, minutes and formal resolutions are to be provided to Council.	Copies of all Audit and Risk Committee reports, agendas, minutes and formal resolutions are to be provided to Council.	Copies of all Audit and Risk Committee reports, agendas, minutes and formal resolutions are to be provided to Council.
			Annual review of the Audit and Risk Committee Charter.  (per section 7 COB Audit and Risk Committee Charter)
Opportunity for Audit and Risk Committee to meet in camera with external auditors.		Opportunity for Audit and Risk Committee to meet in camera with external auditors.	Annual review of the criteria for monitoring performance of the Committee for the coming financial year. (NB: Upon completion the annual assessment is to be provided to the CEO for tabling at the next Council meeting)  (per section 54 (4) LGA 2020)

## City of Boroondara Audit & Risk Committee Annual Work Program – 2022-23

### 2. Monitoring Risk Management (per section 54 (2) (c) LGA 2020)

August meeting	November meeting	March meeting	May meeting
Risk Management Update	Strategic Risk Register Update including presentation of annual work plan.	Risk Management Update	Report on the implementation of actions contained within the Risk Management Framework.
		Receive report reviewing the progress of implementation of Business Continuity Planning.	
Receive officer report identifying how Council has managed its Occupational Health and Safety requirements. Report to include appropriate indicators and measurement.			
Receive officer report detailing outcomes of IT system security testing undertaken.			
Receive report from Fraud Control Group outlining activities undertaken in the year and self-assessing achievement of stated aims.  <i>(Per section 54 (2) (d) LGA 2020)</i>			

## City of Boroondara Audit & Risk Committee Annual Work Program – 2022-23

Receive information on Council insurance claims statistics broken down by type.  <i>Report included in agenda papers.</i>			
Receive report outlining outcomes of IT Disaster Recovery Plan testing conducted annually and review recommendations for Plan amendments. Timing to be variable to allow IT flexibility in scheduling "surprise" disaster recovery exercise. Testing will be conducted annually.			
	Receive update from management on the utilisation and currency of the Business Function Risk Assessment Map (BFRAM)		
Receive minutes of most recent Business Enterprise Risk Committee (BERC) Meeting.	Receive minutes of most recent Business Enterprise Risk Committee (BERC) Meeting.	Receive minutes of most recent Business Enterprise Risk Committee (BERC) Meeting.	Receive minutes of most recent Business Enterprise Risk Committee (BERC) Meeting.
Report to the Audit and Risk Committee in the event an 'extreme operational risk' ever arises.	Report to the Audit and Risk Committee in the event an 'extreme operational risk' ever arises.	Report to the Audit and Risk Committee in the event an 'extreme operational risk' ever arises.	Report to the Audit and Risk Committee in the event an 'extreme operational risk' ever arises.
Receive table of Council's insurance coverage including presentation from Council's insurers.			
Receive and review independent BC1 Program Assurance Reviews at key milestones of the BC1 program	Receive and review independent BC1 Program Assurance Reviews at key milestones of the BC1 program	Receive and review independent BC1 Program Assurance Reviews at key milestones of the BC1 program	Receive and review independent BC1 Program Assurance Reviews at key milestones of the BC1 program

## City of Boroondara Audit & Risk Committee Annual Work Program – 2022-23

<p>and provide any required recommendations to Council to enhance program governance.</p> <p>Timing of presentation will be dependent on achievement of key milestones.</p> <p>(NB: Reviews to be consistent with the framework adopted by the Victorian Department of Treasury and Finance).</p>	<p>and provide any required recommendations to Council to enhance program governance.</p> <p>Timing of presentation will be dependent on achievement of key milestones.</p> <p>(NB: Reviews to be consistent with the framework adopted by the Victorian Department of Treasury and Finance).</p>	<p>and provide any required recommendations to Council to enhance program governance.</p> <p>Timing of presentation will be dependent on achievement of key milestones.</p> <p>(NB: Reviews to be consistent with the framework adopted by the Victorian Department of Treasury and Finance).</p>	<p>and provide any required recommendations to Council to enhance program governance.</p> <p>Timing of presentation will be dependent on achievement of key milestones.</p> <p>(NB: Reviews to be consistent with the framework adopted by the Victorian Department of Treasury and Finance).</p>
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## City of Boroondara Audit & Risk Committee Annual Work Program – 2022-23

