

**6.6 Referred Documents from 14 November 2025 ARC****Report Author:** Verity McGregor, (Acting) Integrity and Audit Coordinator**Report Presenter:** David Thompson, Director Governance and Legal**Executive Leader:** Mans Bassi, Chief Operating Officer**Executive Summary**

1. This report informs the Council about the outcomes of the City of Melbourne Audit and Risk Committee (the Committee) meeting held on 14 November 2025.
2. The Committee is an advisory committee of Council established in accordance with section 53 of the *Local Government Act 2020* (the Act).
3. It is a requirement under the Audit and Risk Committee Charter to forward the unconfirmed minutes from the Committee meeting to Council.

**Recommendation from management**

4. That Council resolve to receive the unconfirmed minutes of the Audit and Risk Committee meeting held on 14 November 2025.

**Purpose**

5. The purpose of this report is to inform the Council about the outcomes of the Audit and Risk Committee (the Committee) meeting held on 14 November 2025.

**Background**

6. The Committee Charter requires to forward the unconfirmed minutes from the Committee to Council.

**Key considerations**

7. **Attachment 1** includes the unconfirmed minutes of the 14 November 2025 Audit and Risk Committee meeting. The items considered included:
    - 7.1 Quarterly Risk Management Report
    - 7.2 CoM Risk Management Framework and roadmap of initiatives
    - 7.3 Business Continuity Management
    - 7.4 Workplace Health and Safety
    - 7.5 Annual Safe City Camera Report
    - 7.6 Status Report on Open Audit Actions
    - 7.7 Internal Audit Plan status report
    - 7.8 Internal Audit Report – Community Engagement Methodology
    - 7.9 Internal Audit Scope – Cybersecurity
    - 7.10 Internal Audit Scope – Events Management
    - 7.11 VAGO Status Report
    - 7.12 VAGO Final Management Letter for 2024/25
    - 7.13 Status of Management Letter Actions
    - 7.14 Quarterly Financial Report
    - 7.15 Project Management Report
    - 7.16 Internal Control Framework review schedule
    - 7.17 Fraud and Corruption Control Framework and Procedures
    - 7.18 Legislative Compliance Report and revised Draft Compliance Management Framework
    - 7.19 Governance and Claims Report
    - 7.20 Findings from Integrity Agencies
    - 7.21 Management and Exercise of delegations – Annual Report
    - 7.22 Review of Policies
    - 7.23 Queen Victoria Market Quarterly Report
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## 7.24 Citywide Service Solutions Quarterly Report

### **Legal**

8. There are no direct legal implications as a result of the recommendation from the management.

### **Finance**

9. There are no financial implications as a result of the recommendation from management.

### **Conflict of interest**

10. 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 .

### **Charter of Human Rights and Responsibilities**

11. 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.

### **Health and Safety**

12. In developing this proposal, no occupational health and safety issues or opportunities have been identified

### **Consultation**

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

### **Relevance to Council Plan and Council Policies**

14. The Committee's role is to report to Council and provide appropriate advice and recommendations on matters relevant to its Charter to facilitate decision making by the organisation comprising Council and management, in relation to the discharge of its responsibilities.

