

## 7.4 Recommendations of Audit and Risk Committee Meeting

### Executive Summary

#### Purpose

This report presents the recommendations of the November 2023 Audit and Risk Committee meeting for consideration by Council. A schedule of reports and committee recommendations is attached to this report.

#### Background

The Audit and Risk Committee held a meeting on 15 November 2023. 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 15 November 2023 the following reports were tabled:

- A5.1 Standard questions for tabling at Audit and Risk Committee Meetings
- A5.2 Business arising
- A5.3 Transforming Boroondara Update
- A5.4 Internal Review Oversight - Infringements Act 2006 - Department of Justice and Community Safety
- A5.5 September 2023 Quarterly Performance Report
- A5.6 Internal Audit Report - Road Management Plan
- A5.7 Internal Audit Report - Independent Review of Maintenance Panel Contract
- A5.8 Internal Audit Update October 2023
- A5.9 Audit and Risk Committee Administrative Matters
- A5.10 Strategic Risk Register Update including presentation of annual work plan
- A5.11 Business Function Risk Assurance Map (BFRAM) Update
- A5.12 Annual Update - Activities of the Fraud Control Group
- A5.13 Bi-Annual Audit and Risk Committee Report Including Results of Self-Assessment Survey

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

### Officers' recommendation

That Council resolve to adopt the resolutions recommended to Council contained in **Attachment 1** as annexed to the minutes, reflecting the recommendations from the Audit and Risk Committee meeting held on 15 November 2023.

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**Responsible manager:**      **Bryan Wee, Manager Governance and Legal**

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## **1. Purpose**

To present to Council the recommendations of the Audit and Risk Committee meeting held on 15 November 2023. A schedule of reports and committee recommendations are presented as an attachment to this report.

## **2. Policy implications and relevance to community plan and council plan**

The Audit and Risk Committee Charter provides that recommendations of the Audit and Risk Committee are not binding until considered and adopted by Council.

## **3. Background**

Council's Audit and Risk Committee was established on 24 August 2020. It operates under the Audit and Risk Committee Charter approved by Council most recently in October 2023.

An Audit and Risk Committee meeting was held on 15 November 2023. This report presents the findings and recommendations from that meeting for consideration by Council.

Full copies of papers presented to the Audit and Risk Committee can be accessed by Councillors via the Councillor Portal. Assistance in locating these papers can be provided by the Governance and Legal Department.

## **4. Outline of key issues/options**

As recorded in the minutes of the Audit and Risk Committee meeting held on 15 November 2023 the following reports were tabled:

- A5.1 Standard questions for tabling at Audit and Risk Committee Meetings
- A5.2 Business arising
- A5.3 Transforming Boroondara Update
- A5.4 Internal Review Oversight - Infringements Act 2006 - Department of Justice and Community Safety
- A5.5 September 2023 Quarterly Performance Report
- A5.6 Internal Audit Report - Road Management Plan
- A5.7 Internal Audit Report - Independent Review of Maintenance Panel Contract
- A5.8 Internal Audit Update October 2023
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## **5. Consultation/communication**

Members of Council's Audit and Risk Committee and external and internal auditors were consulted during the preparation of Audit and Risk Committee reports referred to within this Council report.

## **6. Financial and resource implications**

Council's operating budget includes funding for its Audit and Risk Committee.

## **7. Governance issues**

No officers involved in the preparation of this report have a general or material conflict of interest requiring disclosure under chapter 5 of the Governance Rules of Boroondara City Council.

The recommendation contained in this report is compatible with the Charter of Human Rights and Responsibilities 2006 as it does not raise any human rights issues.

## **8. Social and environmental issues**

The contents of this report are consistent with Council's desire to provide solid financial and governance frameworks to support the enhancement of urban environmental and social amenity.

## **9. Conclusion**

This report presents to Council the recommendations of the Audit and Risk Committee meeting held on 15 November 2023.