### 3. External Audit

<b>August meeting</b>	<b>November meeting</b>	<b>March meeting</b>	<b>May meeting</b>
Meet with external auditors to review main issues relating to annual financial statements and also to receive and review the Audit Management Letter and the Management Representation Letter.			Meet with external auditors to review main issues relating to upcoming annual financial statements and review audit plan.
Review external audit reports and management response to matters arising.			Note annual external audit fee advised by Auditor-General
Receive reports to provide assurance that internal and external audit work is co-ordinated for maximum efficiency.			

## City of Boroondara Audit & Risk Committee Annual Work Program – 2022-23

### 4. Internal Audit

August meeting	November meeting	March meeting	May meeting
		Review the three year Strategic Internal Audit Plan.	
	Review the adequacy of the internal audit budget.		
Review progress against the internal audit program.	Review progress against the internal audit program.	Review progress against the internal audit program.	Review progress against the internal audit program.
Review internal audit reports and management comments arising.	Review internal audit reports and management comments arising.	Review internal audit reports and management comments arising.	Review internal audit reports and management comments arising.

## City of Boroondara Audit & Risk Committee Annual Work Program – 2022-23

### 5. End of Financial Year Accounting and Reporting

<b>August meeting</b>	<b>November meeting</b>	<b>March meeting</b>	<b>May meeting</b>
Review any major issues pertaining to annual financial statements.			Review any major issues pertaining to upcoming annual financial statements.
Review annual report incorporating annual financial statements for the previous year prior to presentation to Council for adoption.			
Recommend to Council the adoption of annual financial statements.			Receive update on clearance of prior year management letter points.

## City of Boroondara Audit & Risk Committee Annual Work Program – 2022-23

### 6. Management Accounting, Budgeting and Financial Reporting Practices

<b>August meeting</b>	<b>November meeting</b>	<b>March meeting</b>	<b>May meeting</b>
Review effectiveness of management information as presented in the Quarterly Performance Report to ensure high degree of relevance and integrity.  (Per section 54 (2) (b) LGA 2020)	Review effectiveness of management information as presented in the Quarterly Performance Report to ensure high degree of relevance and integrity.  (Per section 54 (2) (b) LGA 2020)	Review effectiveness of management information as presented in the Quarterly Performance Report to ensure high degree of relevance and integrity.  (Per section 54 (2) (b) LGA 2020)	Review effectiveness of management information as presented in the Quarterly Performance Report to ensure high degree of relevance and integrity.  (Per section 54 (2) (b) LGA 2020)
Review and recommend to the Council all significant accounting policy changes.	Review and recommend to the Council all significant accounting policy changes.	Review and recommend to the Council all significant accounting policy changes.	Review and recommend to the Council all significant accounting policy changes. .



## City of Boroondara Audit & Risk Committee Annual Work Program – 2022-23

### 7. Compliance with laws and regulations

<b>August meeting</b>	<b>November meeting</b>	<b>March meeting</b>	<b>May meeting</b>
Receive officer reports advising of significant developments and changes in rules, regulations and laws that govern the corporate operations of the Council.	Receive officer reports advising of significant developments and changes in rules, regulations and laws that govern the corporate operations of the Council.	Receive officer reports advising of significant developments and changes in rules, regulations and laws that govern the corporate operations of the Council.	Receive officer reports advising of significant developments and changes in rules, regulations and laws that govern the corporate operations of the Council.
Receive reports reviewing compliance with or progress towards compliance with significant changes in legislation that pertain to the corporate functions of Council.	Receive reports reviewing compliance with or progress towards compliance with significant changes in legislation that pertain to the corporate functions of Council.	Receive reports reviewing compliance with or progress towards compliance with significant changes in legislation that pertain to the corporate functions of Council.	Receive reports reviewing compliance with or progress towards compliance with significant changes in legislation that pertain to the corporate functions of Council.
Receive Legal and Ethical Compliance report that advises of outcomes of the annual certification program.			
Gifts and Hospitality Register - update on Chief Executive Officer review.			