### **Social and environmental impacts**

#### Social impacts

15. There is no significant social impact as a result of this report.

#### Environmental impacts

16. This report has no significant impact in environmental sustainability

### **Gender Impact Assessment**

17. A Gender Impact Assessment is not required for this report

### **Attachment List**

1. NOV 25 ARC Minutes of Meeting 14 November 2025 - Final [6.6.1 - 10 pages]

## UNCONFIRMED MINUTES

### MINUTES OF THE MEETING OF THE CITY OF MELBOURNE AUDIT AND RISK COMMITTEE Friday 14 November 2025

<b>Commencement – 9:40am</b>	
<b>Present</b>	
<b>Members</b>	
Jen Johanson	Chairperson and Independent Member
Andrew Dix	Independent Member
Rachel Thomson	Independent Member
Bruce Potgieter	Independent Member
Cr Davydd Griffiths	Councillor Member
Cr Philip Le Liu	Councillor Member
Cr Dr Owen Guest	Councillor Member
<b>External Attendees</b>	
Chris Wong	External Auditor, VAGO
Chris Braithwaite	Internal Auditor, Partner, Scyne Advisory
Rishab Jain	Internal Auditor, Scyne Advisory
<b>City Officers</b>	
Alison Leighton	Chief Executive Officer
Mans Bassi	Chief Operating Officer
Rushda Halith	General Manager Community and City Services
Rebecca Skelton	Chief Customer and Communications Officer
Rick Kwasek	General Manager Infrastructure and Amenity
Kirsty Pearce	Chief of Staff Office of the CEO
Lincoln Tong	Chief Financial Officer
Alan Wilson	Financial Controller
David Thompson	Director Governance and Legal
Manoja Ratnayake	Acting Manager Integrity, Risk and Audit
Verity McGregor	Acting Integrity and Audit Coordinator
Lisa Hucker	Risk Management and Business Continuity Lead
<b>Guest Presenters</b>	
Lisa Hucker	Risk Management and Business Continuity Lead
Joanna Giannini	Chief People Officer
Anthea Spinks	Director Community Development
Elizabeth Manou	Manager Governance
<b>Apology</b>	
Justin Randle	Director Enterprise Planning and Insights
Travis Derricott	External Auditor, Sector Director, VAGO
Evan Counsel	General Manager Strategy Planning and Climate Change
Ali El-Hassan	Enterprise and Strategic Risk Team Leader

## UNCONFIRMED MINUTES

**1. Welcome to meeting and acknowledgement of traditional owners**

The meeting commenced at 9:38am. The Chair provided an Acknowledgement to Country.

**2. Apologies**

Apologies for the meeting:

- Justin Randle - Director Enterprise Planning and Insights
- Evan Counsel - General Manager Strategy Planning and Climate Change
- Travis Derricott - External Auditor, Sector Director, VAGO
- Ali El-Hassan - Enterprise and Strategic Risk Team Leader

**3. Declaration of conflict of interest**

**3.1. Independent Members Register of Interests**

There were no declarations of conflicts of interests.

**4. Confirmation of Minutes from Previous Meeting**

**4.1. Confirmation of Minutes of Meeting held on 17 September 2025**

The Minutes of the meeting held on 17 September 2025 were confirmed as a true and correct record on the motion of Rachel Thomson and seconded by Bruce Potgieter.

Outcomes/Actions:

1. The Audit and Risk Committee confirms the minutes as a true and correct record of the proceedings of the meeting held on 17 September 2025.

**4.2. Reports Taken as Read \* (Verbal)**

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 and therefore taken as read were:

Item	Reports Taken as Read
5.1	Status of Matters Arising as at 29 October 2025
8.5	Annual Safe City Camera Report
9.2	Internal Audit Plan Status Report
10.1	VAGO Status Report
13.1	Legislative Compliance Report and Revised Draft Compliance Management Framework
13.2	Governance and Claims Report
14.1	Queen Victoria Market Quarterly Report
14.2	Citywide Service Solutions Quarterly Report
15.2	ARC Continuous Improvement Plan – Progress Report

Outcomes/Actions:

1. The above reports were taken as read.

## UNCONFIRMED MINUTES

### 5. Matters arising

#### 5.1. Status of matters arising as at 29 October 2025

The Committee members confirmed the questions regarding the matters arising from previous meetings have been resolved.

Outcomes/Actions:

1. The Audit and Risk Committee notes the report and endorses the listed closures.

#### 5.2. Matters considered out of session (verbal)

The Chair and Independent Members met with the Risk Team to consider improvements in the format of the Quarterly Risk Report. The changes and improvements have been endorsed and will reflect as of the February 2026 ARC meeting.

The Chair met with:

VAGO, the CEO, the Acting Manager of Integrity, Risk & Audit and the Acting Integrity & Audit Coordinator, as well as the Internal Auditor's - Scyne out of session.

Outcomes/Actions:

1. The Audit and Risk Committee notes the matters considered out of session since the last meeting in September 2025.

### 6. Annual Work Plan (AWP)

#### 6.1. Review Progress of Annual Work Plan 2025/26

The Audit and Risk Committee requested the below items be added to the Annual Work Plan 2025-2026.

Outcomes/Actions:

1. The Audit and Risk Committee notes the report.
2. **ACTIONS:** Add to the Annual Work Plan:
  - a) The Long-Term Financial Plan be presented in the February 2026 meeting and not in May. This will pre-empt the budget preparation process and provide assurance all is on track.
  - b) A Presentation of the Strategic Council Plan to the Committee in February.
  - c) Review of the Annual Work Plan to remove non-necessary items.
  - d) Move item 49 of AWP – External Auditor Scope of Work to February 2026 not May 2026.
  - e) Preparation for Valuations report by Finance in May 2026 (Valuation Methodology Report).