**Manager:** Bryan Wee, Manager Governance and Legal

**Report officer:** Mai Mostafa, Senior Audit and Assurance Officer

**Summary of reports tabled at Audit and Risk Committee meeting held on  
15 November 2023**

No	Report Title	Summary of Content	Recommended Council Resolution
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 matters were identified, and no discussion was held.</li> </ol>	Council note the Officers, Auditors and Members had no matters to raise in response to the standard questions outlined in this report.
A5.2	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).
A5.3	Transforming Boroondara Update	This report updated the Audit and Risk Committee on the progress of the Transforming Boroondara Program and the upcoming key milestones. Over the past 12 months, the program has delivered a number of initiatives, and is tracking to the approved schedule. Budget is currently tracking to the overall target and the benefits expected to date have been achieved.	Council receive and note the report.

**Summary of reports tabled at Audit and Risk Committee meeting held on  
15 November 2023**

<b>No</b>	<b>Report Title</b>	<b>Summary of Content</b>	<b>Recommended Council Resolution</b>
A5.4	Internal Review Oversight - Infringements Act 2006 - Department of Justice and Community Safety	This report presented the August 2023 Report from the Victorian Department of Justice and Community Safety into the City of Boroondara's compliance with internal reviews under the Infringements Act 2006.	1. Council receive and note the report. 2. Council note that the Audit and Risk Committee passes on its ongoing concern of the success rate of Fines Victoria in recovering Council debt.
A5.5	September 2023 Quarterly Performance Report	This report presented the draft September 2023 Quarterly Performance Report to the Audit and Risk Committee.	Council receive and note the report.
A5.6	Internal Audit Report - Road Management Plan	This report advised the Audit and Risk Committee on the outcomes of the Internal Audit review of Council's Road Management Plan processes and key controls. The report provided nine (9) audit recommendations to further strengthen controls and processes over the Road Management Plan.	Council receive and note the report.
A5.7	Internal Audit Report - Independent Review of Maintenance Panel Contract	This report updated the Audit and Risk Committee on the outcomes of the Review of Maintenance Panel Contract Number 2019/51, which was established to deliver roofing maintenance services. The review was requested by management after potential issues with a panel contract were identified. The report provided thirteen (13) audit recommendations to further strengthen the procedures in place for the management of panel contractors.	Council receive and note the report. Council note that the Audit and Risk Committee note that the report raises a number of concerns and recommend to Council that systemisation is pursued to manage these issues.
A5.8	Internal Audit Update October 2023	This report updated the Audit and Risk Committee on the progress of audit recommendations arising from finalised internal audit reports.	Council receive and note the report.

**Summary of reports tabled at Audit and Risk Committee meeting held on  
15 November 2023**

<b>No</b>	<b>Report Title</b>	<b>Summary of Content</b>	<b>Recommended Council Resolution</b>
A5.9	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 note the report.
A5.10	Strategic Risk Register Update including presentation of annual work plan	This report updated the Audit and Risk Committee on the status of Risk Management activities undertaken during the reporting period, including a summary of the current Strategic Risk Profile pursuant to the Risk Management Framework.	Council receive and note the report.
A5.11	Business Function Risk Assurance Map (BFRAM) Update	This report provided the Audit and Risk Committee with the updated 'Business Function Risk Assurance Map (BFRAM) Revision 3 - November 2023'. The BFRAM serves as a tool to provide insights into Council's overall risk assurance framework. It assists in determining where management or the Audit and Risk Committee may seek additional assurance coverage through each 'line of defence', such as management audits, internal audits, and other external assurance sources.	Council receive and note the report.
A5.12	Annual Update - Activities of the Fraud Control Group	This report updated the Audit and Risk Committee on the activities of the Fraud and Corruption Control Group during the 2022-23 financial year.	Council receive and note the report.
A5.13	Bi-Annual Audit and Risk Committee Report Including Results of Self-Assessment Survey	This report presented the Audit and Risk Committee's draft Bi-annual Report for endorsement prior to its submission to the Chief Executive Officer to be tabled at the next Council meeting as required by section 54(5) of the Local Government Act 2020 (the Act). The report included the results of the annual performance assessment survey as required by the Act.	Council receive and note the report.