# Audit and Risk Committee Charter

2022

**Responsible Directorate:** Governance and Legal  
**Authorised By:** Council  
**Date of Adoption:** 25 July 2022  
**Review Date:** August 2023  
**Policy Type:** Administrative

Audit and Risk Committee Charter

Date of adoption 25 July 2022

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# 1 Introduction

The Audit and Risk Committee is appointed by Council as an advisory Committee to oversee and monitor:

1. Issues relevant to the integrity of Council's financial reporting framework
2. Risk Management framework and policies, internal control frameworks, compliance and internal audit activity; as well as
3. Meeting with the External and Internal Auditors and Management to foster an ethical and accountable environment.

## 1.1 Audit and Risk Committee

The Audit and Risk Committee's role is to:

- monitor and provide advice regarding the internal control framework including policies and procedures as they apply to:
  - financial reporting and management
  - Information and Communications Technology (ICT) governance and usage
- monitor compliance of Council's policies and procedures with the:
  - overarching governance principles
  - *Local Government Act 2020*
  - Local Government Regulations 2020, and
  - any Ministerial directions.
- monitor Council financial and performance reporting, including
  - review of the application of appropriate accounting policies and procedures including management's judgements, estimates and disclosures
  - Review of processes for the identification, nature, extent and reasonableness of related party transactions.
- monitor and provide advice on risk management and fraud prevention systems and controls, including
  - measures to provide early warning of any issues affecting Council's financial well-being
  - the level and effectiveness of business continuity and disaster recovery planning
  - maintenance and fostering of an ethical environment

- oversee internal and external audit functions
- monitor compliance with applicable laws and regulations

Measures indicative of the achievement of these aims are attached in **Appendix A**.

As an advisory committee established by Council, the Audit and Risk Committee does not exercise any executive powers, management functions or delegated financial responsibility. The Audit and Risk Committee may request additional information in order to fulfil its responsibilities and recommend to Council that independent legal or professional advice be obtained if and when it requires. The Audit and Risk Committee has the right to meet in camera.

## 1.2 Internal Auditor

The Internal Auditor is ultimately accountable to Council and has access to both the Chief Executive Officer and Audit and Risk Committee.

The Internal Auditor reports to the Audit and Risk Committee for functional purposes and to the Manager Governance and Legal for administrative purposes in carrying out all Internal Audit and Risk activity.

Reporting lines are identified in the matrix contained in **Appendix B**.

The Audit and Risk Committee shall meet separately with the Internal Auditor at least annually to discuss any matters raised by the Audit and Risk Committee or the Internal Auditor.

At each Audit and Risk Committee meeting the meeting Agenda will provide the opportunity for the Internal Auditor to raise any issues or matters pertaining to its obligations as required.

The Internal Auditor will provide the Audit and Risk Committee with independent and objective assurance on internal corporate governance, risk management, internal controls and compliance to the extent identified in the conduct of the work program.

## 2 Corporate Governance

Council recognises the importance of good corporate governance and is committed to ensuring high standards are set and maintained. The Audit and Risk Committee plays a significant role in monitoring and promoting these high standards.

Recognising that audit programs and internal controls are but one element of good corporate governance, the Audit and Risk Committee will work with management and the Internal Auditor to develop a framework for monitoring the multi-dimensional elements of corporate governance.

The work conducted by regulatory bodies in this area, including the Victorian Local Government Inspectorate, the Victorian Auditor-General's Office, the Ombudsman and the Independent Broad-based Anti-corruption Commission will be closely monitored.

The Chief Executive Officer is responsible to ensure relevant matters are promptly brought to the attention of the Audit and Risk Committee.

