

Management report to Council

Agenda item 6.6

Referred documents from the 6 August 2021 Audit and Risk Committee Meeting

Council

Presenter: Michael Tonta, Director Governance

31 August 2021

Purpose and background

1. The purpose of this report is to advise Council of the outcomes of the City of Melbourne Audit and Risk Committee (ARC) meeting held on 6 August 2021.
2. Forwarding the minutes from the ARC to Council is a requirement under its Charter.

Key issues

3. The ARC noted that the unconfirmed minutes of the 6 August 2021 ARC meeting would be presented to Council.

Recommendation from management

4. That Council notes the minutes of the meeting of the Audit and Risk Committee held on 6 August 2021.

Attachments:

1. Supporting Attachment (Page 2 of 17)
2. Audit and Risk Committee Minutes 7 May 2021 (Page 3 of 17)

Supporting Attachment

Legal

1. No direct legal issues arise from the recommendation from management.
2. The ARC is an advisory committee of Council established in accordance with section 53 of the *Local Government Act 2020* (Act).

Finance

3. There are no direct financial implications to Council in the recommendation of this report.

Conflict of interest

4. No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a material or general conflict of interest in relation to the matter of the report.

Health and Safety

5. In developing this proposal, no Health and Safety issues or opportunities have been identified.

Stakeholder consultation

6. External stakeholder consultation has not been undertaken. As specified in the Charter, ARC meetings are closed to members of the public.

Relation to Council policy

7. Consistent with the requirements of the Act and the Charter, the establishment and maintenance of an Audit and Risk Committee will assist in the delivery of quality services that are responsive to business and community expectations, consistent with contemporary best practice, demonstrably cost effective and subject to public accountability.

Environmental sustainability

8. Environmental sustainability issues or opportunities are considered not relevant to this proposal as it does not impact on the consumption/generation of water, waste, energy and/or greenhouse gases.

UNCONFIRMED MINUTES

MINUTES OF THE MEETING OF THE CITY OF MELBOURNE AUDIT AND RISK COMMITTEE
6 August 2021 at 9.30am

Due to COVID-19 restrictions the meeting was held remotely via Zoom technology

Present	
Members	
Geoff Harry	Chairperson and Independent Member
Stuart Hall	Independent member
Therese Ryan	Independent member
Jamal Hakim	Councillor member
External Attendees	
Chris Braithwaite	Internal Auditor, PwC
Brett Wong	Internal Auditor, PwC
Debra Robertson	Former Internal Auditor, NTT
Elena Xia	Former Internal Auditor, NTT
Sanchu Chummar	External Auditor, VAGO
Jung Yau	External Auditor, VAGO
Sheraz Siddiqui	External Auditor, VAGO
City Officers	
Justin Hanney	Chief Executive Officer
Alison Leighton	Deputy Chief Executive Officer
Michael Tenace	Chief Financial Officer
Michael Tonta	Director Governance
Liam Routledge	Director Finance & Investment
Michelle Fitzgerald	Chief Digital Officer
Ravin Balendran	Director Procurement and Contract Management
Angela Meinke	Director People, Culture and Leadership
Jonathan Kambouris	Director City Projects
Melanie Odendaal	Director Property
Dean Robertson	Director On-street Support and Compliance
Dennis Quinn	Procurement Governance and Operations Manager
Christine Drummond	Emergency Management Coordinator
Steven Baxas	Municipal Building Surveyor
Ravi Jain	Process Improvement, Reporting and Project Manager
Hugh Kilgower	Coordinator Risk Management (Acting)
Maggie Williams	Audit and Compliance Specialist

1 Opening of meeting

The meeting commenced at 9:52am. The Acting Chair (Therese Ryan) provided an acknowledgement to country. Due to technical difficulties, Chair Geoff Harry was unable to join the meeting until 10:03.

2 Apologies

Councillor Philip Le Liu

3 Declaration of conflict of interest

There were no declarations of conflicts of interest.

4 Confirmation of Minutes from Previous Meeting

4.1 Confirmation of Minutes if Meeting held on 7 May 2021

The minutes were confirmed.

Outcomes/Actions:

1. The Committee noted the minutes without change

5 Matters arising

5.1 Status of matters arising as at 12 July 2021

The report was presented for review. The Committee recommended revision to the wording of item 12.4, providing revised wording for this item to read; "The Chair requested that a briefing paper be prepared for the November 2021 Committee meeting on Council's response to the report" which was accepted. The Committee noted that a number of items had been completed and that items 7.3, 7.4, 9.1 and 12.4 remain open.