### 7. CEO Briefing

#### 7.1. CEO Update

The CEO provided an update on various matters since the Committee meeting in August 2025. Matters highlighted included but were not limited to:

- Project Mobius and various steps required to complete the sale
- Customer Satisfaction Score (CSAT) Performance
- Customer Metrics Dashboard

Outcomes/Actions:

1. The Audit and Risk Committee notes the CEO's Report.

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### 8. Risk Management

#### 8.1. Quarterly Risk Management Report

The Director of Governance and Legal provided an overview of the Quarter Four Risk Management Report and informed the committee the work undertaken to change the format of the Quarterly Risk Management Report. The refresh of the report will focus on risk appetite incorporating trend analysis to identify systemic issues ahead of time. These changes were developed in consultation with the Committee Members. The strategic risks are being reviewed to align with the new Council Plan.

The Committee requested a presentation of the emerging risks regarding the CoM's approach to AI (Artificial Intelligence). The Chief Operating Officer confirmed that a development of a CoM policy is in progress. This will be presented to the Committee upon completion by the Chief Technology and Information Officer (CTIO).

The Committee asked for a comparative report discussing what they are seeing elsewhere and how AI is impacting budget planning and potential resourcing changes to be presented by Scyne.

#### Outcomes/Actions:

1. The Audit and Risk Committee notes the report.
2. **ACTION:** CTIO to present the AI policy and strategy to the Committee at the May 2026 meeting.
3. **ACTION:** Scyne to present a comparison report regarding AI implications and impacts on budget planning and resourcing changes at February 2026 meeting.

#### 8.2. CoM Risk Management Framework and roadmap of initiatives

The Director of Governance and Legal commented that the workshops for the MLT are being held currently to uplift Risk Management at CoM. The Committee noted its desire for assurance that risk methodology and practices are being prioritised at the highest levels of organisation (ELT and Councillors). The Committee expressed the interest in understanding ELT perspective on risk maturity throughout the organisation and how the risk culture is being rolled out – the Committee would like to see the results of the Risk Maturity Survey.

#### Outcomes/Actions:

1. The Audit and Risk Committee notes the report.

#### 8.3. Business Continuity Management

The Risk Management and Business Continuity Lead provided an update and a brief overview of the report. The Committee was pleased with the inclusion of Third Party Dependencies in the report and found the clarity around these important and critical.

#### Outcomes/Actions:

1. The Audit and Risk Committee notes the report.

*The Guest presenter, the Chief People Officer (CPO) Joanna Giannini for agenda item 8.4 arrived at the meeting at 10:08am.*

#### 8.4. Workplace Health and Safety

The Chief People Officer took the report as read. The Committee was pleased to see the hazard reporting trend increase as it demonstrates a more proactive reporting culture. The Committee inquired whether there are any items that are anticipated to trigger more concern. The Chief

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People Officer noted the Psychosocial obligations come into effect very shortly but does not expect this will change reporting within the CoM. It was also noted that, as there is a significant amount of legislation compliance required, our approach is to assess risks holistically rather than using the legislation as a driver for risk reporting.

### Outcomes/Actions:

1. The Audit and Risk Committee notes the report.

*The CPO, Joanna Giannini retired from the meeting at 10.20am.*

### **8.5. Annual Safe City Camera Report**

### Outcomes/Actions:

1. The Audit and Risk Committee notes the report.

## **9. Internal Audit Management**

### **9.1. Status Report on Open Audit Actions**

The Acting Manager Integrity, Risk and Audit introduced the report and stated that there is currently work in progress to improve the communication to the owners of the open audit items to provide more timely and detailed updates relevant to the progress status of their items.

The Committee highlighted the importance of improvement in the commentary by audit item owners to give better progress comments for open audit items. If an implementation date is approaching, it is expected a notation be made of progress and percentage and if the item is on-track for completion to the deadline. Updates need to be provided on time for reporting purposes. Updates are subject to the capability of the tool the CoM uses to track and report on the audit process.

### Outcomes/Actions:

1. The Audit and Risk Committee notes the report.
2. **ACTION:** Explore possibilities to improve Audit Action reporting and review Maroondah City Council's status report for open audit items.