### **3 Effective Management of Risks**

Council seeks assurance from the Audit and Risk Committee that plans, systems and processes are in place directed at managing Council's exposure to financial and other risks. The Audit and Risk Committee's responsibilities include:

- Receiving regular reports to gain assurance that effective systems are in place within Council to identify and manage Risk and Financial Strategic Risk
- Ensuring the Risk Management Framework is effective and efficient to identify and mitigate risks and monitoring reports on identified material business risks and the Strategic Risk profile
- Ensuring that Internal Audit plans are linked to the material business risk
- Reviewing reports (including Internal Audit reports) on the effectiveness of internal control systems
- Receiving and considering audit findings, considering the Auditors' recommendations to address control deficiencies and ensuring Management provides timely responses and implementation of agreed recommendations to enhance internal controls
- Gaining assurance that appropriate insurance arrangements are in place.
- Receiving reports on actual or suspected frauds, thefts and material breaches of legislation
- Monitoring the fraud prevention and detection framework including any action taken with respect to actual and suspected instance of fraud
- Gaining assurance processes are in place to identify emerging risks and appropriate measures are applied to manage these emerging risks
- Gaining assurance that effective Business Continuity Plans have been developed and that appropriate testing practices are in place
- Review of the Procurement Policy prior to its presentation to Council for formal adoption.

### **4 Reliable Management and Financial Reporting**

The Audit and Risk Committee will seek assurance that Council's financial systems produce management and financial reports which have a high degree of integrity by reviewing the effectiveness of management information, including financial controls and reporting.

## 5 Compliance with Laws and Regulations

The Audit and Risk Committee will seek assurance that Council has measures in place to maintain and monitor compliance with relevant legislation and regulations governing its operating legal environment. The Audit and Risk Committee receives reports outlining:

- Developments and changes in rules, regulations and laws which generally relate to Council's business operations
- Measures to ensure Council's compliance with legislation
- Assurance that Council has measures in place to maintain and monitor compliance with relevant legislation and regulations governing its operating legal environment, and
- Advice on Council's corporate governance arrangements, including measures for monitoring and compliance with legislation and regulation

## 6 Maintenance of Effective and Efficient Audit

The Audit and Risk Committee will oversee audit services, ensuring that Council's internal and external audit functions are carried out in an effective and efficient manner by;

- reviewing the performance of Internal Audit and the effectiveness of the Annual External Audit
- ensuring emphasis is placed on areas where Council or its Auditors believe special attention is warranted, and
- ensuring that the internal audit plans are linked to the Strategic Risk Profile.

Where there is a contract to be awarded to appoint an Internal Auditor, the Audit and Risk Committee has a role in considering that appointment by receiving the recommendation of the Tender Evaluation Panel for recommendation to Council. An independent member of the Audit and Risk Committee will also be part of the Tender Evaluation Panel.

Where termination of the contracted Internal Auditor is contemplated, the Chief Executive Officer will provide a report to the Audit and Risk Committee recommending the termination of the Internal Auditor for endorsement by the Audit and Risk Committee and recommendation to Council.

In the event that the Internal Auditor is a staff member employed by Council the Audit and Risk Committee will be advised of any impending change to these arrangements.

### ***Audit and Risk Committee Planning***

The Audit and Risk Committee will:

- Review and adopt an annual work program for Council consideration and approval detailing the nature and timing of reports to be presented to the Audit and Risk Committee and subsequently to Council, reflecting the priorities and functions of the Audit and Risk Committee.
- Annually recommend to Council the approval of the Internal Audit Program rolling three year plan. The audit reports will include, where applicable, management responses, accountabilities and timelines for corrective actions.
- Ensure the Internal Auditor has regard to compliance and ethics risks in the development of the internal audit work plan and in the conduct of internal audit projects and report those issues to the Audit and Risk Committee.

### ***Conflict of Interest and use of Information***

The Audit and Risk Committee members will have access to information about the day to day operations of Council including information that may be commercial in confidence. All reports tabled at the Audit and Risk Committee meetings shall be considered as confidential reports.