Outcomes/Actions:

1. The Committee unanimously approved the revised wording to item 12.4 so that it read as follows; "The Chair requested that a briefing paper be prepared for the November 2021 Committee meeting on Council's response to the report".
2. The Committee noted that items 7.3, 7.4, 9.1 and 12.4 in the report remain open and require further action.

5.2 Matters arising from Council Meeting (verbal)

No specific matters were raised.

5.3 Matters considered out of session

Matters considered out of session were as follows:

- The Chair of the Audit Committee, met with the Chair of the Board at QVM to discuss outcomes of the internal audit projects.
- On 15 July, the Audit and Risk Committee had met with the new internal audit providers (PwC) to discuss the 2021- 2024 Internal Audit Plan.
- The Committee raised a question after the May 2021 Audit and Risk Committee meeting regarding past Internal Audits and has been provided information in response. The Committee will advise if further information is required.
- The Chair forwarded VAGO’s monthly update to all members.

Outcomes/Actions:

- That the out of session items are captured in the minutes and noted.

5.4 Reports Taken as Read

The Committee had the opportunity to consider which reports within the agenda were of interest for discussion. Those items, which were not identified for discussion, were taken as read.

Item	Reports Taken as Read
8.1	City Recovery and Reactivation Quarterly Risk Report
10.1	Internal audit status report 2020-2021 plan
10.4	Status Report on Open Audit Actions
15.2	Queen Victoria Market Internal Audit Program Timetable
15.3	Queen Victoria Market Risk Register

A Committee member indicated that he would like to further discuss one of the responses he received and it was agreed this would occur after the meeting.

Outcomes/Actions:

1. All the above reports were taken as read.
2. Management to address the Committee member’s question regarding 10.4 after the meeting.

6 Annual Work Plan

The Annual Work Plan was noted, with consideration that the Work Plan could change depending on the view of the Committee. A Committee member commented on the increasing number of items listed in the Work Plan.

The Committee proposed setting up a subcommittee to review the Annual Work Plan.

Outcomes/Actions:

1. That the Committee and management form a sub committee to review the Annual Work Plan and present a revised plan back to the November meeting.

7 CEO Briefing

7.1 CEO update (verbal)

The Chief Executive Officer presented an update on the Council Plan and Budget. The Council Plan includes six strategic objectives and 52 major initiatives. Scoping for each initiative will include clearly defined outcomes, expectations, key milestones and deliverables.

The Committee congratulated the Chief Executive Officer, and his team on delivering the Council Plan.

The Chief Executive Officer provided an update on the capital works program, highlighting 86% delivery in 2020/21, with continued focus on project management process improvement. Lastly, he spoke to the Enterprise Agreement negotiations and an outstanding issue relating to the length of the agreement.

Outcomes/Actions:

1. The Committee noted the Chief Executive Officer's report.

8 Risk Management

8.1 City Recovery and Reactivation Quarterly Risk Report

Outcomes/Actions:

1. The Committee noted the report as read.

8.2 Quarterly Risk Management Report

The Director Governance, presented the report, stating that once the new Coordinator Risk Management is recruited that there is a plan to review risk arrangements in the later part of 2021. The internal review will link into the review of Council's strategic risks, with particular focus on how it relates to the new Council Plan.

In the meantime the current Risk Management Framework and associated Strategic Risks remain in place and will continue to steer Council's approach.

The Committee made an observation that there had been significant staff turnover in the Risk Management team through both retirements and resignation. They commented that it was pleasing to see that Risk Management responsibility is now incorporated into the Council's (General Manager's) position descriptions, which is a change that can be attributed to the internal audit performed last year.

A Committee member questioned whether having all operational risks categorised as being within Council's risk appetite correctly reflected management's view, and whether the risks were being

assessed appropriately. The Chief Executive Officer responded that it would be more accurate to say that the risks are known to management and mitigation strategies are in place. He added that the Strategic Risks and overall Risk Management Framework will be reviewed in the next six to nine months.

The Committee raised the topic of vaccinations and their importance to the recovery for the city. They also requested that the Strategic Risk Framework be circulated to the Committee in order for the Committee to further understand the risk appetite classifications. Chief Executive Officer commented that he is confident in managements approach to mitigating both the internal and external risks associated with vaccination rates and in the Council's ability to continue to provide essential services throughout the city.