*The Guest presenter, Director Community Development, Anthea Spinks for agenda item 9.3 arrived at the meeting at 10:23am.*

### **9.2. Internal Audit Plan status report**

### Outcomes/Actions:

1. The Audit and Risk Committee notes the report.

### **9.3. Internal Audit Report – Community Engagement Methodology**

The Internal Auditor from Scyne Advisory presented the report to the Committee. The Director of Community Development stated that the team found the process productive and collaborative. This report has been shared with Directors.

The Committee asked about the level of difficulty to reach best practice and implementing recommendations to take us to exemplary standard. Scyne Advisory stated that the recommendations were designed to achieve the exemplary status and that Scyne Advisory is comfortable with the actions that have been defined.

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The General Manager of Community and City Services commented on the strong position the CoM is in, noting the work undertaken to meet the requirements.

In response to a question from the Committee regarding the quality of data based on the volume of responses we receive through community engagement, Scyne Advisory assured the Committee that the new model is intended to strengthen and enhance this area.

The General Manager of Community and City Services commented upon the difficulties in getting people to engage. Further, the team was exploring ways to enhance outreach to the community.

The Committee expressed the view enhancements were required on the manner in which CoM engaged with the community. The Committee suggested CoM needed to ensure the 'silent majority' were given adequate opportunity to provide the gift of feedback to CoM.

The Committee welcomed the opportunity to be actively engaged when the scope for an internal audit was being drafted.

### Outcomes/Actions:

1. The Audit and Risk Committee notes the report.

*The Director Community Development retired from the meeting at 10.44am.*

### **9.4. Internal Audit Scope – Cybersecurity**

The internal Auditor, Partner - Scyne Advisory presented the report and referenced the compliance framework and the active application of the protective data security framework.

The Committee appreciated the responses given via Question on Notice regarding the assurance around operational effectiveness. The Committee requested that the next internal audit on Cybersecurity include an assessment of operational effectiveness. The Committee stated that the report should provide the assurance that an adequate second level of defence has been designed and implemented. Scyne commented that the scope is testing the efficiency levels of the controls, however it is limited by factors such as the budget and the size of the audit program.

### Outcomes/Actions:

1. The Audit and Risk Committee endorsed the report.

### **9.5. Internal Audit Scope – Events Management**

The internal Auditor Partner, Scyne Advisory presented the report and highlighted its focus on operational effectiveness testing and rigour around accountabilities.

The Committee noted the response in Questions on Notice and drew attention to the need at a functional level for this to be linked back to strategic risks.

### Outcomes/Actions:

1. The Audit and Risk Committee endorsed the report.

### **Adjournment**

*Meeting adjourned at 10:57am*

### **Resumption**

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*Meeting resumed at 11:17am*

### 10. External Audit

#### 10.1. VAGO Status Report

The report was not available.

#### Outcomes/Actions:

1. ACTION: Follow up with VAGO to be included in the mailing list.

#### 10.2. VAGO Final Management Letter for 2024/25

The External Auditor VAGO noted his report has covered all required items.

The Committee expressed their difficulty in reading these documents and asked if there is an opportunity to define a better path of delivery between Finance and VAGO. The Committee would like a clear understanding of what to expect from management in terms of valuations – assumption and methodology. The Committee requested a Valuation Methodology Paper - a planning document summarising the approach and what data is being used to avoid holding up the report and to assure the Committee that reporting is on track for September.

VAGO confirmed they are developing a different approach to the delivery of papers and expect a much better process this year.

The Chief Financial Officer acknowledges it is important to improve the transparency and planning and to provide a timeline which gives all parties an understanding of what is being delivered. The Finance Controller emphasised the importance of closing the gaps with subsidiary reporting.

#### Outcomes/Actions:

1. The Audit and Risk Committee notes the report.
2. ACTION: A Valuation Methodology Paper to be provided by the CFO for the May 2026 ARC.

### 11. Financial Performance & Reporting

#### 11.1. Quarterly Financial Report

The Chief Financial Officer expressed that he is comfortable the CoM remains on-track for a surplus of 6-8 million. EFT resourcing is currently tracking under budget. Cashflow remains at 54 million by end of September 2025 and we stand at 20 million in short term borrowings. The CFO confirmed that we are performing as we expected.

The Committee affirmed the need for the Long-Term Financial Plan with reference to the current liabilities. It needs to discuss the preparedness regarding changes in policies, assumptions and business judgements, stating - this should be part of the brief.