Members of the Audit and Risk Committee must be fully aware of their responsibilities with regard to the management of their interests in relation to the discharge of their duties as members of the Audit and Risk Committee, in particular, with regard to the use or misuse of confidential information and the disclosure of conflicts of interest. The requirements in Division 2 of Part 6 of the *Local Government Act 2020* regarding conflicts of interest apply to Audit and Risk Committee members. Members of the Committee are required to comply with Division 3 of Part 6 (personal interests returns ) of the Act, which include, among other things, the following requirements:

a. Lodgement of personal interest returns on the forms specified by Council in accordance with the Act.

The requirements in Section 123 of the *Local Government Act 2020* regarding misuse of position apply to Audit and Risk Committee members.

## **7 Administration**

### ***Membership and Attendance at Meetings (Selection and Appointment)***

The Audit and Risk Committee will :

- (a) include members who are Councillors of the Council; and
- (b) consist of a majority of members who are not Councillors of the Council (independent members) and who collectively have:
  - (i) expertise in financial management and risk; and
  - (ii) experience in public sector management; and
- (c) not include any person who is a member of Council staff.



The Audit and Risk Committee is to comprise three independent members and two Councillors [note: subject to Council decision], and be chaired by an independent member.

Councillor members are appointed by Council annually at the time Council considers the formal Councillor Assignments. Council, in its absolute discretion, may appoint a Councillor member to a two year term.

Independent members shall be appointed for a term of three years or as otherwise determined by Council. At the conclusion of their initial term, existing members will be eligible to apply to be reappointed at the discretion of Council for a further term. A maximum of six years may be served by an independent member. Council will consider the terms of existing independent members when appointing an independent member to stagger the expiry terms of independent members to ensure seamless continuity of the Committee's function.

Independent members will be recruited via public advertising and appointed by Council on the recommendation of a selection panel comprised of the Chief Executive Officer, Mayor or delegate, Manager Governance and Legal and a Councillor member of the Audit and Risk Committee.

The Chairperson is appointed by Council (or its delegate(s)) for a two year term from the independent members of the Audit and Risk Committee on the basis that any independent member (including the incumbent Chair) may nominate for the role. In the absence of the appointed Chairperson, the meeting will appoint an acting Chairperson from the independent members present. In the event that the chair is vacated before the Chairperson's term has expired, Council will appoint an acting Chairperson until a replacement has been selected. Where an independent member resigns mid-term, a new independent member will be recruited as soon as is practicable. This new appointee shall be appointed for a two year term or as otherwise determined by Council.

Should the resignation or retirement of more than one independent member coincide then the Council may extend the remaining independent member's term by one year to ensure continuity.

### **Fees**

Council will pay a fee to independent members of the Audit and Risk Committee as set by Council from time to time. The fee will be indexed each year to the relevant, most recently released movements in the Consumer Price Index (CPI All Groups Melbourne) and adjusted annually on 1 July. The fee amount may be rounded up so as to be divisible by the number of meetings held each year.

Payment will be made on receipt of an invoice from independent members after each Audit and Risk Committee meeting.

### ***Role of Chairperson***

The role of the Audit and Risk Committee Chairperson includes, but is not limited to:

- Meet with Management before and after each Audit and Risk Committee meeting to assist with ensuring meetings are conducted effectively and cover all required matters.
- Discuss with Management any proposed changes to Audit and Risk Committee member's roles and responsibilities before any reports proposing such changes are prepared for Audit and Risk Committee consideration. Chairing meetings of the Audit and Risk Committee in accordance with the formal meeting agenda distributed by Council's Governance Team.
- Providing Committee members an opportunity at the commencement of meetings to nominate additional items for the Agenda at that meeting or subsequent meetings.
- Conduct meetings in a manner that promotes participation, communication, involvement, consensus, mutual respect and listening.
- Providing time during Audit and Risk Committee Meetings for any Committee member to raise any issue they believe relevant.
- Review minutes of Audit and Risk Committee meetings prior to their distribution to Committee members to ensure they accurately reflect agreed meeting outcomes.