Outcomes/Actions:

1. Management to provide a copy of the current Strategic Risk Framework to the Committee for information.
2. The Committee noted the report.

8.3 Quarterly Safety and Wellbeing Report

The Director People, Culture and Leadership, presented the report, highlighting that the COVID-19 safety plan had been revised and continues to be implemented throughout the organisation. She also commented on responses to Work Safe notifiable instances and the reduction in the lost time injury frequency rate.

The Committee thanked the Director People, Culture and Leadership for her responses to the Questions on Notice relating to materials falling from ceilings. A Committee member asked a further question on what management is doing to monitor this issue for facilities that are not specifically part of the formal condition review process? The Director People, Culture and Leadership responded that occupants are carrying out inspections of falling items should they occur and Property Services also carry out routine inspections. The Committee commented that they would like to see a more proactive approach to this issue.

The Chief Executive Officer took these comments on notice and indicated that management will report back at the Audit and Risk Committee at the November meeting.

Outcomes/Actions:

1. Management to report back to the Committee outlining what approach is being taken to address this issue in a systemic way across all facilities at the November meeting.
2. The Committee noted the report.

8.4 Cyber Metrics Report

The Chief Digital Officer presented the report and introduced the Lead Applications Operations. The Chief Digital Officer was pleased to report no breaches or significant security cyber incidents. In relation to the Cyber Security audit report, four of the five recommendations have been completed, with the final recommendation due for completion in October. Chief Digital Officer will report back to the Committee in November with a summary of the outcomes and actions taken.

A Committee member questioned whether there was a penetration testing plan for both internal and external systems. The Lead Applications Operations Officer responded with details of the testing arrangements.

The Committee asked whether Council have audit rights in their supplier contracts that require suppliers to provide their audit reports to Council. Management responded accordingly.

The Committee questioned what measures were in place to protect Council data once it was provided to third parties. How does Council mitigate against Council data being lost or attacked when in the possession of third party providers? Due to time limitations, the questions were taken on notice, to be addressed at the November meeting.

Outcomes/Actions:

1. Chief Digital Officer to present a report at the November meeting outlining the outcomes and actions taken as a result of the Cyber Security audit report, specifically including a response to the Committee's question regarding third party data security.
2. The Committee noted the report.

8.5 QVM Precinct Renewal Program Risk Summary Report

The Director City Projects, presented the report, highlighting risk #44 relating to disruption and impacts to the Market. There is a focus on maintaining a safe environment for traders and shoppers, as well as minimising disruptions to the Market. There is also an emphasis on consultation with traders during the planning process.

The Committee asked for further details on the trader engagement process for this project. Director City Projects responded by outlining that the engagement period will last approximately 4-6 weeks, broken up into two groups – traders that are directly affected and traders that are indirectly affected. There will be 15-20 sessions to consult with the traders on the process and risks, giving them an opportunity to provide feedback.

Outcomes/Actions:

1. The Committee note the report.

8.6 Queen Victoria Market renewal business case (verbal)

The Director City Projects, explained that due to COVID-19 and a number of other factors, the timing of presentation of the QVM business case has been deferred. Expectation is that the business case will be presented to the Future Melbourne Committee (FMC) in September.

The Committee suggested a number of aspects that the business case should consider as part of the next update.

The Director City Projects stated that the emphasis is on testing the assumptions of the original 2017 business case and focusing of the delivery plan. He indicated that budgetary impacts would be addressed through the business case process.

The Chief Executive Officer addressed the Committee's question, citing patronage and rent relief as two factors that may impact the business case. 'What-if' scenarios are currently under consideration.

The Committee suggested using the Risk Register to assist in highlighting relevant issues. This would assist them to understand that the risks are being assessed and addressed on an ongoing basis.

Outcomes/Actions:

1. Management to provide a further update in the November meeting, including information relating to the business case due to be presented to FMC in September.

8.7 Combustible Cladding update

The Municipal Building Surveyor, presented the report, highlighting the work that has been done to assess the three 'extreme risk' buildings and the action resultant from the assessments.

A Committee member asked whether management is now confident that they were clear on the magnitude of the problem. The Municipal Building Surveyor responded that it wasn't Council's responsibility to carry out the audits so he couldn't say definitively if this was the end of the problem, stressing that only high risk buildings were included in the scope of the audits. In terms of the known issues, Council are dealing with those.