The Committee referred to items that do not appear in the balance sheet; yet are mentioned in the report. The CFO spoke to the presentation of the items in question. The Committee asked that the CFO review the descriptors and the categories, so it is clear to read the balance sheet more accurately.

#### Outcomes/Actions:

1. The Audit and Risk Committee notes the report.

#### 11.2. Project Management Report

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The Chief Operating Officer presented the report to the Committee. The Committee was satisfied with this presentation and the response to Questions on Notice.

Outcomes/Actions:

1. The Audit and Risk Committee notes the report.

### 12. Internal Controls Framework

#### 12.1. Internal Control Framework review schedule

The Acting Manager Integrity, Risk and Audit talked to the report.

The Committee raised for consideration, the monetary value of attendance of an employee at an event. If the value is significant and worth the attendance – the Council should pay for it.

Outcomes/Actions:

1. The Audit and Risk Committee notes the report.

#### 12.2. Fraud and Corruption Control Framework and Procedures

The Acting Manager Integrity, Risk and Audit talked to the report.

The Committee expressed satisfaction with the report content however asked that for next time it be a summary and brief explanation of any updates to the report only. No requirement to present the policy in its entirety due to its length.

Outcomes/Actions:

1. The Audit and Risk Committee notes the report.

### 13. Governance & Compliance

#### 13.1. Legislative Compliance Report and revised Draft Compliance Management Framework

Outcomes/Actions:

1. The Audit and Risk Committee notes the report.

#### 13.2. Governance and Claims Report

Outcomes/Actions:

1. The Audit and Risk Committee notes the report.

#### 13.3. Findings from Integrity Agencies

The Committee has asked that with regards to these Integrity Agency reports, a considered management response be issued, to assure the Committee that the relevant responsible owner confirms the CoM has adhered to and or complied with the relevant items referred to in the integrity reports.

The Chief Executive Officer responded with a confirmation that the request is reasonable and advised the Committee that this action will be performed in future.

Outcomes/Actions:

1. The Audit and Risk Committee notes the report.

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*Cr Le Liu retired from the meeting at 1.38am.*

*The Guest presenter, Manager Governance, Elizabeth Manou for agenda item 13.4 arrived at the meeting at 11:40am.*

### **13.4. Management and Exercise of delegations – Annual Report**

The Manager Governance confirmed the purpose of the report was to give assurance the processes detailed are in line with the Local Government Act 2020.

#### Outcomes/Actions:

1. The Audit and Risk Committee notes the report.

### **13.5. Management and Exercise of delegations – Annual Report**

The Manger Governance expressed that the CoM has addressed the gap including the prompting of the policy renewals process.

The Committee commended the report and the updates to the policies. In response to a question from the Committee regarding whether all policies are required, the Manager Governance confirmed that this is already being looked at to discern where policies can be rationalised and reduced.

#### Outcomes/Actions:

1. The Audit and Risk Committee notes the report.

*The Guest presenter for agenda item 13.4 retired from the meeting at 11:55am.*

## **14. Subsidiary company reporting**

### **14.1. Queen Victoria Market Quarterly Report**

#### Outcomes/Actions:

1. The Audit and Risk Committee notes the report.

### **14.2. Citywide Service Solutions Quarterly Report**

#### Outcomes/Actions:

1. The Audit and Risk Committee notes the report.

## **15. Other Business**

### **15.1. ARC Pulse Survey Results**

The Acting Manager Integrity, Risk and Audit took the report as read.

The Committee asked if consideration can be given to how to increase the rate of participation next time.

#### Outcomes/Actions:

1. The Audit and Risk Committee notes the report.

### **15.2. ARC Continuous Improvement Plan - Progress Report**

#### Outcomes/Actions:

1. The Audit and Risk Committee notes the report.

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### 15.3. Other Matters (verbal)

The Committee requested to have 'Reflections' placed back in the agenda.

The committee commended on the enthusiasm demonstrated by Director Community Engagement in relation to the Community Engagement Model Internal Audit Review.

#### Outcomes/Actions:

1. **ACTION:** The Audit and Risk Committee meeting agenda will list Reflections in Other Matters (verbal) for subsequent ARC meetings.

### 16. Matters for presentation to the next/upcoming Council meeting (verbal)

#### 16.1. November 2025 ARC unconfirmed minutes

### 17. Future Meetings

- 17.1. Next meeting – Friday 20 February 2025.

### 18. Meet with the Internal Audit in the absence of management

### 19. Meeting Close

The meeting concluded at 12.02pm.