The Chairperson has no executive authority on behalf of Council but can be consulted as required, as a sounding board by the Chief Executive Officer or Manager Governance and Legal on matters set out in paragraph 1.1.

### ***Meetings, Quorum and Voting***

- The Audit and Risk Committee is to meet as needed on the basis of scheduled dates, however, it is expected it would meet at least four times per annum
- Audit and Risk Committee meetings are to be structured with the use of an agenda and supporting papers
- A quorum for meetings of the Committee will be three members with a minimum of one Councillor member and one independent member.
- All Audit and Risk Committee meetings, agenda papers and discussions are to be treated as confidential.
- The Chief Executive Officer will ensure the preparation and maintenance of agendas, minutes and reports of the Audit and Risk Committee.
- Audit and Risk Committee agendas and supporting papers should be well documented and circulated two weekends prior to the next meeting to allow members time to review the information before the meeting.
- Draft minutes are to be provided to the Chairperson as soon as practicable after the meeting for clearance and then to the Audit and Risk Committee members.

- Following adoption by the Committee, the minutes will be signed by the Chairperson.
- Voting and the resolution of motions before the Audit and Risk Committee are to be conducted according to the City of Boroondara Governance Rules.
- The Chief Executive Officer is expected to attend all meetings, and internal auditors will be invited to attend all meetings except in situations where the Chairperson deems such attendance inappropriate. External Auditors may also be invited to attend any Audit and Risk Committee meeting at the discretion of the Chairperson.
- The Chairperson will convene a special meeting of the Audit and Risk Committee at the request of the Council.
- The Chairperson and the CEO may convene a special meeting of the Audit and Risk Committee or at the request of an Audit and Risk Committee member, the Internal Auditor or External Auditor.

### ***Reporting to Council***

- The Audit and Risk Committee will prepare a biannual audit and risk report that describes the activities of the Audit and Risk Committee and includes its findings and recommendations, and provide a copy of the biannual report to the Chief Executive Officer for tabling at the next Council meeting.
- The Chairperson may request to brief Council on a significant issue on the recommendation of the Audit and Risk Committee and otherwise as requested by Council.
- Copies of all Audit and Risk Committee, agendas, minutes, formal resolutions are to be provided to Council and confirmation of this will be provided back to the next Audit and Risk Committee meeting. Copies of all reports tabled at Audit and Risk Committee meetings can be accessed at any time by Councillors via the Electronic Business Papers system.
- The Audit and Risk Committee will report to Council at the next practical Council meeting following each Audit and Risk Committee meeting.
- This report will identify the subject matters considered by the Committee and outline the actions of the Committee.
- The report shall also identify any matters requiring a resolution of Council.
- Each report to Council will report on progress of the Committee against the adopted Annual Plan.
- At the end of each financial year, the Chairperson of the Audit and Risk Committee will formally report on the operations of the Audit and Risk Committee to the Council meeting that considers Council's Annual Report. The report will include commentary on agendas, meeting outcomes, and Internal Audit's comment on the operation and performance of the Audit and Risk Committee for the prior year.

***Performance and Review***

- The Audit and Risk Committee will undertake a self-assessment annually of its performance against the Audit and Risk Committee Charter, and provide a copy of the annual assessment to the Chief Executive Officer for tabling at the next Council meeting.
- The Audit and Risk Committee will review the Audit and Risk Committee Charter annually and may make recommendations to the Council regarding the Charter. Any changes to the Charter must be approved by the Council.