Outcomes/Actions:

2. Committee requested ongoing updates due to the magnitude of the issue.
3. The Committee noted the report.

8.8 Insurance renewal report for 2021-22

The Director Governance, presented the report. Specifically commenting on the increase in premiums of Councillor and Officer Insurance; citing market factors as predominant drivers of the increase. Also mentioned were changes to general liability and professional indemnity insurance.

The Committee spoke to the Cyber Security Policy, which stipulated that Council is required to install new upgrades for Microsoft Exchange users within 60 days of the updates becoming available. The Committee asked management to comment on whether Council was well placed to meet this requirement. Management confirmed that there were systems and processes in place to meet this requirement.

Outcomes/Actions:

1. The Committee noted the report

Therese Ryan left the meeting at 11:09 to attend to another matter. Stuart Hall assumed the role of Acting Chair.

8.9 Emergency Preparedness report – Exercise Seismic

The Committee emphasised that the key to being prepared for an emergency is having people that are able to think quickly and have the ability to improvise.

The Committee asked whether Council had any plans to perform an emergency simulation exercise where the normal plans are deliberately interfered with. The Director Governance explained work is underway to review Council's emergency management response arrangements and business continuity plans and that a further update would be provided at the November meeting.

Outcomes/Actions:

1. Management to provide update on forward looking Emergency Preparedness program at the November meeting
2. The Committee noted the report.

9 External Audit

9.1 External Audit Plan for year ending 30 June 2021 (verbal)

The Acting Sector Director, Local Government, VAGO, provided an update on the 2021 audit process for Council and its subsidiaries. Overall, VAGO do not see any major issues arising as a result of the 2021 audits, which are still in the process of being finalised.

9.2 Status Report on Open Audit Actions (verbal)

The Acting Sector Director, Local Government, VAGO, provided an update on the Open Audit Actions, noting that there were no moderate or high rated management letter points resulting from the 2021 audits. The final management letter will be presented at the September meeting.

9.3 Recently Released Performance Audit Reports (verbal)

Performance Audit Director, Local Government, VAGO provided on the current and future performance audit program.

The Chair asked that going forward, VAGO provide a written report relating to this item, as it is helpful to receive the information in advance to consider before the meeting. Performance Audit Director indicated that VAGO prepares a monthly update of performance reports that can become part of the Committee papers.

Outcomes/Actions:

1. Audit and Compliance Specialist to work with VAGO to include a written performance report update in the Committee papers, going forward.

9.4 Fraud Awareness Notice (verbal)

Due to a resurgence of fraud incidents in the Victorian public sector. VAGO sent out a fraud alert to bring this issue to the attention of management.

10 Internal Audit Management

10.1 Internal audit status report 2020-2021 plan

Outcomes/Actions:

1. The Committee noted the report as read.

10.2 Introduction of New Internal Audit Service Provider (verbal)

The Director Governance, introduced PwC as Council's new internal audit service provider and welcomed Chris Braithwaite and Brett Wong, from PwC.

10.3 Internal audit plan 2021-2024

PwC presented the 2021-2024 Internal Audit Plan for the Committee's endorsement.

The Committee expressed its appreciation that the changes that were discussed as part of the consultation process were incorporated into the plan, adding that the initiative to include business funded items was a positive development, as it ensures that the audit function remains relevant to the business. The Committee asked for confirmation that the business funded items will follow the same process and be accountable to the Committee. Management confirmed this will be the case.

The Committee noted that it liked the additional depth of the reviews and the reduced number of reviews, which will be an opportunity for the internal audits to add greater value to Council.

The Committee praised PwC for picking up on some key risks areas, such as Procurement and Cyber Security.

A Committee member referred to item 21 in the Plan, review of the Melbourne City Revitalisation Fund, to reiterate the importance of this review in providing confidence that the allocation of the funds will be in accordance with policy. PwC confirmed that following the Committee's previous feedback, and in consultation with the CEO, this review had been moved to earlier in the Internal Audit program.

Outcomes/Actions:

1. The report was noted and endorsed by the Committee
2. Cr. Hakim to raise the 2021-2024 Internal Audit Plan with Councillors for their information.

10.4 Status Report on Open Audit Actions

Outcomes/Actions:

1. The Committee noted the report as read.

10.5 Purchasing and Tendering (Procurement) - Status update following internal audit

Outcomes/Actions:

1. The report was deferred to the November meeting.

10.6 Southbank Boulevard – Status update following internal audit (verbal)

The Director City Projects, provided an update in regards to the Southbank Boulevard audit findings. The findings were based on project life cycle management. Of the 11 findings identified during the audit, 8 have been actioned and the remaining 3 are in progress, either being close to implementation or in some form of implementation. Key highlights include implementation of a project management framework; identifying the right sponsors, defining roles and responsibilities and establishing governance at a project level.

