

# Audit, Risk and Improvement Committee – Meeting Update

*Responsible Officer: Group Manager Organisational Services (Helen McNeil)*

*Report Contributor: Governance and Risk Manager (Lauren Edwards)*

## Recommendation

That Council receive and note the:

- (a) Attached minutes from the Audit, Risk and Improvement Committee meeting held on 24 March 2025, and
- (b) Resignation of the Committee Chair and approach to seeking a replacement for the position.

## Key points

1. The Committee Chair tendered their written resignation on 18 February 2025 and chaired their final Committee meeting on 24 March 2025.
2. An Expression of Interest process will be conducted to fill the vacancy in the position of Committee Chair.
3. The May 2025 Committee meeting has been rescheduled to June 2025 to ensure a quorum of voting Committee members is achieved.
4. The Committee received updates at its meeting on 24 March 2025 in relation to:
  - (a) Internal and external audit recommendations,
  - (b) Risk management activities,
  - (c) Financial management matters,
  - (d) Compliance activities,
  - (e) Health, safety and environment trends, and
  - (f) Strategic planning and improvement activities.

## Background

The Audit, Risk and Improvement Committee ('Committee') met on 24 March 2025. A copy of the meeting minutes are attached ([Attachment 1](#)).

## Key Messages

### 1. Financial Management

The Committee received and noted the following:

- The Quarterly Budget Review Statement report furnished to Council's February 2025 meeting applicable for the quarter ending 31 December 2024; and
- The investment report furnished to Council's February 2025 meeting applicable for the month of 31 January 2025; and
- The draft '*Quarterly Budget Review Statement Guidelines for Local Government*' published by the Office of Local Government and circulated for consultation under cover of circular 25-04 on 6 March 2025.

The Annual Engagement Plan issued by the Audit Office of NSW ('AO') for the year ending 30 June 2025 was presented to the Committee by representatives from the AO.

## **2. Risk Management**

An update on the progress of phase one of the Enterprise Risk Management (ERM) review was provided to the Committee, including the implementation of the new ERM Information System for assessing, recording and reporting on enterprise risks. The update also confirmed there had been no change to the ratings of the General Manager's top enterprise risks since the last update to the Committee.

A brief overview of the commencement and scope for phase 2 of the ERM review, which will commence in April 2025 and include a review of fraud and corruption control documentation and activities, was also provided to the Committee.

## **3. Compliance**

An overview of legislative compliance and reporting activities, and the findings of the regular internal procurement compliance reviews, was received by the Committee with no concerns noted.

The Committee had a general discussion in relation to the decentralised compliance model currently being adopted and made a recommendation to review and propose a way forward for enhanced compliance monitoring and reporting.

## **4. Health Safety and Environment (HSE)**

A comparative analysis of workplace HSE trends and performance for the periods 1 October 2023 – 31 January 2024 and 1 October 2024 – 31 January 2025 was provided to the Committee.

The analysis revealed a generally positive result in HSE performance. In particular, the increase in inspections and event reporting indicates that employees are placing a high value on early hazard identification and mitigation strategies. Several areas were identified for monitoring of event trends, including (1) Animal/Insect/Plant-Related Injuries, (2) Chemicals & Other Substances, and (3) Vehicle and Equipment.

## **5. Audit**

The Committee received its regular update on staff progress implementing improvement recommendations arising from internal, external, and in-house service audits across the practice areas of ICT, information management, safety, procurement, and emergency management.

During the period January – March 2025, six (6) internal audit and one (1) external audit recommendations were implemented and closed out by staff.

The Committee noted project management as the next area scheduled for review under the 2022-2025 Internal Audit Plan and that the timing for this audit is yet to be confirmed but is expected to occur April - May 2025.

## **6. Improvement**

A copy of the report on performance against delivery of actions under the Delivery Program/Operational Plan presented to the 19 February 2025 Council meeting was furnished to the Committee.

General discussion in relation to the development of a four (4) year Committee strategic plan and the market testing activity proposed for engaging an internal audit service provider for the next four (4) years was had by the Committee in addition to a status update on the Committee's outstanding actions register.

## **7. Resignation of the Committee Chair**

After careful consideration and in consultation with management, the Committee Chair decided to resign from their position in writing on 18 February 2025, with effect from the conclusion of the March 2025 Committee meeting. This decision was made for personal reasons unrelated to the Committee. At the conclusion of the meeting the General Manager and staff noted the valuable work and service the Chair provided to Council during their tenure in the position.

The Expression of Interest (EOI) process used previously, most recently in 2023, to fill the role of Committee Chair will be utilised with a view to presenting Council with a preferred candidate for appointment at its ordinary meeting in June 2025.

A quorum for a Committee meeting will be achieved if a majority of the voting Committee members (i.e. two (2)) are present. To ensure a quorum can be achieved given the vacancy in the position of Chair and other planned/approved periods of leave amongst the remaining voting Committee members, the May 2025 Committee meeting has been rescheduled to 16 June 2025 subject to venue availability.

### **Consultation**

This report was prepared in consultation with the Audit, Risk and Improvement Committee Chair.

### **Attachment**

1. Audit, Risk and Improvement Committee meeting minutes 24 March 2025.