

16.1 Audit and Risk Committee Chair Report

Governance Coordinator

Attachments:

1. *Baw Baw Shire Council BiAnnual ARC report November 2022*
 2. *2022 ARC Self Assessment Survey*
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PURPOSE

To update Council on the activities of the Audit and Risk Committee between June 2022 - November 2022, in accordance with the Audit and Risk Committee Charter and Public Transparency Policy.

RECOMMENDATION

That Council:

1. Note the biannual Audit and Risk Committee Chair Report; and,
2. Note the results of the committee's Annual Self-Assessment Survey, which is tabled in accordance with the Audit and Risk Committee Charter and Section 54(4) of the *Local Government Act 2020*.

KEY INFORMATION

The Audit and Risk Committee was established, and the Audit and Risk Committee Charter adopted, under Section 53(1) of the Local Government Act 2020 (the Act), by Council resolution on 12 August 2020.

The Audit and Risk Committee Charter specifies that the Committee must undertake the following reporting activities:

- Prepare an Annual Committee Performance Report that includes an annual assessment of Committee performance against the Audit and Risk Committee Charter in accordance with Section 54(4a) of the Act which will be presented to Council.
- Prepare an Audit and Risk Report twice-yearly that describes the activities of the Audit and Risk Committee and includes the Committee findings and recommendations in accordance with section 54(5a) of the Act, along with the agreed actions. This report will be provided to the Chief Executive Officer for reporting to Council twice-yearly.

In alignment with the Governance Rules, Public Transparency Policy and Governance principles in the Act, summary minutes from each Committee meeting are to be presented to Council through the Governance report after each Committee meeting summarising progress, matters discussed and any issues the Committee wishes to share with all Councillors.

To continue its push for increased public transparency, Council has elected to note the Audit and Risk Committee Chair Report at an open Council Meeting.

The reporting period covers Audit and Risk Committee activity from 1 July 2022 to 25 November 2022. During the reporting period, the committee met three times, on

5 September, 3 October, and 21 November.

During this period Carmen Ridley was appointed as the new independent member following Theresa Glab's resignation earlier this year.

There is strong representation from Council's senior staff at the Committee Meetings, to ensure the committee has access to the information required.

The Councillor representatives and independent members of the Audit and Risk Committee have continued to consider a range of reports and issues relating to Council's operations and reporting requirements. Council will continue to work to enhance its management of strategic and operational risks, financial and other internal controls.

Management thanks both the Councillor representatives and independent members of the Audit and Risk Committee for their commitment and expertise.

TRIPLEBOTTOMLINE IMPLICATIONS

Financial Impact

The cost of facilitating the Audit and Risk Committee is included in operational budgets. Independent Members are paid a sitting fee of \$1203 per meeting, and the Chair a sitting fee of \$1421 per meeting, until the next remuneration review is completed in 2025 as per the Audit and Risk Committee Charter.

Environmental Impact and Climate Change

There is no environmental impact in relation to this report.

Community Impact

There is no community impact in relation to this report.

CONSULTATION

There was no consultation required in relation to the Audit and Risk Committee Chair Report.

COUNCIL PLAN/LEGAL/POLICY IMPACT

Council Plan

This report assists with the achievement of the key strategic objective/s as set out in the Council Plan 2021 - 2025:

Strategic Objective: A Sustainable Shire

Community Goals:

- Sustainable towns and villages that continue to benefit from our beautiful rural and natural environment
- Sustainable built environments that protect nature and meet the needs of a growing community
- Protected, sustainable and productive natural environments

Strategic Objective: A Healthy Community

Community Goals:

- Healthy and well people, living in safe, connected communities and healthy environments
- Healthy and well people and communities
- Connected and inclusive communities, creating a strong sense of safety and belonging
- Healthy environments, resilient communities

Strategic Objective: A Thriving Community

Community Goals:

- Thriving, diverse and resilient communities
- A strong economy, creating and sustaining local jobs
- Education, tourism and cultural offerings that help our region to flourish
- Future ready infrastructure and transport options that help our community better access services, work, and education throughout Baw Baw Shire

The following focus areas have been considered in the preparation of this report:

1. Planning for a sustainable, healthy and thriving Baw Baw Shire.
2. Providing community infrastructure, services and facilities which support sustainable communities and are responsive to changing needs.
3. Advocating for strategic priorities and those services and facilities needed by the community.
4. Sustainably protecting and managing the natural environment, and agricultural land.
5. Supporting community health, safety, and wellbeing, including mental health.
6. Supporting community connectivity, diversity, inclusion, and reconciliation.
7. Creating environments that support a diversity of sports and recreation opportunities and walkable communities across the shire.
8. Responding to and readying for climate change, emergency events disruption, and transition.

Charter of Human Rights and Responsibilities

This project has been reviewed under the [Charter of Human Rights and Responsibilities](#) and is considered compatible.

Legal

The Audit and Risk Committee Chair Report is prepared pursuant to Section 54 of the *Local Government Act 2020*.

Gender Impact Assessment

No Gender Impact Assessment has been completed in relation to this report, or the Audit and Risk Committee Charter.

Policy Impacts

The Audit and Risk Committee Chair Report must meet the requirements of the

Audit and Risk Committee Charter and Public Transparency Policy.

Conflict of Interest Declaration

No officer involved in the preparation of this report has a disclosable interest.

Confidentiality Statement

This report has been reviewed under Sections 3 and 125(3) of the *Local Government Act 2020* and is considered to not contain any confidential information.

OPTIONS FOR CONSIDERATION

OVERARCHING GOVERNANCE PRINCIPLES

Section 9 of the *Local Government Act 2020* (the Act) specifies the overarching governance principles and supporting principles that Council must adhere to in the performance of its role and functions.

This report gives effect to the following overarching governance principles outlined in Section 9(2) of the Act:

- Council decisions are to be made and actions taken in accordance with the relevant law;
- Priority is to be given to achieving the best outcomes for the municipal community, including future generations;
- The economic, social and environmental sustainability of the municipal district, including mitigation and planning for climate change risks, is to be promoted;
- Innovation and continuous improvement is to be pursued;
- Collaboration with other Councils and Governments and statutory bodies is to be sought;
- The ongoing financial viability of the Council is to be ensured;
- Regional, state and national plans and policies are to be taken into account in making strategic planning and decision making;
- The transparency of Council decisions, actions and information is to be ensured.

This report also takes into account the following supporting principles defined in Section 9(3) of the Act:

- The community engagement principles (Community Engagement Policy);
- The public transparency principles (Public Transparency Policy);
- The strategic planning principles;
- The financial management principles; and,
- The service performance principles.