



Minutes of the Audit and Risk Committee Held in the Kingston Room, Civic Centre, 24 Jetty Road, Brighton on Wednesday 14 May 2025 at 6.00pm

MEMBERS PRESENT

Presiding Member - Councillor J Smedley
Councillor R Snewin
Ms P Davies
Ms C Garrett
Mr D Powell

GUESTS

Ms Janna Burnham, Partner, Galpins

STAFF IN ATTENDANCE

Chief Executive Officer – P Jackson
General Manager, Strategy and Corporate – S Wachtel
Manager Finance – Mr C Blunt
Manager Strategy and Governance – Mr S Boyd

1. OPENING

The Chairman declared the meeting open at 6.00pm.

2. KAURNA ACKNOWLEDGEMENT

We acknowledge Kurna people as the traditional owners and custodians of this land.

We respect their spiritual relationship with country that has developed over thousands of years, and the cultural heritage and beliefs that remain important to Kurna People today.

3. APOLOGIES

3.1 Apologies Received - Nil

3.2 Absent - Nil

4. DECLARATION OF INTEREST

Members were reminded to declare their interest before each item.

5. CONFIRMATION OF MINUTES

Motion

That the minutes of the Audit and Risk Committee held on 12 February 2025 be taken as read and confirmed.

Moved by D Powell, Seconded by C Garrett

Carried

6. ACTION ITEMS

The Action Items were tabled and discussed.

Leave of meeting

The Presiding Member sought leave of the meeting to move Item **8.2 Internal Audit Program Report – May 2025** in the Agenda to be considered after Item 6.

Leave of the meeting was granted.

8.2 Internal Audit Program Report – May 2025 (Report No: 128/25)

The risk-based audits scheduled for the Internal Audit Program 2024-25 are on track.

In addition, the 'Audit Recommendations Outstanding Actions Update' is attached in three parts, highlighting those actions that are either completed, in progress or not yet implemented.

Motion

That the Audit and Risk Committee notes this report.

Moved D Powell, Seconded C Garrett

Carried

Ms Burnham left the meeting at 6.39pm.

7. PRESENTATIONS - Nil

8. REPORTS BY OFFICERS

8.1 Standing Items – May 2025 (Report No: 122/25)

The Audit and Risk Committee is provided with a report on standing items at each ordinary meeting.

Motion

That the Audit and Risk Committee advises Council it has received and considered a Standing Items Report addressing:

- **Monthly Financial Statements**
- **External Audit**
- **Public Interest Disclosures**
- **Economy and Efficiency Audits**
- **Council Recommendations**
- **Audit and Risk committee meeting schedule**

Moved C Garrett, Seconded Cr Shewin

Carried

Item 8.2 on the Agenda was considered after Item 6, as per leave of the meeting granted.

8.3 Risk Report – May 2025 (Report No: 129/25)

A review of the Strategic Risk Register and high operational risks was undertaken in line with Council's Risk Management Policy and ISO31000 (2018), to ensure an accurate reflection of the current risk position across the business, scoping both business risks and opportunities.

Motion

That the Audit and Risk Committee notes this report.

Moved C Garrett, Seconded P Davies

Carried

8.4 Draft Long Term Financial Plan 2025 - 2035 (Report No: 125/25)

The Long Term Financial Plan (LTFP) has been reviewed and updated to include the Draft 2025-26 Annual Business Plan, 2023-24 Audited Financial Statements, and budget updates to 31 December 2024. The projections in the LTFP indicate council remains in a sound financial position.

The LTFP has also been informed by the latest Asset Management Plans and direction from Council regarding its commitment to financial sustainability. A number of assumptions have been reviewed in updating the plan and these are detailed in the report.

The Draft Long Term Financial Plan 2025-35 is presented for recommendation to Council of its endorsement and release for community engagement.

Motion

That the Audit and Risk Committee notes the Draft Long Term Financial Plan 2025 - 2035 and supports its presentation to Council for community consultation.

Moved C Garrett, Seconded P Davies

Carried

8.5 2025-26 Draft Annual Business Plan (Report No: 124/25)

The Draft 2025-26 Annual Business Plan is presented for noting ahead of its release for community engagement. It has been developed having regard to the *Our Holdfast 2050+* Strategic Plan, Asset Management Plans, Long Term Financial Plan and directions provided by Council.

The draft budget has been developed with a general rate increase of 4.95% and satisfies Council's financial sustainability and performance measures.

This year, the 2025-26 Annual Business Plan is due for Council consideration on 22 July, after the close of the 2024-25 financial year. This necessitates a resolution from Council to allow it to continue the 2024-25 Annual Business Plan from 1 – 22 July.

Consultation results on the Draft 2025-26 Annual Business Plan are due for review by Council's Audit and Risk Committee on 16 July 2025.

Motion

That the Audit Committee notes the Draft 2025-26 Annual Business Plan and supports its presentation to Council for community consultation.

Moved D Powell, Seconded Councillor Snewin

Carried

8.6 2025-25 Financial Year External Audit Interim Report (Report No: 123/25)

The Auditors Dean Newbery have provided an interim report which highlights areas for improvement for the 2024-25 external audit.

This has been considered by Administration and an action plan has been developed in response to the issues raised.

Motion

That the Audit and Risk Committee:

- 1. notes the Interim Report – 2024-25 Financial Year External Audit provided by Dean Newbery; and**
- 2. notes the actions proposed to address the Interim Report.**

Moved C Garrett, Seconded P Davies

Carried

8.7 2024-25 Assets Revaluation Update (Report No: 126/25)

This report updates the Audit and Risk Committee on the outcome of the 2024-25 Asset Revaluation for the Council's Transport assets.

Motion

That the Audit and Risk Committee advises Council that it has received and noted the reports from Private Public Property on the 2024 -25 revaluation of Transport assets.

Moved C Garrett, Seconded Councillor Snewin

Carried

8.8 New Borrowings 2024-25 (Report No: 133/25)

Council secured \$25 million in new borrowings from the Local Government Finance Authority, consisting of a \$15 million Cash Advance Debenture (CAD) for flexible, short-term cashflow management, and a \$10 million fixed-term loan over 15 years at 5.39%. These borrowings align with Council's Treasury Management Policy, which promotes a diversified and flexible debt approach.

Motion

That the Audit and Risk Committee notes the update on new borrowings of \$25 million secured with the Local Government Finance Authority.

Moved C Garrett, Seconded P Davies

Carried

8.9 Cyber Security Penetration Testing (Report No: 127/25)

The 2025 penetration test, conducted by CyberCX, shows a significant improvement in the City of Holdfast Bay's cybersecurity posture compared to 2022.

Motion

That the Audit and Risk Committee notes this report.

Moved C Garrett, Seconded P Davies

Carried

9. URGENT BUSINESS – SUBJECT TO THE LEAVE OF THE MEETING - Nil

10. CONFIDENTIAL ITEMS – Nil

11. DATE AND TIME OF NEXT MEETING

The next meeting of the Audit and Risk Committee will be held on Wednesday 16 July 2025 in the Kingston Room, Civic Centre, 24 Jetty Road, Brighton.

12. CLOSURE

The Meeting closed at 7.39 pm.

CONFIRMED 16 July 2025

PRESIDING MEMBER