Outcomes/Actions:

1. Management to provide a written report on the final implementation of the audit report findings at the February 2022 meeting.

11 Internal Audit Reviews Completed

11.1 Building Legislation

NTT spoke to the report which received a 'Requiring Improvement' rating. NTT noted that the findings were much improved in comparison to the previous audit, with three medium findings and two improvement opportunities. The audit revealed inconsistencies between the documented processes and actual practise, as well as, risks associated with manual data entry.

The Municipal Building Surveyor stated that the audit was a valuable learning opportunity, with no major surprises arising from the audit.

Outcomes/Actions:

1. The Committee noted the report.

11.2 Employee Health and Wellbeing

NTT spoke to the report, which received a 'Requiring Improvement' rating. NTT noted that there were two medium findings and two improvement opportunities. Some documentation exists, but as yet there are no key health, safety and well-being initiatives and targets. Specialised training recommended and automation of processes.

The Director People, Culture and Leadership, indicated that this was an ongoing work in progress, with systems being the biggest challenge and was pleased with the overall outcome of the audit.

The Committee noted that the workforce interview sample was small, further commenting that safety is as much a cultural issue as a management issue so testing the engagement of the workforce is important.

Outcomes/Actions:

1. The Committee noted the report.

The Committee thanked NTT for their work. NTT left the meeting at 11:51

Therese Ryan returned to the meeting at 12:06. Geoff Harry took over as Chair for the remainder of the meeting.

12 Financial Performance and Reporting

12.1 Update on Year End Financial Close for the Group (verbal)

The Chief Financial Officer, provided a verbal update on Year End Close. The Financial Statements and Performance Report are progressing well, with Council still finalising matters relating to the Enterprise Agreement and the Reactivation Fund. Both Council and subsidiaries are well placed to finalise Year End Close on time.

The Committee raised the point of timing of the Group Financial Reporting for the September meeting. The Committee suggested the following timeline for the submission of the Annual Financial Report and Annual Performance Plan:

- Advanced draft of AFR to be circulated to the Committee by 17 August (financials only, not meeting pack)
- Members to provide feedback to the Chair by the 20 August
- Chair to collate member feedback and provide consolidated feedback to management by 24 August
- General meeting pack to be distributed to the Committee by 20 August, noting the revised draft AFR will be provided after the consolidated feedback is sent to management on 24 August.

Director Finance & Investment, confirmed that the timeline, targeting 17 August, is achievable and is supportive of the timeline.

Outcomes/Actions:

1. Management to provide Committee with the consolidated Annual Financial Report and Performance Report as per the agreed timeline above.

13 Internal Control Framework

13.1 Internal Control Framework and Overarching Governance Principles

The Director Governance, presented the report, highlighting that the review of the Accounts Receivable policies had been deferred, to allow more time for a comprehensive review.

The Committee made an observation that the Procurement Policy was not included in the report schedule and the Appendix doesn't include key internal control framework areas.

Outcomes/Actions:

1. The Chair to meet with management to review Appendix and consider potential improvements, with an update to be provided at the November meeting.
2. The Committee noted the report.

13.2 Wholly Owned Subsidiary Governance Protocol

A copy of the Protocol, adopted at the Council meeting held on 27 July was discussed.

The Committee requested that the Protocol be reviewed and that any resultant reporting obligations are added to the Annual Work Plan

Outcomes/Actions:

1. The report was noted on the basis that the Protocol is reviewed and any resultant reporting obligations are added to the Annual Work Plan

13.3 Review of Investment and Strategic Income Policy (verbal)

The outcomes of the actions arising were noted in Item 5.1 Status of matters arising as at 12 July 2021, where it was noted that the Investment and Strategic Income Policy is subject to an annual review.

Outcomes/Actions:

1. The Investment and Strategic Income Policy will be subject to an annual review

14 Governance and Compliance

14.1 Legislative Compliance Report

The Director Governance, presented the report, highlighting that Council's insurance policies are reviewed as part of the annual renewal process to ensure that risk are appropriately covered. There were no significant compliance matters reported in the period.

A Committee member asked whether management is confident that Council's exit process for staff is robust. Director Governance responded that although we have a degree of confidence in the current system, the new HR system will streamline this process and provide greater assurance.