## 8 Appendix A

***Measures to assist identification of Audit and Risk Committee success in carrying out its defined role.***

Role	Measures
<p>1. Monitor and provide advice regarding the internal control framework including policies and procedures as they apply to:</p> <ul style="list-style-type: none"> <li>○ financial reporting and management</li> <li>○ Information and Communications Technology (ICT) governance and usage</li> </ul>	<p>In addition to the distribution and review of Quarterly Performance Reports (refer below), and the receipt of Internal Audit reports, the Audit and Risk Committee annually reviews all Accounting policies and financial statement disclosures in advance of the preparation of the Annual Financial Statements.</p> <p>The Audit and Risk Committee Annual Plan contains standing reports on IT security, external penetration testing, governance of the Boroondara Customer First program and outcomes of disaster recovery testing.</p>
<p>2. Monitor compliance of Council's policies and procedures with the:</p> <ul style="list-style-type: none"> <li>a. overarching governance principles</li> <li>b. <i>Local Government Act 2020</i></li> <li>c. Local Government Regulations 2020, and</li> <li>d. any Ministerial directions.</li> </ul>	<p>The Audit and Risk Committee Annual Plan includes the annual Legal and Ethical Certification report.</p> <p>Each meeting agenda provides the Chief Executive Officer the opportunity to bring to the Committee's attention any breaches of legislation.</p> <p>An annual update is provided to the Committee on the outcomes of the Chief Executive Officer's review of the Gifts and Hospitality Register.</p> <p>Each meeting agenda contains an opportunity for the Committee to consider reports by VAGO, IBAC and other regulatory and integrity bodies within the local government sector.</p>

<p>3. Monitor Council financial and performance reporting, including</p> <ul style="list-style-type: none"><li>a. review of the application of appropriate accounting policies and procedures including management's judgements, estimates and disclosures</li><li>b. Review of processes for the identification, nature, extent and reasonableness of related party transactions.</li></ul>	<p>The Audit and Risk Committee members shall receive copies of all Quarterly Performance Reports. An Internal Audit review shall be commissioned periodically to report on the basis of production of the QPR and the reliability of the financial information contained therein.</p> <p>Application of accounting policies will be subject to annual verification and sign off by the Auditor-General during audit of Annual Financial Statements.</p>
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Role	Measures
<p>4. Monitor and provide advice on risk management and fraud prevention systems and controls, including</p> <ul style="list-style-type: none"> <li>a. measures to provide early warning of any issues affecting Council's financial well-being</li> <li>b. the level and effectiveness of business continuity and disaster recovery planning</li> <li>c. maintenance and fostering of an ethical environment</li> <li>d. measures to ensure Council's risk management frameworks and culture respond appropriately to material risks</li> </ul>	<p>Internal Audit programs shall be developed to address major risks identified within Council's Strategic Risk Register.</p> <p>Regarding financial well-being, the Audit and Risk Committee shall receive copies of the Quarterly Performance Report (QPR) and will have the opportunity to ask questions of Officers at Audit and Risk Committee meetings regarding the contents of the QPR.</p> <p>The Audit and Risk Committee shall, as part of its Annual Plan, receive reports documenting the progress of Council's Business Continuity and Disaster Recovery Planning. At appropriate stages of the implementation of resultant strategies, Internal Audit reviews shall be commissioned.</p> <p>The Audit and Risk Committee will provide assistance and guidance to support management's maintenance and fostering of an ethical operating environment</p>
<p>5. Oversee internal and external audit functions</p>	<p>The Audit and Risk Committee shall approve the Annual Internal Audit Program ensuring it is satisfied with the coverage of the proposed reviews and that they can be conducted within budget constraints.</p> <p>The Audit and Risk Committee receives all Internal Audit reports and representatives from Internal Audit shall attend all meetings.</p>

Role	Measures
	<p>The External Auditor shall present the Audit and Risk Committee with an annual work program at the May meeting each year. Representatives from the external audit firm shall be present at Audit and Risk Committee meetings where Annual Financial Statements are tabled for consideration and recommendation to Council.</p> <p>The Audit and Risk Committee will be provided with the opportunity to meet with the External Auditor without Management being present at least annually.</p>
<p>5 Monitor compliance with applicable 6 laws and regulations</p>	<p>The Audit and Risk Committee shall receive audit reviews of Council's compliance status with significant corporate legislative changes.</p> <p>Acceptance and participation in the development and implementation of the highest standards of corporate governance.</p>



## 9 Appendix B