Outcomes/Actions:

1. The Committee noted there were no significant compliance matters reported in the period.

14.2 Governance and Claims Report

Outcomes/Actions:

1. The Committee noted the report.

15 Subsidiary company reporting

15.1 Queen Victoria Market quarterly report

Outcomes/Actions:

The Committee noted the report and took it as read.

15.2 Queen Victoria Market Internal Audit Program Timetable

Outcomes/Actions:

The Committee noted the report and took it as read.

15.3 Queen Victoria Market Risk Register

Outcomes/Actions:

The Committee noted the report and took it as read.

15.4 Citywide Service Solutions Quarterly Report

The Committee noted Citywide's improved performance in Occupational Health and Safety.

Outcomes/Actions:

1. The Committee noted the report and took it as read.

15.5 Citywide's Business acquisition approval requirements

The Committee was pleased that an approval process was in place. The Chief Financial Officer, noted that the process was in place at the time of acquisition, as evidenced in the report.

Outcomes/Actions:

1. The Committee noted the report.

15.6 Citywide Service Solutions DJPR Sanitation Contract

Outcomes/Actions:

1. The Committee noted the report.

16 Integrity body Reports

16.1 Findings from Integrity Agencies 1 January 2021 to 31 March 2021

This report was previously prepared by NTT. Going forward, PwC will prepare the report as part of their Internal Audit Contract.

Outcomes/Actions:

1. The Committee noted the report.

16.2 OV Report on Melton City Council's Engagement of Outsourced IT Services Supplier

The report is presented to provide confidence to the Committee that issues raised in this report have been anticipated by Council and there are systems in place to mitigate such risks.

The Committee raised a question whether Council has a clearly defined Code of Conduct in place, specifically in relation to Conflicts of Interest. The Chief Financial Officer responded that Council has very clear rules around Conflicts of Interest, including appropriate forms that are completed and signed off as part of an annual process.

Outcomes/Actions:

1. Management to investigate opportunities to strengthen these arrangements and provide an update at the November meeting.
2. The Committee noted the report.

16.3 OV Report on How Councils Respond to Ratepayers in Financial Hardship

The report was presented by Director Property, highlighting that Council has several measures in place to support ratepayers in financial hardship. The Committee noted that this was a positive report for Council.

The Committee suggested that it would be worthwhile for management to reach out to Yarra Valley Water who have benchmark level processes in this area. Management agreed to do so.

Outcomes/Actions:

1. The Committee noted the report

17 Matters for presentation to the next/upcoming Council meeting

17.1 Annual Audit and Risk Committee Activities Report 2020-2021 (verbal)

The Chair to present the draft report at the September meeting to allow members an opportunity to review the proposed content of the report.

18 Discussion on Meeting Outcomes

Reflecting on the Procurement Policy, the Chair asked the management to consider which policies should be reviewed by the Committee, prior to going to Council. The Chair suggested that the Appendix in Item 13.1 could be considered as a vehicle to capture which policies will go through the Committee for review.

Outcomes/Actions:

1. The Director Governance agreed to review the Appendix in Item 13.1 to consider which policies are to be included for Committee review, as well as the timing of when such items come to the Committee.

19 Future Meetings

19.1 Proposed Audit and Risk Committee meeting schedule for 2022 – 2023

Outcomes/Actions:

1. The schedule was approved by the Committee and the report was noted.

19.2 Next Meeting – 3 September 2021 (Finance meeting) (verbal)

The Chair noted that there has been some movement in the agenda and its structure, which the Chair anticipates will now stabilise, resulting in opportunities to consolidate some of the items.

The Committee reflected that the Questions on Notice process requires further improvement, and requested that management's responses be provided to the members at least two days before the meeting.

The Committee noted that having two weeks to review the papers is an appropriate timeframe.

The Chief Executive Officer commented that the agenda was long, which curtailed the opportunity for more in-depth discussion. The Chair agreed that it is a challenge to manage the length of the agenda. Additionally, the Chief Executive Officer emphasised that a continued strong focus on Cyber Security is required given the substantial risks associated with this area.

Outcomes/Actions:

1. Management to provide written responses to Questions on Notice no later than two days prior to the meeting.
2. Chair, in conjunction with management, to consider addressing the length of the agenda
3. Cyber Security to be included in every meeting, apart from the Special meeting

20 Committee meeting with External and Internal Audit in the absence of management

Deferred to September meeting.

21 Meeting close

The meeting closed at 13:06

Chairperson
Audit and Risk Committee
City of Melbourne